EMMA and Supplier Risk Manager
What is D&B EMMA?

- EMMA stands for Emerging Market Mediation Alert.

- D&B EMMA is a country-specific, statistically based score that predicts the likelihood of a business in an emerging market to be problematic in paying its debts within the next 12 months, and eventually going out-of-business.

- D&B EMMA is based on a scale of 1-10, where 1 represents the measure of lowest risk and 10 represents the measure of highest risk.

- D&B EMMA is developed specifically in emerging markets where data may be rich in pockets, but the official definition of bankruptcy or business failure is challenging to obtain given the development situation of the market.
What coverage can be expected from D&B EMMA?

D&B EMMA is expected to score that portion of a country’s database that affords richer data, which are typically in the forms of:

- Past payment data, whether in the form of trade history or informal payment behavior surveys
- Financials – current, and trended
- Age of business
- Employee size
- Industry classifications
- Legal proceedings
- Shareholder information.
D&B EMMA within Supplier Risk Manager
A consistent interpretation of D&B EMMA is applied

EMMA score ranges from 1 to 10 across all markets, with 1-3 considered as low risk, 4-7 as medium risk and 8-10 as high risk.

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<thead>
<tr>
<th>Score</th>
<th>Description</th>
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<tr>
<td>1</td>
<td>Low risk. Minimal or no manual required.</td>
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<tr>
<td>2</td>
<td>Medium risk. Manual review recommended.</td>
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<tr>
<td>3</td>
<td>High risk. Thorough manual review required.</td>
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The EMMA score is available on businesses based in China and Mexico within Supplier Risk Manager.

Availability of EMMA within SRManager is dependent on local market fabrication and availability rules, regardless of whether the supplier is monitored or not within SRManager.

D&B EMMA is available on the Predictive Scores tab and the Profile tab of the supplier profile page.

**Predictive Scores**

EMMA stands for Emerging Market Mediation Alert. It is a country-specific, statistically based score that predicts the likelihood of a business in an emerging market to be problematic in paying its debts within the next 12 months and eventually going out-of-business. EMMA is based on a 1-10 scale, where 1 represents the lowest measure of risk and 10 implies the highest measure of risk. In some countries, like China, an EMMA of 0 can be assigned when the minimum data requirements to score a business cannot be met.
Changes to D&B EMMA score will be captured under the History tab.

D&B EMMA is available as a selectable field for download via Custom Reports.
D&B EMMA can be used to supplement the predictive risk insight provided by SSI

SSI

- Predicts the likelihood of supplier failure over the next 3 months.
- Globally consistent measure of evaluating supplier risk across markets.
- Provides insights into financial and operational stability of a supplier.
- Incorporates company specific and macro economic data.

D&B EMMA

- Predicts the likelihood of being problematic in paying debts over the next 12 months.
- Country specific measure for evaluating risk within a market.
- Provides insights into delinquent and general stability of a supplier.
- Incorporates company specific data.

For strategic customers that already are comfortable assuming the risks of a lower cost country sourcing strategy, EMMA can provide an additional layer of supplier risk assessment insight.
Some useful guidelines...

- For deep dive on the D&B EMMA Score, reach out to your account team for Understanding D&B EMMA white paper.

- For understanding of D&B EMMA drivers on specific suppliers, refer to the Business Information Report or email to postsaleservice@dnb.com.

- The SSI and the D&B EMMA differ in terms of predictive outcomes, time frames, attributes used, and modeling methodologies. As a result, risk assessments may vary. It is recommended that EMMA be used as an additional layer for supplier risk assessment in emerging markets.