



cutting through complexity


KPMG FORENSICSM

Astrus

A Web-enabled integrity
due diligence solution

kpmg.com/astus



A photograph of three business professionals in an office setting. A woman with blonde hair tied back is in the foreground, looking towards a man in a white shirt who is pointing at a laptop screen. Another man in a blue suit is visible in the background, looking down. The laptop screen displays a colorful chart or dashboard. The scene is brightly lit, suggesting a modern office environment.

Triggers that may create a need for Astrus include:

- Anti-bribery and corruption regulatory compliance
- Anti-money laundering compliance
- Financial services regulatory compliance
- Risk assessments of current and prospective business partners, agents, and vendors
- M & A and other investments in emerging and other global markets
- Industry- and jurisdiction-specific risk

Astrus: A Web-enabled integrity due diligence solution

Global transactions and regulatory scrutiny increasingly impel organizations to examine their business relationships in order to assess risk, undertake informed negotiations, and comply with regulatory mandates. Failure to adequately assess agents, business partners and clients, and understand the business operations can expose organizations to reputational damage, operational risk, government investigations as well as monetary penalties and potential criminal liability. In today's fast-moving corporate environment, the pressure to transact quickly increases the need for timely, comprehensive due diligence to arm organizations with the ability to make measured and qualified business decisions ahead of their competitors.

Fortunately, there is a Web-based solution designed to provide timely, targeted corporate intelligence and background information at your fingertips. *Astrus* can be an important component of a well run, risk-based compliance or regulatory program.

How KPMG can help

KPMG's Astrus integrity due diligence solution provides organizations with a strategic, cost-effective, and time-efficient approach to gathering information and assessing risk associated with customers, suppliers, agents, and other counterparties.

As a Web-based platform, Astrus can provide you with easy access to an online research methodology that accelerates the due diligence process without compromising the quality of reports and accuracy of information from which your organization will base key hiring, procurement, acquisition, compliance, or investment/business partner decisions.

Accessible and secure technology

- Astrus is hosted through a secure online platform, which facilitates the submission of requests for reports and provides our member firm clients with the option of convenient ordering, tracking, and electronic report delivery.
- Once completed, Astrus reports can be reviewed online or downloaded in PDF format based on the needs of your organization.

Timely and cost-efficient

- Astrus' reduced turnaround times allow organizations to transact more quickly with prospective customers, suppliers, and other third parties, potentially improving their competitive advantage.
- With turnaround times between four to seven business days, you get the information you need to meet your time lines. For larger volumes, we offer agreed-upon scheduled deliveries.

Accurate and reliable sourcing

- KPMG's Astrus due diligence solution has access to more than 30,000 individual online public data sources worldwide,

including premium content data and deep Web resources such as global sanctions and regulatory enforcement lists, personal and corporate data, litigation records, adverse global media and press, and trade/economic sanctions lists to identify important integrity and reputational information, which can be used to support due diligence assessments.

- Our searches cover the major European and other predominant languages, including Russian, Chinese, and Arabic, while Astrus' search technology indexes data in over 88 languages.
- KPMG's Astrus is data source agnostic, and sources data from premium content data aggregators as well as from primary data sources where ever available and identified (in preference to secondary data sources).
- KPMG's Astrus due diligence solution draws from the collective knowledge of KPMG's global Corporate Intelligence (CI) network to help KPMG member firm clients assess regulatory and jurisdictional risk. We regularly update and add relevant data sources.

Targeted strategic reporting

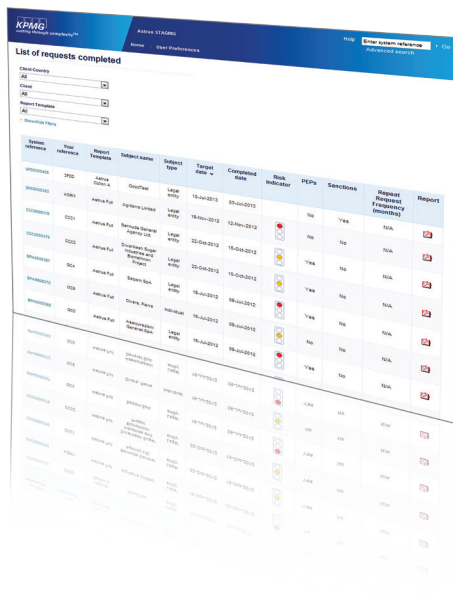
- Astrus reports are provided in a standardized format to facilitate review and to provide objective assessment of risk issues based on pre established criteria as determined by your organization.
- Astrus reports are designed to be streamlined and transparent in that they provide clients with reference details for the source of information as well as direct access to open sources referenced therein.
- These reports are prepared by KPMG's trained Corporate Intelligence professionals, who identify relevant information and provide a succinct summary of key issues for ease of use by member firm clients.

