Risk & Reputation: Protecting the Supply Chain

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Enterprise Risk Resolution

Supplier Management

- Supplier Onboarding
- Bank Account Validation
- Invoice & Payment Visibility
- Fraud Prevention
- Early Payment Programs
- Insurance Coverage Monitoring
- Customer Onboarding
- Supplier Diversity
- Supplier Discovery

Supplier Risk Management

- Risk Event Monitoring
- Financial Risk
- Supplier Sustainability Compliance
- Performance Risk Management
- Supplier Compliance
- Supplier Capacity Risk
- Cyber Risk Monitoring
- Bring Your Own Risk

Intelligent Data

- Data Scores & Insights
- Third-Party Validation & Enrichment
- APIs for Developers

Audit & Recovery

- Accounts Payable Recovery Audit
- Contract Compliance Recovery Audit
- Unclaimed Property Asset Recovery
- Sales and Use Tax Recovery Audit
- Retail Merchandise
- Overpayment Prevention

Enterprise Risk Resolution

$10T
Spend protected annually

$8B
Overpayments prevented or recovered annually

280M+
Supplier golden records, scored for accuracy, opportunity and age

1K
Integrated external validation & enrichment data sources

8.5M
Suppliers managed

320K+
Global best-in-class business rules, out of the box

35
Years of continuous innovation and profitable growth

98%
Of global trade languages covered

Fraud

$1.7M

Average loss per fraud case[1]

Fines

$3M

median OFAC fine in 2023 (two fines exceeded $500M)[2]

Inefficiencies

77%

of companies rely on email to collect supplier info [3]

[1] ACFE Report to the Nations 2024 [2] OFAC [3] apexanalytix Survey July 2024

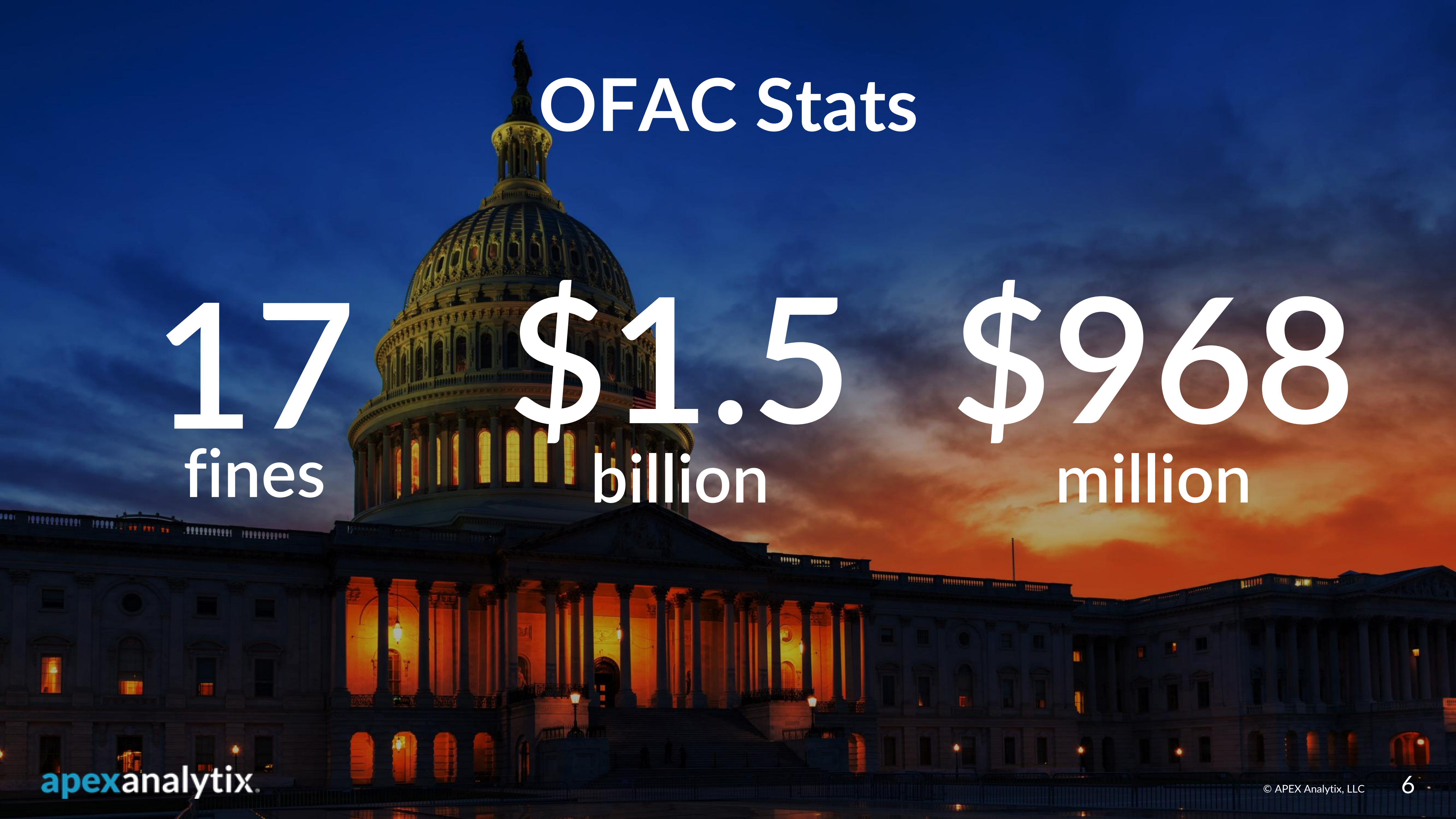
"We named the enemy… manual processes."

