Sourcemap
FDRA Webinar
June 15th, 2023
System of Record for End-to-End Supply Chain

Sourcemap is a central platform for all data collection, analysis and reporting

Supply Chain Mapping → Transaction Traceability → Risk Assessment → Continuous Improvement → Reporting

A digital solution is essential to end-to-end supply chain management

- Companies discover 20,000 upstream suppliers on average
- Tens of thousands of product SKUs and component part numbers are typical
- 100 GB per year of supporting evidence collected on average
UFLPA enforcement, one year out

<table>
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<tr>
<th>Industry Category</th>
<th>Count</th>
<th>Exam Result</th>
<th>Shipment Count</th>
<th>Value</th>
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<td>Electronics</td>
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<tr>
<td>Apparel, Footwear and Textiles</td>
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<td>Released</td>
<td>753</td>
<td>$31,780,335</td>
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<td>Industrial and Manufacturing Products</td>
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<td>Agriculture and Prepared Foods</td>
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<td>Consumer Products and Other Manufacturing</td>
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<td>Automotive and Aerospace</td>
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<td>Pending</td>
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<td><strong>Shipment Count</strong></td>
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Supply Chain Due Diligence Horizon

Regulations requiring supply chain mapping

- EU Climate Law
- EU Critical Raw Materials Act
- EU Corporate Sustainability Due Diligence
- EU Forced Labor Regulation
- France Anti Waste - AGEC Law
- Canada Forced Labor in Supply Chains Act
- Mexico Forced Labor Act
- EU Digital Product Passport
- EU Ecodesign for Sustainable Products Regulation
- EU Regulation on Deforestation
- The Netherlands Child Labour Due Diligence Act
- Norway Transparency Act
- German Supply Chain Due Diligence Act
- New York Fashion Act
- US Slave Free Business Certification Act
- US SEC Climate Disclosure
- US China Competition Bill 2.0
- US Food Safety Modernization Act
- US Inflation Reduction Act
- US CHIPS Act
- US Uyghur Forced Labor Prevention Act (UFLPA)
- France Duty of Vigilance Law
- UK Modern Slavery Act
- Australia Modern Slavery Act

2022
2023
2024

SourceMap
How it works: Supply Chain Mapping

1. **COMPANY UPLOADS ITS DATABASE OF DIRECT (TIER-1) SUPPLIERS**

2. **SOURCEMAP INVITES TIER-1 SUPPLIERS TO MAP THEIR SUPPLY CHAINS**

3. **SOURCEMAP INVITES TIER-2,3,4 SUPPLIERS TO MAP THEIR SUPPLY CHAINS**

4. **CONTINUOUS MULTI-TIER SUPPLY CHAIN DATABASE MAINTAINED IN SOURCEMAP**

```
| TIER-1 SUPPLIER | TIER-1 SUPPLIER | TIER-2 SUPPLIER | TIER-n SUPPLIER |
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Sourcemap
How it works: Transaction Traceability

1. COMPANY UPLOADS ITS BILLS OF MATERIALS AND PO’S
2. SOURCEMAP SENDS REQUESTS FOR UPSTREAM TRANSACTION RECORDS
3. SOURCEMAP CASCADES REQUESTS FOR TRANSACTION RECORDS WITH UNIQUE PO NOS.
4. CONTINUOUS MULTI-TIER TRANSACTION DATABASE MAINTAINED IN SOURCEMAP
CASE STUDY

Unauthorized Tier-2 Suppliers

**Background:** Leading footwear brand conducting discovery for its apparel and footwear products across 5 commodities, including cotton. The client decided to map T1 separately from T2 to discover which T1s sourced from which of their designated T2s. The client’s sourcing policy mandates that T1 suppliers must source from a list of approved T2 vendors.

**Outcome:** The client learned that their T1s were not sourcing from the list of approved vendors, which is against the company’s sourcing policy. 13% of T2s reported by T1s were not on the company’s approved list of vendors.

**Impact:** The client escalated this discovery to sourcing leadership to create a plan for how to better monitor and enforce T1 sourcing.
CASE STUDY
Supplier Watchlist Monitoring

**Background:** Leading apparel brand wanted to gain visibility into its upstream supply chain and identify risk within their sub-supplier network. Using our mapping platform, the apparel brand discovered over 500 sub-suppliers within weeks. Each discovered supplier was screened against Sourcemap’s entities list.

**Outcome:** The client learned that an unauthorized Tier-3 supplier discovered through our mapping process had been listed on a U.S. entities list.

**Impact:** The client worked with this Tier-2 and Tier-1 suppliers to remove the identified supplier from its supply chain.
CASE STUDY

Identification of Bottlenecks & Duplicate Contracts

**Background:** A top luxury group wanted to identify bottlenecks and consolidation opportunities within its global supply chain. The group owns multiple brands and suspected the sourcing teams at each brand had individual contracts with sub-suppliers, losing out on volume based discounts.

**Outcome:** The client identified multiple instances of bottlenecks and single points of failure within the sub-tiers of its supply chain.

**Impact:** The client began to diversify its supplier base in the sub-tiers and began negotiating with key vendors (shown in blue) at the group level vs individual brand. These measures is estimated to save them over half a million dollars annually.
THANK YOU

For more information

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