KPMG's approach

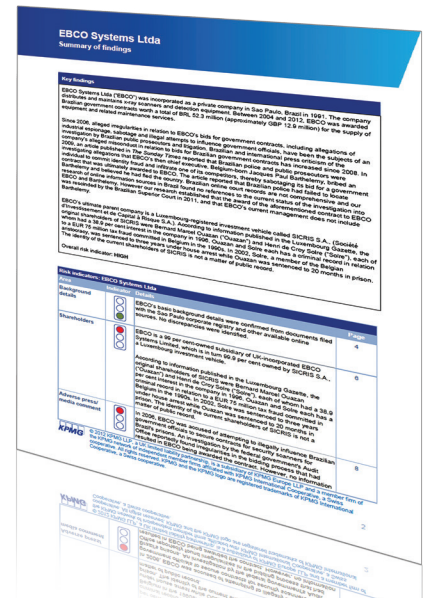
KPMG's Astrus due diligence solution begins and ends with our member firms' clients. Each request and resulting report is tailored to meet the needs and requirements of your organization. We utilize our market-leading research technology to access Web content generally not available in conventional search engines. Our CI professionals add value through iterative research and the application of targeted search strategies including advanced semantic searching and entity extraction to deliver accurate results. We also identify and use primary sources wherever available in preference to secondary data sources, and take into account reliability of information sources when assessing risk indicators. This is supported by a thorough quality assurance process overseen by experienced CI professionals before the report is delivered.



ASTRUS WEB PORTAL



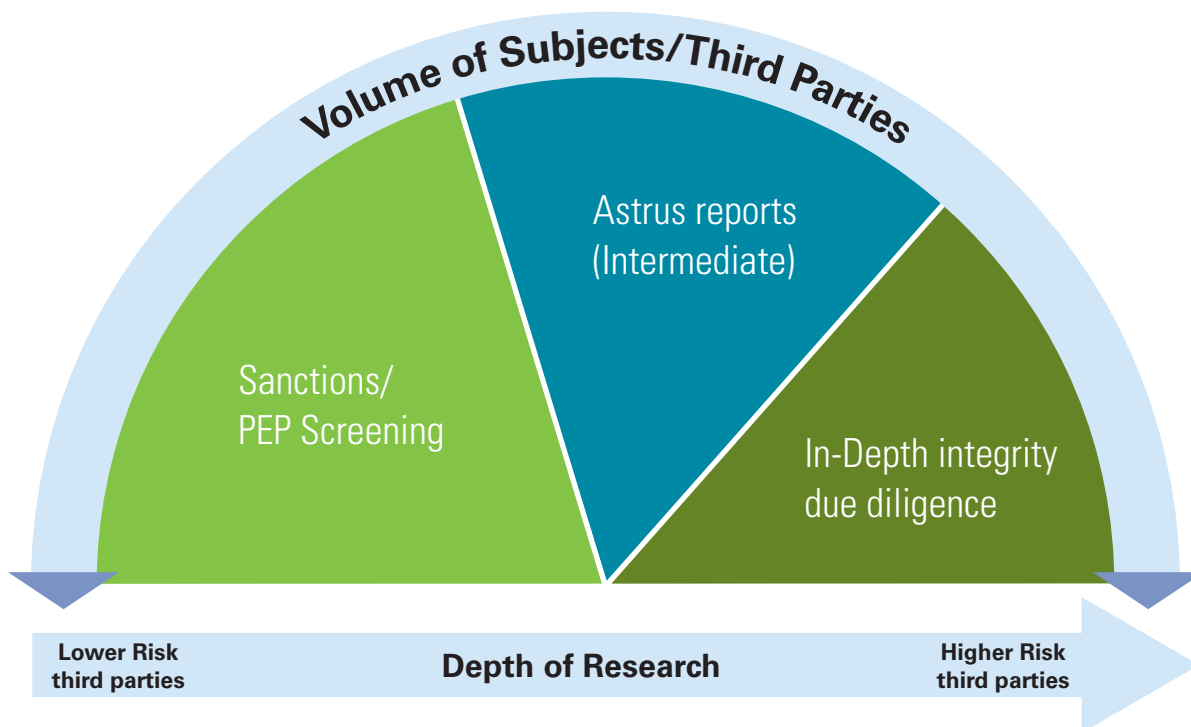
REPORTING DASHBOARD



ASTRUS REPORT

Levels of integrity due diligence

KPMG has developed robust and targeted due diligence reports responsive to the assessed risk-ranking of third-party relationships. As the graphic below illustrates, the depth of due diligence is directly proportional to perceived risk of a relationship. For lower-risk third parties, KPMG can undertake higher-level research and perhaps sanctions and PEP screening and/or negative media searches. As risk-assessments of third parties rise, KPMG offers deeper and more extensive analysis and due diligence reporting.



