![marlin — excellence in data quality]

Compliance Screening

Sanctions List Check
for SAP® ECC6 and S/4HANA®

SAP Silver Partner

Since February 2022, the issue of sanctions list review has taken on a new, global significance. The world is subject to constant change. Business relationships that are still legal today can be affected by a boycott tomorrow.

Many companies have underestimated the issue and have not defined processes and responsibilities for a sanctions list review. In some cases, not only do business partners have to be audited, but also the controlling parent company and the managing directors.

Various public reports have also shown that companies need to focus more on this issue. The company needs to know, "Is my business partner a politician, or does the company belong to the daughter of a head of government or government official?"

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Marlin Compliance Screening

Impact on your business processes

To comply with applicable regulations, audit-proof documentation of the reconciliation with sanctions lists is indispensable.

Marlin Compliance Screening (MCS) is an SAP® add-on for matching individuals and companies with sanctions lists of all kinds — whether boycott/embargo, fraud, terrorists, or PEP lists (politically exposed persons). The application starts at the operative SAP process and monitors the creation and maintenance of master and inventory data of debtors and creditors, in the personnel master, at the business partner, and in the bank master data of companies. In addition, the Sanctions List Check also takes place in relevant transaction data in Sales and Purchasing. Likewise, the comparison is performed for manually entered, deviating ship-to parties or CPD accounts. Systems that are not connected to MCS can be checked by uploading CSV files. The results are also securely displayed in SAP in the Compliance Cockpit.

The integrated solution for your SAP® application

Marlin Compliance Screening (MCS) is a solution programmed in ABAP that integrates with your critical business processes. An intelligent, future-proof screening technology, checks business partner data against various providers. Through its own data service, ISO provides standardized and structured data using a web service conne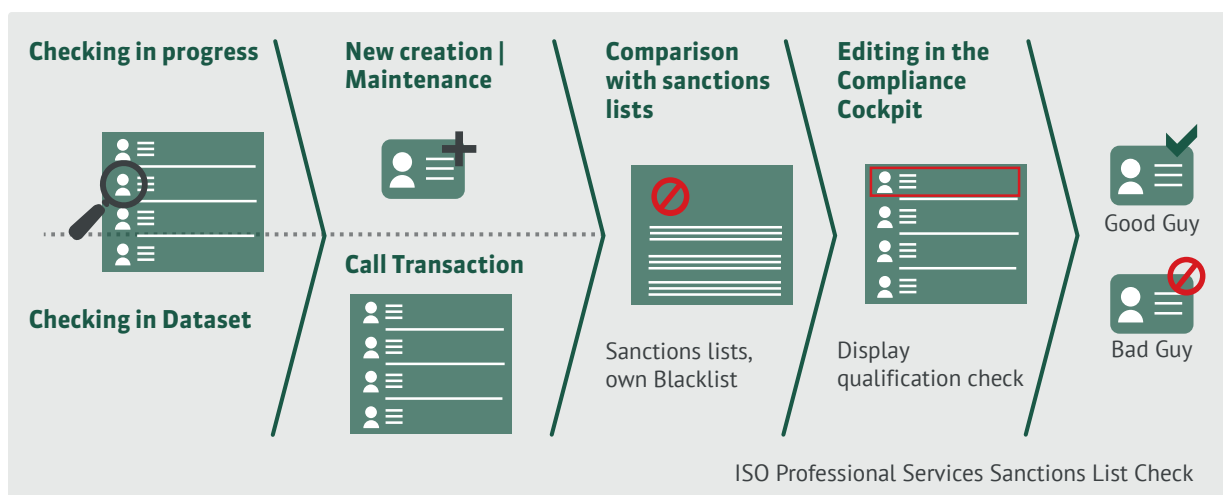ction. Alternatively, sanctions lists from other providers are available for import. The tool informs the compliance officer by email in the event of matches with sanctioned persons or companies. With the help of the Compliance Cockpit, you are given the option of central processing. A monitor is used to qualify the hits (e.g., as "good guy" or "bad guy") and for further processing. The compliance officer can use the cockpit to confirm or remove the blocks on the master record. MCS also prevents an employee from removing compliance blocks on the master record or document. MCS documents all steps and records them in an audit-compliant manner. All necessary settings are made via the product's own SAP Customizing.

