



SAYARI

The “Unseen” Supply Chain: Navigating New Regulatory Demands

500[™]
Technology Fast 500
2022 NORTH AMERICA
Deloitte

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 RiskTech
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 Charis
RiskTech Quadrant®
Category Leader
Warehouse Monitoring
Solutions, 2022

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Agenda

Introduction

The New Era of Supply Chain Scrutiny

Recent developments and drivers of enhanced supply chain security

Sub-Tier Supply Data: Transshipment

How sub-tier trade and ownership relationships impact supply chain security and how data-driven solutions help

Supplier Ownership: Foreign Entities of Concern

How suppliers' ownership relationships impact supply chain security and how data-driven solutions help

Conclusion: Embracing Proactive Compliance

Promoting agility in the face of supply chain uncertainty

Q&A

Trusted by **governments** and **enterprise teams**
operating in a world of **complex regulations**.

Corporate Sustainability Due Diligence Directive (CSDDD)

Foreign Entities of Concern - FEOC

Tariff Optimization

Uyghur Forced Labor Prevention Act (UFLPA)

German Supply Chain Due Diligence Act (LKSG)

Norwegian Transparency Act (NTA)

Swiss Supply Chain Act (VSoTr)

Foreign Investment Screening Acts

UK Modern Slavery Act

U.S. Treasury OFAC 50% Rule

Beneficial Ownership & "Know Your Third Party"

Export Controls & Military End User (MEU) Restrictions

Foreign Ownership, Control & Influence (FOCI) Mitigation

FinCEN-BIS Alert on Export Control & Sanctions Evasion

Common High Priority List (CHPL)

EU Conflict Minerals Regulation

European Deforestation Regulation (EUDR)

Carbon Border Adjustment Mechanism (CBAM)



U.S. Customs and
Border Protection **SLA**



Canada Border
Services Agency



OFAC
Office of Foreign Assets Control

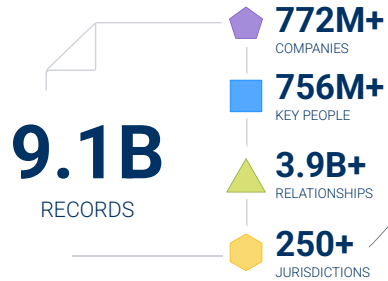
VOLKSWAGEN
GROUP



BOSCH

INDITEX

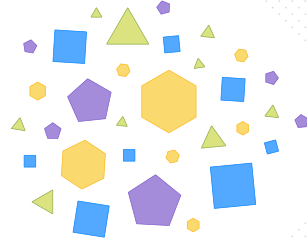




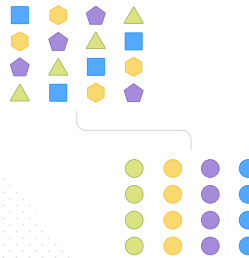
Find More, Faster

Sayari is the **transparency company** providing the public and private sectors with immediate visibility into complex commercial relationships.

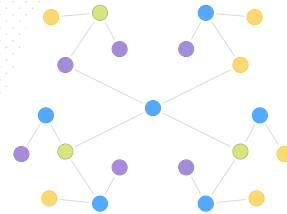
- ▶ HARNESS THE WORLD'S DATA INSTANTLY
- ▶ LEVERAGE UNSTRUCTURED, DISPARATE DATA
- ▶ ILLUMINATE COMMERCIAL & SUPPLIER CONNECTIONS
- ▶ EXPOSE YOUR NETWORK'S HIDDEN RISKS



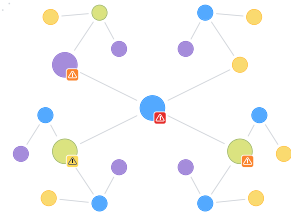
We harvest billions of documents pulled in from hundreds of databases.



We extract, resolve, and match millions of entities.



We map billions of relationships into pre-computed graph visualizations.



We surface possible exposure to dozens of risk types.

