Benefits of EY OpsChain Traceability solution

EY OpsChain Traceability solution will transform and create value across the entire business and help:

- Support value exchange across the ecosystem of multiple parties and track key information about the product such as:
  - "Environmental, Social and Governance" (ESG) - Carbon emissions, water consumption
  - Provenance – geo location, certifications
  - Financial data – early payment discount, cost breakdown.
  - Regulatory data – type of product, origin, content
- Associated benefits with exchanging value across multiple participants can be:
  - Facilitate track-and-trace across the ecosystem to reduce non-value-added movements/touches
  - Improve visibility around inventory levels across end-to-end supply chain
  - Decrease levels of disparate data and number of ad hoc interfaces and data management tools across the ecosystem
  - Provide real-time data to support effective decision-making
  - Automate administrative processes, contracts and payments across ecosystem partners
  - Communicate clear and proven information on product authenticity, origin and composition
  - Share data from production to distribution, making certifications and validations available to consumers available
  - Increase amount of customer data, facilitating greater product personalization
  - Increase alignment and communication across ecosystem partners mitigating quality and safety risks

Key functionality

EY OpsChain Traceability solution helps consumers get more visibility into a product’s DNA and helps companies to seamlessly exchange value.

Why do we need Trust by Transparency?

- Consumers around the world increasingly want to know more about how the products they use are sourced, manufactured and delivered. People want to feel confident that their choices align with their unique personal needs.
- In a post-COVID-19 world, consumers will increasingly demand to know whether every product is free of contamination, appropriate quality control measures are in place and that companies can verify the safety, origin and authenticity of the products they consume and use.
- While consumers are demanding more transparency across every point in the supply chain, this remains a major challenge on which to deliver. Partners across the value chain need to work together to provide consumers what they are demanding.
- There are many parties involved, massive amounts of data, disparate systems and varying objectives that make it even more complex to be transparent across every touchpoint.
- Each partner within the ecosystem will have to face multiple issues as they do their part in solving the problem. It is a complex challenge that takes coordination, collaboration and a shared understanding.

EY OpsChain Traceability solution provides the trusted platform for traceability within an ecosystem that is required today

EY teams are helping organizations to transform so they can give consumers, business collaborators and regulators the transparency they demand in ways that help create lasting business value. The EY OpsChain Traceability solution provides the trusted platform for traceability within an ecosystem. Our broad range of business and technology capabilities helps clients deliver long-term value by improving brand equity, revenue and operational performance.

The solution is part of the EY OpsChain product suite, built on the Blockchain.ey.com SaaS platform. The platform is hosted on Microsoft Azure and the solution runs on the public blockchain network to help connect unlimited number of the participants on the same network to share important information in a private and secure way.

EY OpsChain Traceability solution is applicable in various sectors such as:

- Agriculture
- Life science
- Consumer products and goods
- Advanced manufacturing and mobility (AM&M)
- Oil and gas
- Power and utilities
- Chemicals
- Media and entertainment

Key functionality

- **Shared ledger** brings visibility into the supply chain. **Decentralization** gives everyone responsibility for their data and solution. **Zero-knowledge proof** technology supports automatic execution and settlement of the transaction without revealing sensitive data.

Blockchains will do for networks of enterprises and business ecosystems what enterprise resource planning (ERP) did for the single company.

Paul R Brody, EY Global Blockchain Leader
Customer success stories: EY OpsChain Traceability in action

EY teams were engaged by a large French international hypermarket chain to build a blockchain solution for food traceability. The objective of the collaboration between the client and EY teams was to implement a global food traceability standard across all of the links in the chain - from producers through to sales channels. Blockchain technology makes it easier to record events along the supply, processing, packaging and distribution chain.

Client challenges
- Typical products "made in Italy" are counterfeit, which has become a large problem in the region.
- Supply chains are increasingly global and complex.
- Management of supply chain quality control becomes difficult for partners, suppliers and consumers.

Strategy
- Build a suite of highly integrated services for supply chain improvement and revenue increase for food products, via the EY OpsChain Traceability solution
- Track commodities in this manner to receive a QR code on the parcel that reports, via scanning, all data tracked for that individual commodity
- Attest the source and processing of “Made in Italy” commodities

Results
- Easier to collect and make the traceability information of food products readily available to clients on distributed ledger technology
- Trial results in doubling of revenues on commodities traced on blockchain and a significant rise in visits to page accessed through the QR code
- Increased trust from manufacturers, distributors and the final client

EY and Microsoft

The digital technologies that are impacting your business today – social, mobile, analytics and cloud – are rapidly expanding to create new employee and customer experiences, fundamentally changing how your organization works, interacts and competes. The EY and Microsoft alliance combines EY deep insights and experience in disruptive industry trends, new business models and evolving processes with Microsoft scalable, enterprise cloud platform and digital technologies. EY and Microsoft can help accelerate digital transformation with advanced solutions that support enterprise strategy, transform customer and workforce experiences, create new, data-driven business models, build intelligent, automated operations and bring confidence that these innovative solutions are secure, compliant and trusted. Together, we can help accelerate digital strategy and amplify your business performance to thrive in a digital world.

For more information, visit: ey.com/microsoft.

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EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

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