Audit via legal areas

In order for a group to comply with the different legal requirements of the countries, they are mapped via legal areas. The legal area covers one or more company codes for which the same legal framework applies. The legal area can be defined differently for the USA, EU, or China. The company codes, lists to be checked, responsible employees, objects (customer, vendor, bank, SD document, etc.) and the locks that apply to the object are assigned to the legal area.

Improving validation through add-ons

In order to improve the quality of the validation check, the address can be checked and corrected by the ISO Marlin Address Validation product. The corrected address optimizes the check with the check lists.

Checking in progress — **Checking in Dataset**
New creation | Maintenance — **Call Transaction**
Comparison with sanctions lists — Sanctions lists, own Blacklist
Editing in the Compliance Cockpit — Display qualification check
Good Guy
Bad Guy

ISO Professional Services Sanctions List Check

FUNCTIONS

- Customer, vendor, customer and vendor contact person, business partner, bank master record, HR master record
- Individual check
- Dialog check when creating and changing
- Overall check and delta check
- CSV file check of external data
- Import of ISO Sanctions Lists via web service
- Standard interface for PEP and fraud lists
- Determination of the check via intelligent legal areas
- Country embargoes
- Language-independent high-performance screening technology
- Definition of automated blocks for master data and transaction data
- Central monitor for displaying, qualifying, and processing sanctions list hits
- Creation of compliance files (forwarding possible)
- Web service connection or import of lists from Reguvis, Sanktionslisten.de, intelli-Compliance
- Interface for importing additional sanctions lists

The Marlin Content add-on matches the master record to be validated against an international database. The user receives the information whether the business partner exists, whether it is the company headquarters or a branch, who the parent company is and, if applicable, which managing directors are registered. MCS then checks the master record as well as the parent company and the managing directors.

Embargo, PEP, and fraud lists

In addition to embargo lists (sanctions lists), MCS can also import PEP lists or fraud lists. Through another legal area, the process for PEP lists is defined with its responsible staff and the approval process. The same can be set for fraud lists or fake lists.