The “Unseen” Supply Chain

- ▶ The new reality
 - U.S. and EU regulations demanding deeper visibility
 - Hidden, sub-tier supply chain and relationships is where the risk really lies
- ▶ Expanding focus
 - **From Supplier Focus to Product Flows:** Go beyond identifying companies to understanding the flow of raw materials and finished goods
 - Assess for illicit transshipment: tariffs, sanctions, import controls (e.g. forced labor, ESG)
 - **Identify Foreign Entities of Concern:** Uncover hidden entities in your network that expose your enterprise to emerging geopolitical and regulatory risks

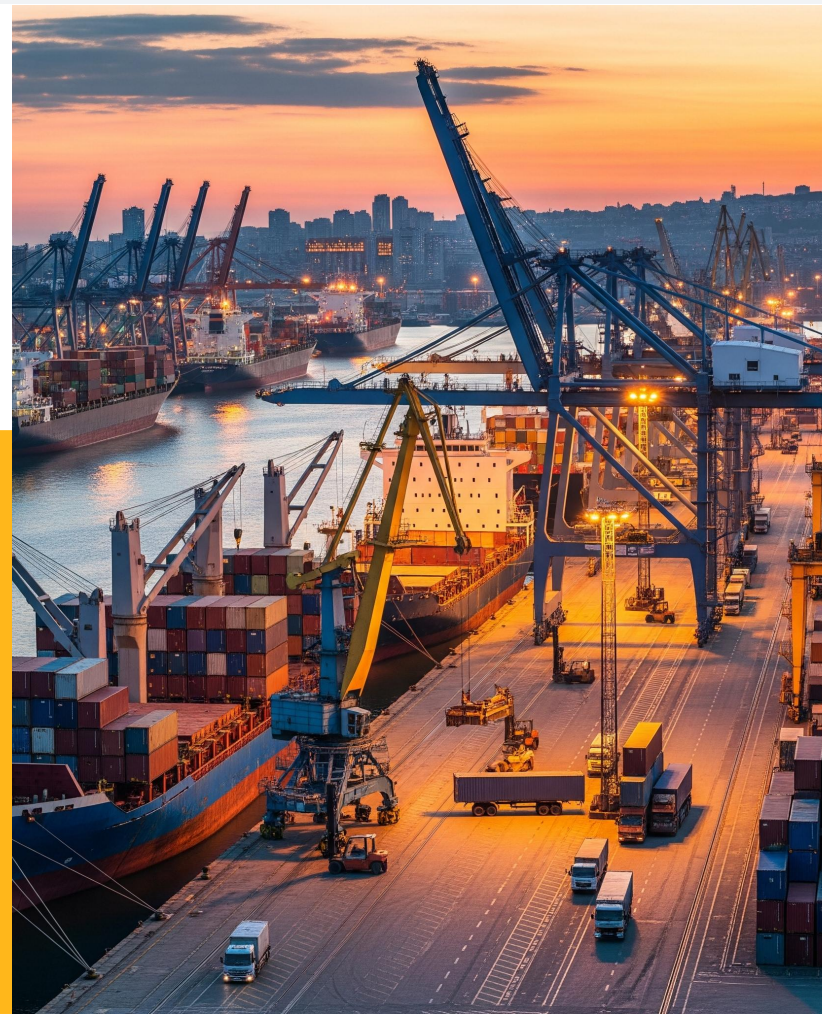


Evolution of Supply Chain Security

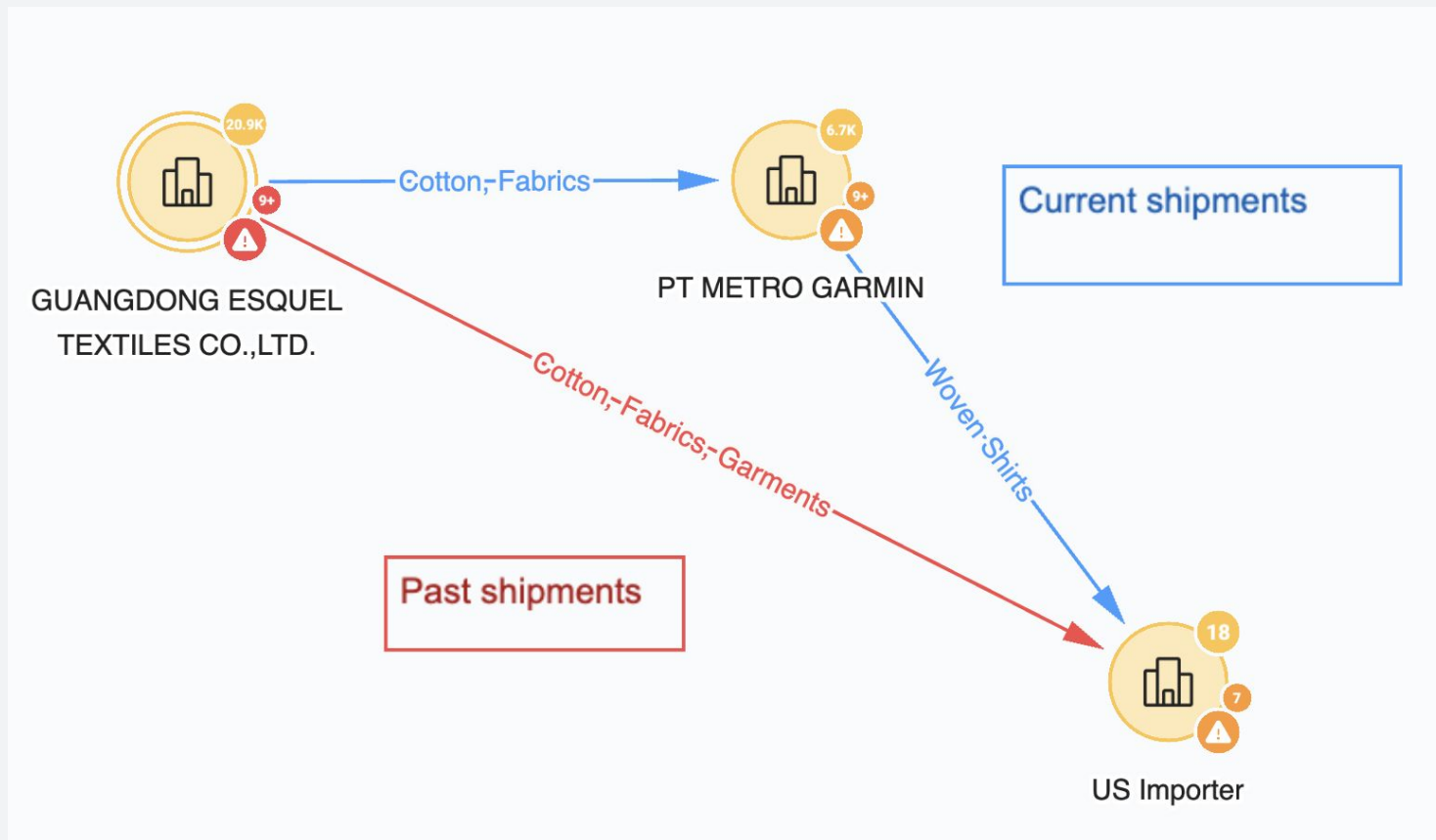
Era	Primary Driver	Core Focus	Key Concepts & Regulations
Phase 1: Post-9/11 Counterterrorism & Security	Physical security concerns in a post-9/11 world	Preventing terrorism and securing borders	Container Security Initiative (CSI), Customs-Trade Partnership Against Terrorism (C-TPAT), border security, cargo inspection, physical threat mitigation
Phase 2: Enhanced Financial Sanctions & Screening	Geopolitical instability and the use of economic sanctions	Preventing financial transactions and trade with sanctioned entities	OFAC, EU sanctions lists, Specially Designated Nationals (SDN), sanctions screening, Know Your Customer (KYC)
Phase 3: Human Rights Due Diligence & ESG	Public awareness, ethical sourcing, and social responsibility	Identifying and mitigating human rights and environmental risks	Uyghur Forced Labor Prevention Act (UFLPA), forced labor, due diligence, ESG reporting, ethical sourcing, supply chain transparency
Phase 4: Strategic & Proactive Compliance	Growing regulatory complexity, supply chain risk, and national security	Maximizing visibility to anticipate and prevent risks	"Foreign entities of concern," corporate ownership, transshipment risks, AI-enhanced due diligence, strategic sourcing