Director of Finance & Procurement
$100B Company

Email Communication
Point-in-time Checks
Swivel Chair Data Entry

Manual Validations
Duplicate Vendor Checks
Working with Multiple Disparate Systems

Vendor Master Clean Up
Payment Inquiries
Supplier Communication


OFAC Stats
17
fines
$1.5
billion
$968
million
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OFAC Fine Themes

Global

Subsidiaries

Payments

Voluntary

How often do you check suppliers against prohibited lists?

- Never
- At onboarding
- Every Quarter
- Once a year
- Continuously monitor
- Other

Prohibited List Data

6,074

Flagged: 3.3%

FATF: 2.7%

Prohibited List: 0.5%

64,607

Flagged: 2.9%

FATF: 2.8%

Prohibited List: 0.1%

OFAC Fine Reasoning

“Weak algorithms that allowed close matches to SDN List entries not to be flagged by its filter”

“During backlog periods, allowing flagged and pended payments to be automatically released without review”

“Lack of focus on sanctioned locations, especially Crimea, because it was not monitoring IP addresses or flagging addresses in sanctioned locations”

How do you collect supplier information?

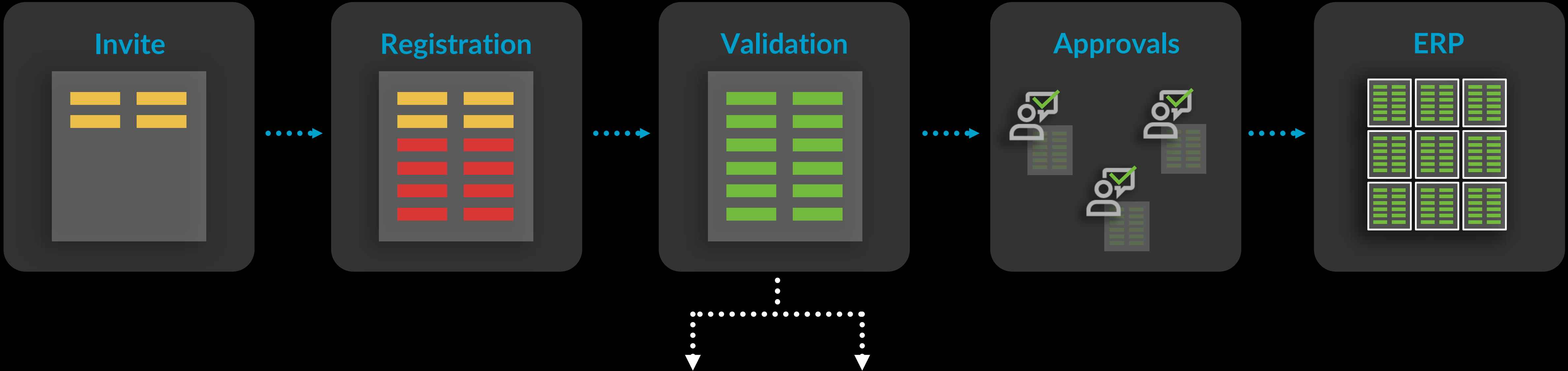
July 2024 Survey

How do you collect supplier information?

77%

Rely on email exchanges

Fully Integrated Onboarding Process Flow



130M
Supplier golden records, scored for accuracy, opportunity and age

1000+
Integrated data sources for validation and enrichment

Global Entertainment Company

Tax ID / VAT

275,000 validations across 66 countries

Global Entertainment Company

3.85%

Tax ID / VAT

275,000 validations
across 66 countries

US Healthcare Provider

Healthcare Credentials

7,431 checks

US Healthcare Provider

1

Healthcare Credentials

7,431 checks

US Healthcare Provider

1.72%

Healthcare Credentials

7,431 checks

US Healthcare Provider

09/24/2019 Report not submitted within 30 days of becoming aware that a device has malfunctioned and can cause death or serious injury.

11/02/2022 Report not submitted within 30 days of becoming aware that a device has malfunctioned and can cause death or serious injury.

02/01/2024 Inspection has not been adequately validated according to established procedures.

US Healthcare Provider

2.3%

Healthcare Credentials

7,431 checks

News Monitoring

"COMPANY NAME"

+

Critical Keywords

Accident	Violation	Death
Arrest	Bankruptcy	Chapter 11
Fraud	Violence	Chapter 7
Crash	Fight	Failure

What data sources are important to you?

OFAC Verisys CERTIFICIAL

The Threats

Who Are the Fraudsters?

Hackers

Colleagues

Supplier Employees

Bank Account Ownership Validation

Legal entity match through a government agency or trusted third party

- Bank Consortium
- Government
- Credit Agencies
- Micro-deposits

Email Address…is it a Group Email?

company@gmail.com

orders@company.com

Address

Is it a residential address?

Is it a prison?

Is it a known suspicious zip code?

Phone Number

Is it a prepaid phone?

Is the phone number still working?

Employee Data

Does a vendor have the same info as an employee?

- Phone
- Address
- Tax ID
- Bank Account
- Anything else

Continuous Fraud Monitoring

Supplier Identity	Employee Info	Transactional Data
Tax ID	*SSN*	*Invoice Numbers*
Bank Account Info	*Address*	*Invoice Amounts*
Addresses	*Phone Number*	*Payment History*
Phone Number	*Personal Email*	*PO or Not?*
Approved Contacts	*Anything Else*	*Processing Date*
Email		

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