

Policy on Screening of parties

Introduction

The United Nations, the EU and governments (including the US, UK, Canada and Japan) all publish lists of foreign government agencies, entities, individuals and entities owned or controlled by those individuals that have been sanctioned. There are many reasons for a name to appear on one of these lists, for example, direct involvement in a weapons programme of concern, sanctions busting, a front company in a 3rd country, individuals holding power in a state subject to sanctions. These lists change on a regular basis (names can be added or deleted).

Screening is a fundamental part of our export control compliance policy, and a regulatory requirement in some jurisdictions.

Policy

1. We are required to ensure that recipients (including any intermediaries) and destinations of our goods, technology, software or services are not restricted or debarred under any regulatory regime. If a match occurs this will need to be assessed to determine whether a transfer would conflict with government or Rolls-Royce Group policies.
2. Businesses and functions must perform a denied/sanctioned party screening prior to doing business with a new customer, vendor, end-user, contractor, visitor or business contacts and on the updated addresses of any party. In most cases sanctions also apply to entities owned or controlled by a sanctioned person or entity even though they are not listed in their own right. This means that we also need to determine who the beneficial owner(s) of an entity is using tools other than the screening tool.
3. As the lists are subject to change screening should not be a one-time activity but undertaken on a regular basis (at least twice yearly) when the contact is from a destination covered by a sanctions regime.
4. Screening should be undertaken using an approved export control Screening Tool which provides real-time results against global lists of sanctioned entities and Specially Designated Nationals. Screening searches should include both full name and acronym, where the entity is more commonly known by its acronym.
5. The screening date and result should be recorded and retained for six (6) years. This screening result should be provided by the business or function to the Head Office export control team and to internal or external auditors upon request.
6. The Rolls-Royce export control Destination Specific Policies and Other Restrictive Measures should be checked to ensure compliance with that policy. The Rolls-Royce export control guidance on suspicious enquiries should also be considered, particularly where products and technology may be used for improper purposes in the wrong hands.