Source: Astrus: A Web-enabled integrity due diligence solution

KPMG can help clients to identify the appropriate level of due diligence required based upon such risk factors as jurisdiction, the nature of the industry, the service provided, the importance of the relationship, and create cost-effective, timely, and responsive reporting. KPMG's integrity due diligence services include:

1. High-level sanctions/PEPs screening/negative media searches

Astrus can be used to perform higher-level analysis based upon lower risk rating, potentially to include:

- The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) Specially Designated Nationals List and other global sanctions list
- The U.S. Excluded Parties List Service for OIG and commercial debarments
- World-Check and the DowJones Watch List to identify sanctioned parties, state-owned companies, government officials, and other PEPs
- Major international sanctions sources
- Global media for potentially adverse reputational information

2. Enhanced integrity due diligence

Astrus can also provide enhanced integrity due diligence that includes:

- An understanding of a third party's owners and shareholders; corporate structure and operations; reputational issues including allegations in the public record or media; criminal and/or civil litigation, as available in a given jurisdiction; sanctions matches; and/or PEPs
- A clear and concise summary of key findings and possible risks, highlighted with traffic light indicators.
- An objective assessment of facts related to integrity risk issues
- Cost-effective information regarding third parties in a swift and efficient way, with turnaround times usually of about four business days
- English and local language information and quality assurance reviews
- A dedicated due diligence team for each client.

Astrus sources

For Astrus Reports, we access hundreds of individual data sources worldwide. This includes premium content data sources and deep Web sources, including:

Astrus Sources of Information	Benefits of the KPMG Approach
Premium content data aggregators (e.g., D&B, Lexis/Nexis, Factiva, Westlaw, World-Check, Dow Jones Watchlist, OneSource)	KPMG accesses multiple and iterative third-party data aggregators to cast a broad net for results. We are data-source agnostic, and continually add to our data source libraries.
Deep Web content (e.g., behind passwords, firewalls, or requiring user search terms)	We use KPMG proprietary technology to search Web content not indexed via traditional search engines. Through our global KPMG Corporate Intelligence network we constantly update and add relevant data sources.
Surface Web content (e.g., not requiring log-ins or form submission)	We use market-leading search technology to create searchable indexes of relevant information sources. We index critical content (e.g., OFAC Specially Designated Nationals list) every 24 hours.
Non-English language sources	We cover major European languages and other key languages such as Spanish, Portuguese, Russian, Chinese and Arabic. Our search technology indexes data in over 88 languages.
KPMG independent research	We have a wider reach than individual data vendors. We identify and use primary data sources wherever available in preference to secondary data sources. We take into account reliability of information sources when assessing risk indicators.

Source: Astrus: A Web-enabled integrity due diligence solution

3. In-depth integrity due diligence

Based upon the preliminary risk rating of the third party, jurisdictional limitations, or upon other previously identified risk factors, a client may elect to undertake in-depth integrity due diligence of certain third parties. Or, based upon the findings of earlier due diligence including Astrus' high-level screening or the enhanced integrity due diligence, a client may seek additional procedures to clarify findings, address gaps or inconsistencies, or examine relationships more closely. KPMG member firms, through our global network of CI and other Forensic colleagues, can undertake in-depth integrity due diligence that consists of targeted procedures combining deep desktop research and field procedures to retrieve documents and information.

Additionally, based upon the findings of initial due diligence work, KPMG firms can assist through field interviews of prospective business partners, local jurisdiction sources that could include business and commercial contacts, current or former associates of the third-party, government officials and/or KPMG colleagues in relevant jurisdictions with in-country subject matter experience of political, government, and business practices in relevant locales. These procedures would seek to build upon the findings of earlier, higher-level due diligence previously performed. Such follow-on procedures include:

- Related-party reviews
- Interviews with local jurisdiction sources, current/former associates, etc.
- Local business reputational information via interviews
- Site visits and compliance inspections

4. Ongoing monitoring of certain third-party intermediaries (TPIs)

Astrus Monitoring – KPMG provides automated monitoring of trusted external data sources to alert you to information changes that impact your risk assessment of third parties with whom you do business. Astrus Monitoring provides a precise and highly configurable system, capable of integrating and monitoring data from multiple information sources. Astrus Monitoring has been specified and built in response to our clients' needs to maintain accurate and up-to-date reference information, whether for Anti-Money Laundering (AML) or Anti-Bribery and Corruption (AB&C) compliance purposes. Astrus monitoring is a credible and cost-effective alternative to manual monitoring processes. Changing to an event-driven system can help reduce your ongoing compliance costs and alert you sooner to critical customer and counterparty data changes.