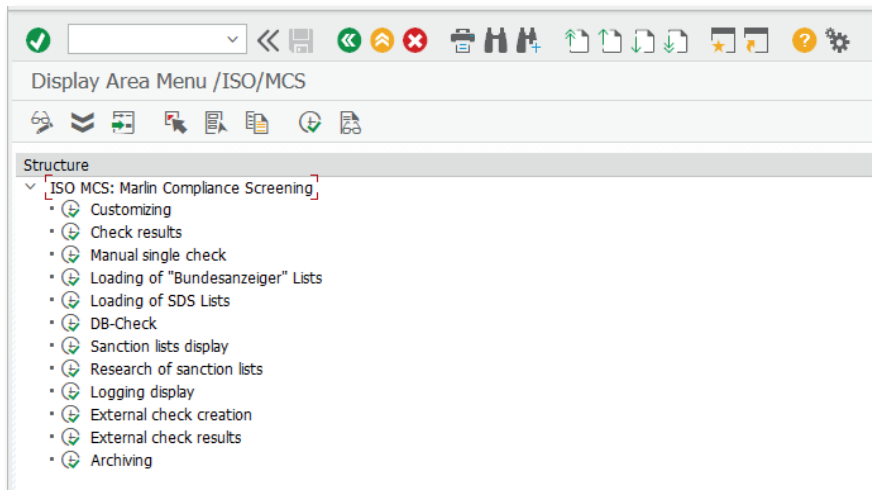## External systems such as CRM or SRM

There is the option to connect further systems to the MCS via a web service. The interface transfers the data to be checked and the MCS generates the documents in the SAP system. An external SRM system can be assigned to a different compliance officer through the legal areas. The tool presents the documents in its cockpit for processing. Alternatively, the user can check the data via a CSV upload
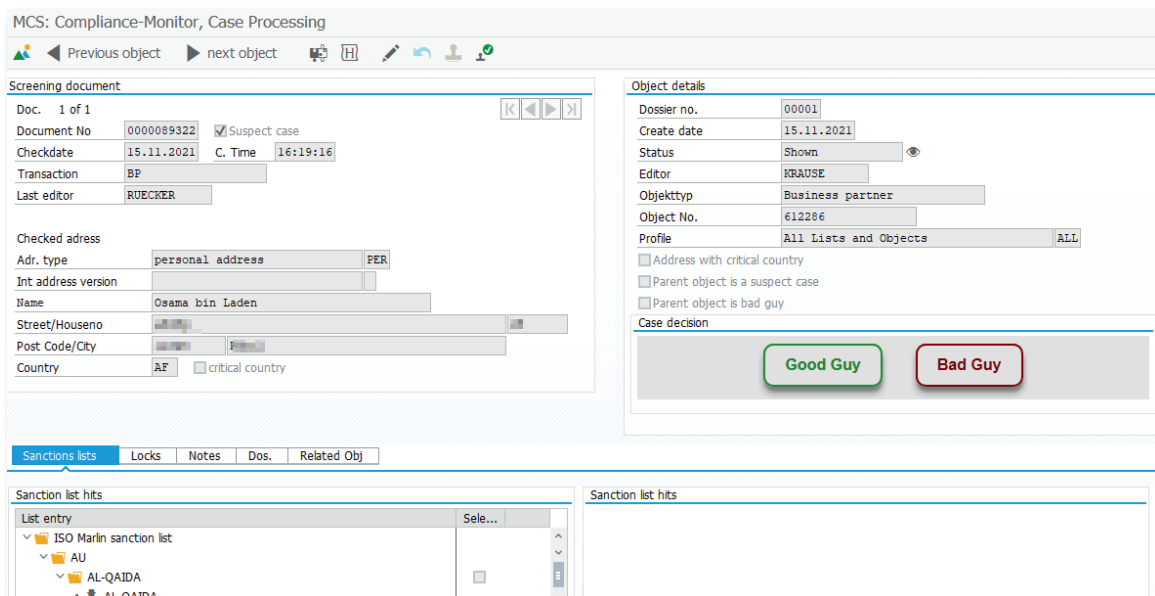
Architecture

Marlin Compliance Screening is programmed in ABAP and is installed into the SAP system (ERP Release ECC6, S/4HANA) via SAP transports. ISO uses a high-performance algorithm for the screening technology.
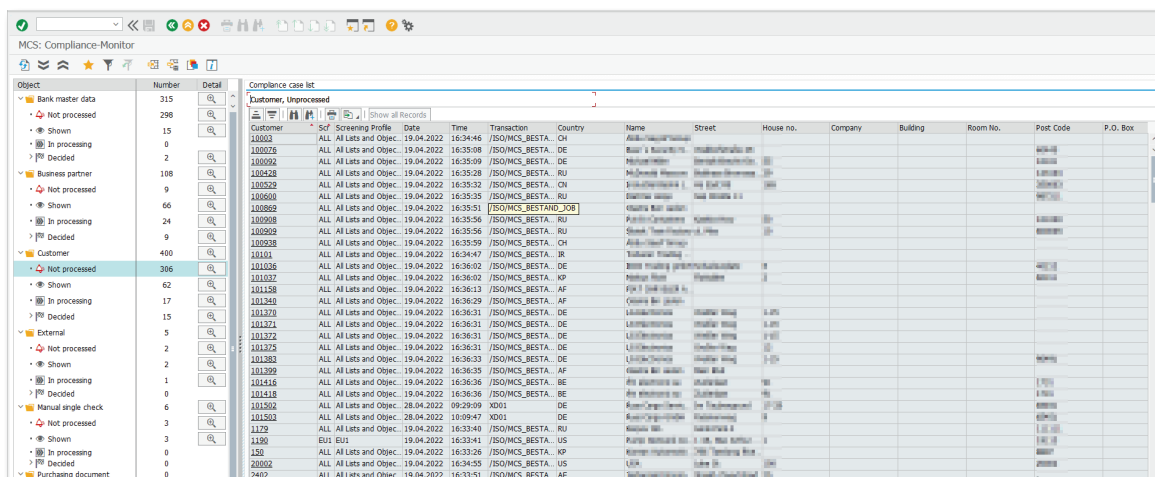
Marlin Compliance Screening

