

## At a glance: The advantages of a supply chain audit

Risk reduction, added brand value, competitive advantage: There are many reasons why a supply chain audit is worthwhile.

## **RISK REDUCTION AND SAFETY**

First of all, the supply chain audits of social standards primarily concentrate on ensuring people's safety and reducing the risk of accidents. Taking responsibility is a difficult challenge for big companies. Our customers have countless options for procuring their goods. And especially when a customer enters into a business relationship with a company that is located far away, it is hard to ensure that the products in question are ultimately of high quality and have been manufactured under fair working conditions. Strategically conducted audits help to gain an overview of the company's supply chain and monitor the weak points. Follow-up audits show if these weak points have been improved.



## ADDED BRAND VALUE

A responsible supply chain results in an enhanced reputation. For example, clothing brands, especially discounters, are often criticized by NGOs or the media for socially unacceptable working conditions. Companies that have their entire supply chain audited can safely disclose all of their business relationships and face the public with self-confidence. Thanks to the seamless information provided by audits, companies can even show that their entire supply network is fair. This pays off when it comes to selling products to the end consumers who pay greater attention to fairly manufactured products and brands' engagement in social initiatives – and spread the word.

## **COMPETITIVE ADVANTAGE**

Taking responsibility helps companies stand out from the competition. Complying with a high standard that is internationally recognized and offers comparability can deliver a competitive advantage – for both companies and their suppliers. Suppliers acquire new customers with corresponding requirements, and companies reinforce their integrity and can market their brands with greater self-confidence.

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