The Transshipment Problem

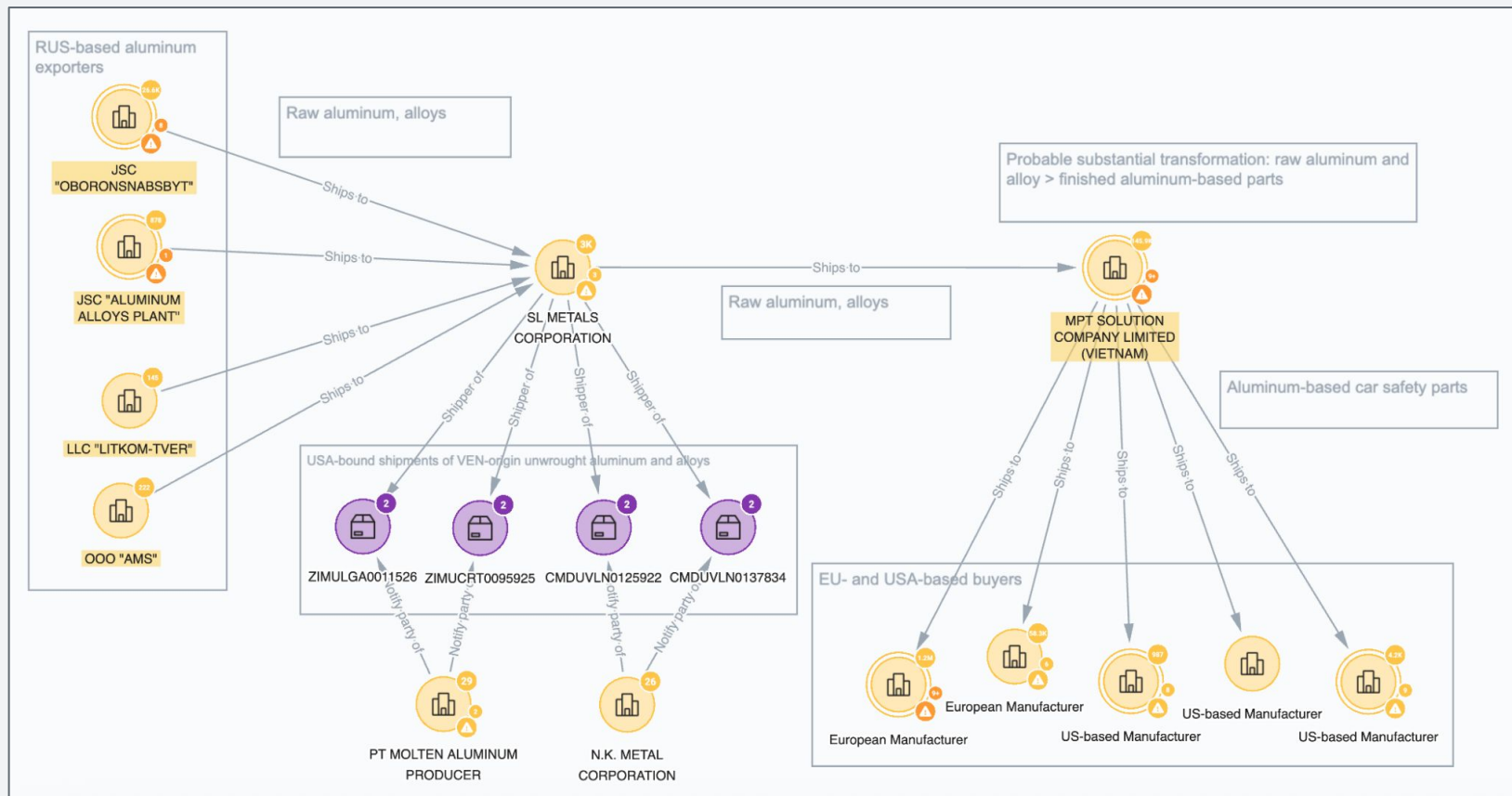
- ▶ Definitions (some still not finalized)
 - “Process of moving goods from one mode of transport to another during their journey to final destination”
- ▶ Uses
 - Entirely legitimate when done legally, with substantive transformation
 - Illicit examples
 - Import and export examples
- ▶ Pending guidance
 - July 2025 Executive Order
 - August 2025 DOJ Trade Fraud Taskforce



