

Procurement Risk Management

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Managing the Procurement Risk at Syensqo

Risk Procurement process aims to preserve Syensqo interests based on 4 pillars.

Internal customers not being served			
Syensqo ambitions and values not respected			
Syensqo reputation impacted			
Supply/service discrepancies	Supplier capabilities & performances	Source to Pay performance	Syensqo reputation & interests
Supplier's reputation/ sanction	Supplier qualification & selection (capacity, capabilities, structure, to perform the contract to manage risk, Part of Syensqo business in the total of supplier's turnover, etc.)	Working under standards (processes & governance)	Financial statement (cash & working capital preservation, cost reduction)
Events on supplier's site (incident, strack, flood, etc.)		Procurement service level (right category strategy, escalation support, etc.)	Syensqo's interest (legal and insurance coverage)
Economical and political events	Supplier service level	Training procurement community	Syensqo commitment (ambitions and values)
Supplier bankruptcy		Training internal customers on Procurement role and process (internal customer, onboarding, etc.)	Syensqo ESG commitment (incl. SOP, legal/regulation compliance)
Market events & evolution		IT system and digital tools (incl. Buying channel, SAP, Data Management, etc.)	Supply Chain ESG risks
!!!! Events on the logistics chain (weather, incident, etc.) are not a direct procurement risk. It is a supply chain risk to which procurement supports the risk mitigation		PSL performance (provisioning, invoicing, IC training, support, etc.)	Legal (incl. supplier dependency, new regulations, etc.)*

Managing the Supply/Service Risk Discrepancies at Syensqo

The ultimate goal of supply risk management is to ensure there will never be a shutdown or a slow down at a plant due to a supply issue.

To do so, you need to have a systematic approach based on 4 steps.



Our Procurement team ambition for 2024

Our ambition is to build a robust Procurement Risk Management Process across all Procurement BSA teams. It will help us to act as **ONE TEAM** and to build a **RISK CULTURE**. To support this ambition, we will collaborate together on:

- Building standard documentation for risk identification, risk impact assessment and mitigation action plans,
- Build a central repository available to all the Procurement BSA,
- Set up a governance
- Be proactive within the risk identification (it includes to conduct some assessments based on scenarios)
- Intensify the cooperation with the Syensqo Group Risks team
- Use a real time risk monitoring tool: currently not available - expected to launch with SyWay project

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[Risk Management video](#)

[Latest Annual Integrated Report](#)
[for Scenario - COMING SOON](#)

[For Critical Goods and services Identification - COMING SOON](#)

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