1. Cockpit

2. Compliance monitor

3. Monitor - Test results

Sanctions Lists / Embargo Lists / Boycott Lists

Description	Abbreviations	Details
European Sanctions Lists	EU	List of persons, groups and entities subject to EU financial sanctions.
US Sanctions Lists	SDN	Specially Designated Nationals and Blocked Persons List. (OFAC)
		If a match occurs in this case, a permit must be obtained from the U.S. authorities for that trade partner for the exchange of goods subject to the Export Administration Regulations (EAR). This applies to US persons and worldwide for all entries with the following identifiers: NPWMD, SDGT, SDT, FTO, IRAQ2, BURMA.
	DPL	Denied Persons List
		Companies that violate this ban are in violation of U.S. export rules. This may result in penalties and furthermore, they may be listed on the DPL themselves as a result. Therefore, do not do business with anyone listed on this list.
	ENT	Entity List
		Individuals who pose a risk of being involved in the proliferation of weapons of mass destruction are listed here.
	UNV	Unverified List
		This list includes persons for whom there is doubt as to whether they are eligible to purchase U.S. products. It is a type of warning list. It is necessary to ensure that the goods are not used for a prohibited end use.
	LSDP	List of Statutorily Debarred Parties
		In this case, a violation and a conviction under the arms export control law precede for the individual or entity.
	LADP	List of Administratively Debarred Parties
		The Assistant Secretary of State for Political-Military Affairs may exclude certain persons or organizations from trade in defense equipment.
	NPS	Nonproliferation Sanctions
		Nuclear Nonproliferation Treaty
Australian Sanctions Lists	DFAT AU-AUSTRALIA	Department of Foreign Affairs and Trade
		The consolidated list is a list of all persons and entities subject to targeted financial sanctions under Australian sanctions law. The persons listed may be Australian citizens, foreign nationals, or residents of Australia or overseas.
United Kingdom	HMT	Her Majesty's Treasury
		Consolidated list of financial sanctions targets in the U.K.
Switzerland	SEC	SECO State Secretariat for Economic Affairs
		Sanctions list of the State Secretariat for Economic Affairs SECO
UN - United Nations	UNS	United Nations Security Council Consolidated List
		List of individuals and entities subject to sanctions imposed on them by the United Nations Security Council

MARLIN SUITE FOR SAP

- **Data Governance**
  for customer, vendor, business partner, material master and other objects

- **Business Partner Identification**
  Match of input with international company database

- **Data enrichment and updating**
  Update company name, address, tax number, marketing characteristics, parent company

- **Customer hierarchy** Display and create

- **Creditworthiness Check**
  Connection to FCSM credit management

- **Duplicate Check** Material Master Dialog, Error-Tolerant Search

- **VAT-ID Check**
  Dialog, inventory, FI, SD documents

- **Address validation**
  Standardization, correction, geodata

- **Sanctions List Check**
  Dialog, inventory, transaction data

- **PEP list check**
  Dialog, inventory, transaction data

- **Data Sanctions**
  Web service for importing the sanctions lists for the Marlin products | CSV, XML, SAP GTS format

- **Search technology**
  Scarus Data Quality Server, thesaurus, transcription, business form recognition, conversion of measurement units

- **Duplicate Check for business partners**
  Dialog, inventory, CSV, header duplicate determination

- **Copying of organizational views**
  Company code, Purchasing organization, Sales organization

Sound advice and field-proven, robust products

ISO has created a holistic solution approach for data quality with the Marlin product suite. With over 400 SAP installations (ERP, CRM, IS, S/4HANA), we offer reliable project management and first-class expertise in the data quality and data governance environment. Depending on the requirements, we complement our spectrum by cooperating with other data quality experts who provide web services, content, or technologies.

ADVANTAGES

- Solution integrated in SAP
- For S/4HANA, SAP ERP
- ISO provides own lists via web service
- Language-independent screening technology
- Web service for connecting further systems (portal, SRM, CRM)
- Checking of CSV lists

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