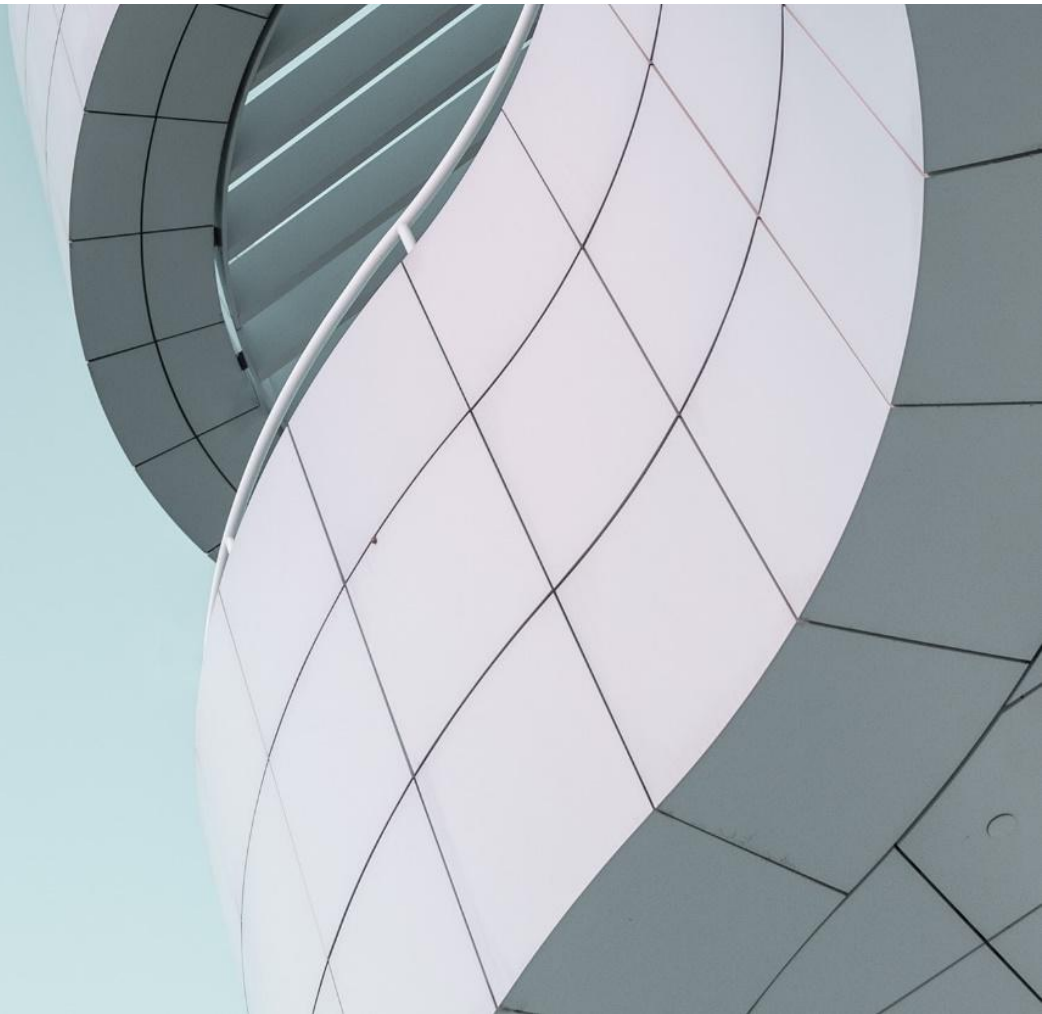
What Does Illicit Transshipment Look Like (UFLPA)?



What Does Potentially Illicit Transshipment Look Like (Tariffs)?



Demo



Foreign Entities of Concern

- ▶ Definitions
 - Goes beyond sanctions
 - DOE definition - includes “owned by, controlled by, or subject to the jurisdiction or direction of a government of a ‘covered nation.’”
- ▶ Other terms
 - “Foreign Adversary”
 - Specified Foreign Entities (SFEs)
 - Foreign Influenced Entities (FIEs)
- ▶ Relevant regulations
 - CHIPS Act
 - Inflation Reduction Act
 - Infrastructure and Investment Jobs Act
 - BIS Connected Vehicles Final Rule
 - Europe: EU FDI Screening, CSDDD, and others



multiple programs related to the battery supply chain. This statutory definition provides that, among other criteria, a foreign entity is a FECC if it is “owned by, controlled by, or subject to the jurisdiction or direction of a government of a foreign country that is a covered nation.” In this final interpretive rule,

