



Third-Party Risk at PNC



PNC relies on a large number of vendors to conduct business, which helps us execute our strategic goals at scale.

PNC's Supply Chain Management group helps the bank and its employees purchase the goods and services for their businesses. Supply Chain's Enterprise Third-Party Management (ETPM) team works with our vendors to ensure appropriate oversight and governance of PNC's third-party risks in accordance with regulatory guidance and PNC's risk appetite.

Read on to learn how ETPM helps vendors navigate their life cycles at PNC.



The Vendor Life Cycle at PNC

1

Request

PNC initiates request for a new Vendor. PNC assigns an Engagement Owner to work with the Vendor to complete the onboarding process.

2

Inherent Risk Evaluation

PNC works with the Vendor to complete a scoping of the service to determine what risks exist and what due diligence of the Vendor is required for the relationship.

3

Due Diligence

PNC sends Due Diligence Assessments to the Vendor to evaluate their controls against PNC standards. Findings are reported if any corrections require remediation.
(see next section for more details)

4

Findings Remediation

PNC works with the Vendor to resolve Findings.

5

Contracting

PNC and Vendor agree on legal and business terms and execute the contract, and the Vendor joins PNC's Supply Chain.

6

Ongoing Monitoring

Vendor delivers services to PNC and participates in Ongoing Monitoring activities.
(see next section for more details)

Need help along the way?

Contact your PNC Engagement Owner.

How PNC Assesses Third-Party Risk

During the due diligence process, PNC's dedicated ETPM team helps the third party complete a series of questionnaires, or assessments, to identify areas of risk that are applicable to that relationship. Here are some examples of the key risk domains that may be assessed during due diligence:

Information Security

Evaluates the third party's technology control environment and cybersecurity program

Business Continuity

Evaluates the third party's resiliency program and capability to continue to provide services

Compliance

Evaluates the third party's management of regulatory compliance

Operational

Evaluates the third party's fraud program, detection, HR policies and control policies

Fourth Party

Evaluates risk of the third party utilizing subcontractors to deliver product/service

Offshore

Evaluates the risk of utilizing a third party outside of the United States

Need help along the way?

Contact your PNC Engagement Owner.



Third-Party Ongoing Monitoring

After the contract is executed, PNC works with the third party to conduct ongoing monitoring activities such as oversight meetings and performance metrics. Due diligence assessments are re-evaluated periodically basis to determine whether risks have changed, the frequency of which is based on the risk rating of the engagement. The ETPM team maintains a third-party scorecard that tracks the vendor's health and performance.



ETPM is here to help you through the process.

If at any time you have an issue and/or additional questions, please don't hesitate to reach out to the ETPM mailbox below and put **#VendorHelp** in the subject line.

ETPM@pnc.com