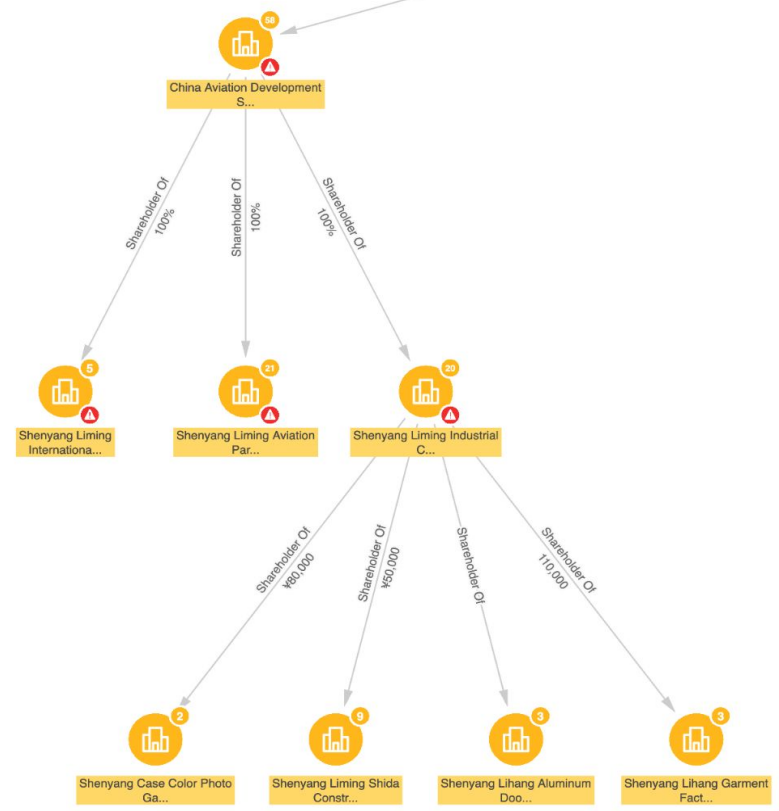
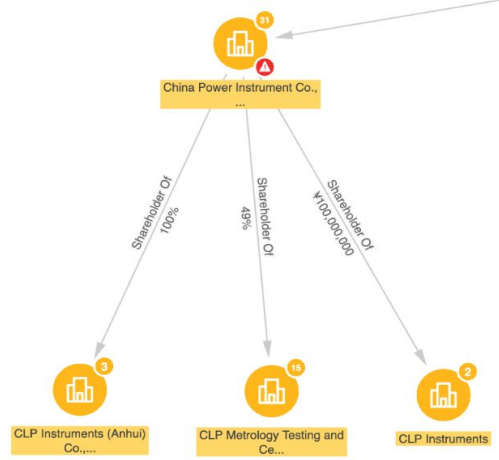
Why Ownership Matters in Supply Chains

Sanctioned Entities (NDAA 1237 and OFAC SDN) owned by CAEP



Anhui

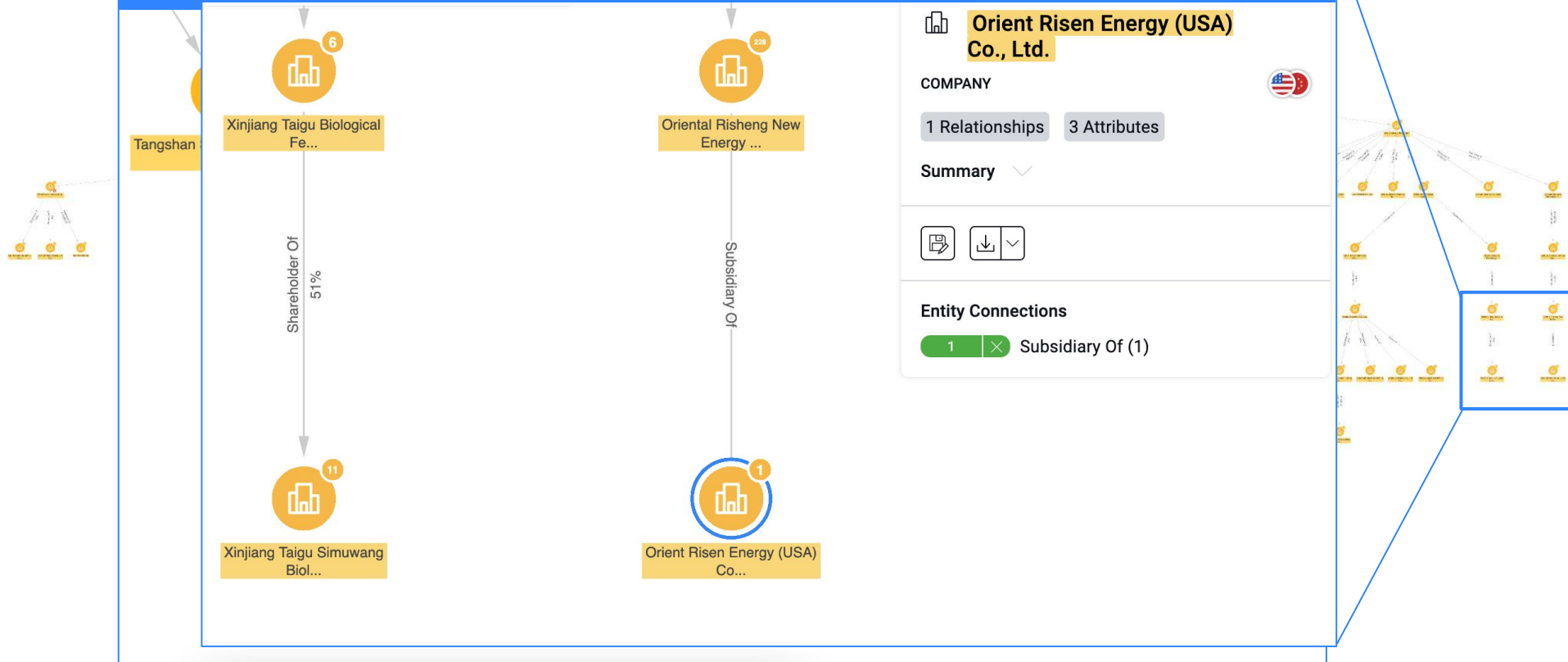
Xinjie



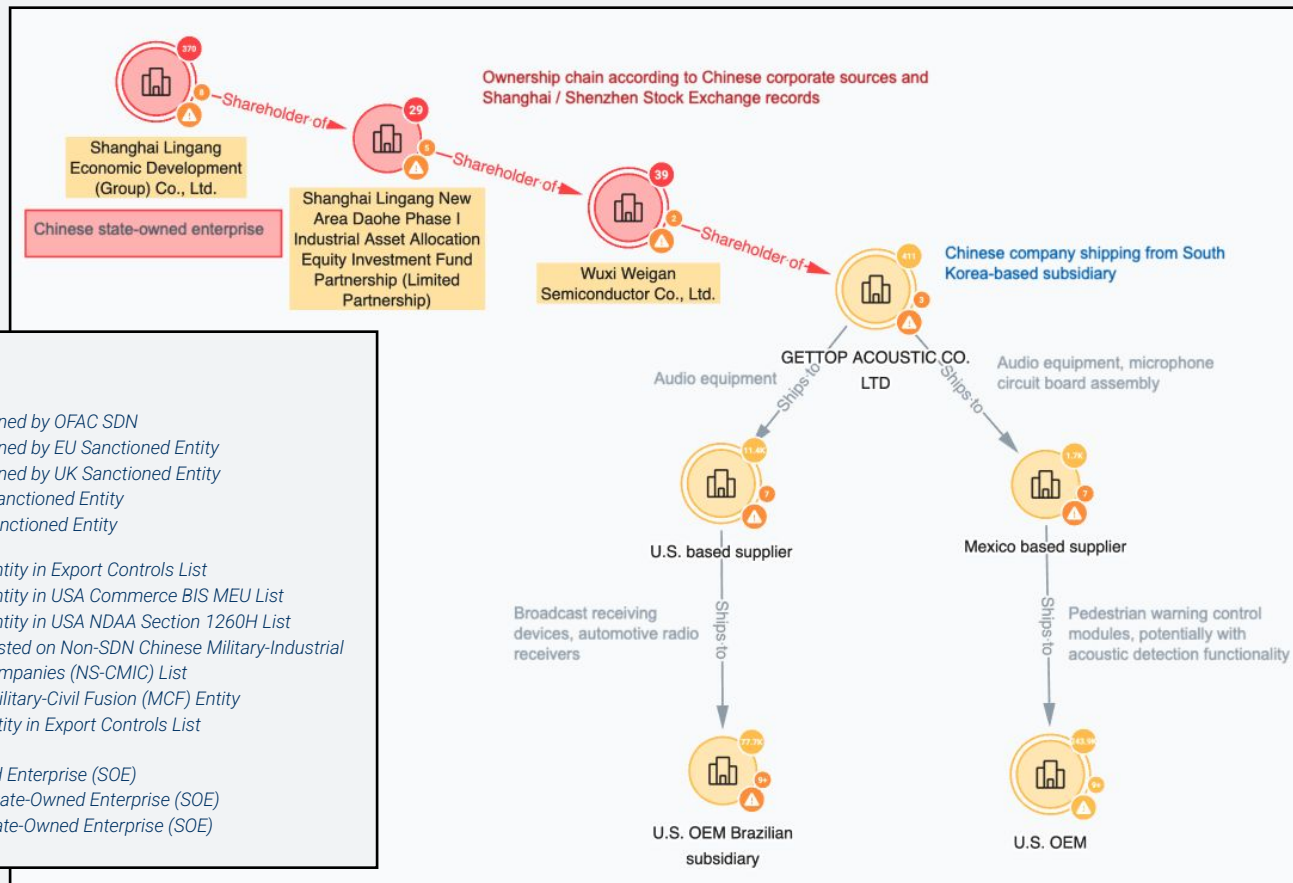
Why Ownership Matters in Supply Chains

C

CAEP Subsidiaries in the US



What Does FEOC Exposure Look Like?



Targeted Risk Factors.

Sanctions

- Majority Owned by OFAC SDN
- Majority Owned by EU Sanctioned Entity
- Majority Owned by UK Sanctioned Entity
- Owned by Sanctioned Entity
- Owner of Sanctioned Entity

Export Controls

- Owned by Entity in Export Controls List
- Owned by Entity in USA Commerce BIS MEU List
- Owned by Entity in USA NDAA Section 1260H List
- Owned by Listed on Non-SDN Chinese Military-Industrial Complex Companies (NS-CMIC) List
- Owned by Military-Civil Fusion (MCF) Entity
- Owner of Entity in Export Controls List

Political Exposure

- State-Owned Enterprise (SOE)
- Owned by State-Owned Enterprise (SOE)
- Owner of State-Owned Enterprise (SOE)

Demo



Anticipating the Challenges of Tomorrow

- ▶ **Sub-tier visibility is non-negotiable:** The new era of trade compliance demands looking beyond your immediate Tier 1 suppliers. Risks and regulatory scrutiny now extend deep into the supply chain, making visibility of sub-tiers a necessity, not an option.
- **Beyond the Bill of Materials:** Regulators are demanding a granular, product-level analysis that moves beyond simple screening. This involves mapping your supply chain from raw material to final product, using data like reported value and weight to prove your supply chain is clean.
- **Internal trade data isn't enough:** Relying solely on internal data is insufficient for today's proactive, strategic approach to compliance. Leveraging granular, external trade data is crucial to anticipate regulatory scrutiny, identify where components are truly coming from, and prepare the necessary documentation to avoid costly fines and detentions.
- **Ownership is a “new” pillar of due diligence:** Vetting suppliers now requires exploring the corporate networks behind them. Recent legislation, such as that concerning "Foreign Entities of Concern," makes understanding the ultimate ownership of a supplier a critical part of due diligence to mitigate risks related to forced labor or national security.



An aerial night view of a large shipping port. The foreground and middle ground are filled with rows of stacked shipping containers in various colors (blue, red, white, yellow). Several large gantry cranes are visible along the waterfront, illuminated by their own lights. In the background, a bridge spans the water, and city lights are visible on the distant shore. The sky is dark with some clouds. A network of white dots connected by thin lines is overlaid on the right side of the image, suggesting a digital or logistical network.

Q&A