How Astrus Monitoring can turn risk to advantage

- Astrus Monitoring is a technology-based system used to consolidate data from a wide range of primary data sources worldwide such as corporate registries, regulators, stock exchanges, and central banks. Additionally, Astrus Monitoring can be used to integrate leading data aggregators such as Bloomberg or Bureau van Dijk, to extend information coverage. Potentially, we can build additional data source integrations to your specification.
- Astrus Monitoring is highly configurable, allowing you to specify which data sources and which data fields within these sources are monitored and at what frequency. Monitoring profiles can be customized to match your organization's AML compliance guidelines.
- Astrus Monitoring introduces a high degree of conformity to your monitoring processes. We maintain a full audit and evidence trail including screen capture information and digitally signed reports to support regulatory compliance. A centralized process for specifying which data sources are used under what circumstances and at what frequency provides comfort that processes designed to address regulatory compliance are applied consistently.
- Astrus Monitoring provides alerting and escalation functionality to help your business ensure that critical changes are reviewed on a timely basis. Clear reporting dashboards and Key Performance Indicator metrics can be extracted to help you manage your compliance risks effectively.
- KPMG provides a fully hosted and supported system. We maintain data source integrations on your behalf. When data sources change, we make the updates. This reduces your risk that you are inadvertently relying on out-of-date information sources.
- Manual periodic reviews typically cover a large range of records to identify a relatively small number of relevant changes. As Astrus Monitoring precisely identifies these relevant changes as well as maintaining a full record of non-changed records, you can likely reduce your manual review effort, saving time and money.

Why Astrus?

KPMG's Astrus integrity due diligence solution facilitates a shift from tactical due diligence to strategic due diligence. Astrus reflects the tailored, risk-based and customized nature of the former, while taking advantage of the sophisticated technology, expediency, and subsequent cost-benefit of the latter.

Astrus is particularly suited to situations where an organization may need to screen a higher volume of counterparties on a cost-effective basis. It provides a tangible step up from automated database solutions, and also has the potential to enhance your organization's competitive edge and effectively assess risk in today's current and emerging markets.

Astrus provides organizations with:

- A secure, easily accessible, single point of entry and delivery via the Astrus dashboard tools for authorized users
- Access to data from multiple premium data sources in multiple jurisdictions
- A clear and concise summary of key findings and possible risks. Risk indicators are established with our clients in advance, and not only provide a consistent measurement of integrity risks, but also findings tailored to the needs of your organization.
- Web-based access for authorized client personnel where reports can be commissioned and reviewed by a legal, compliance, or risk team
- A wide range of international, on line public data sources including press and media, regulatory records, court records, corporate records, stock exchanges, and law enforcement sources, among others
- An objective assessment of facts related to integrity risk issues.

Case studies

To assess risk of potential inappropriate payments, an organization with a global network of third-party agents undertook a review to identify agents associated with government or political figures. KPMG's Astrus reports identified potentially related parties, and reviewed those parties against global sanctions, debarment, and Politically Exposed Persons lists. The reports enabled the client to search its systems for payments to related parties and to identify agents with government relationships.

A global financial institution with private wealth clients around the world required a review of several hundred customers to enhance customer files and assess risk. KPMG's Corporate Intelligence team provided accelerated delivery of reports to the client, which met stringent self-imposed deadlines to identify its highest-risk clients and implement appropriate monitoring and controls.

A global financial services institution uses Astrus to supplement its internal due diligence capabilities, allowing its compliance team to meet and exceed internal service-level delivery times. The use of Astrus allows our client to effectively balance its internal workloads and minimize delays during the client on boarding process.

KPMG's Corporate Intelligence resources

KPMG's Corporate Intelligence teams operate in many areas of the globe and have the capability to conduct due diligence and gather information from a wide range of local and global intelligence sources on member firm clients' current and prospective customers, business partners and employees. This information helps them to reduce risk, fulfill regulatory obligations, enter new markets, and solve problems.

Our teams draw upon our in-depth local knowledge, our network of global data sources, and the intelligence resources of the broader KPMG network to provide you with helpful and insightful intelligence and analysis in both established and emerging markets.

About KPMG ForensicSM

KPMG Forensic is a global network, comprising multidisciplinary professionals from member firms of KPMG International, who assist clients in achieving high levels of business integrity through the prevention, detection, and investigation of fraud and misconduct, and by avoiding and resolving disputes. Our professionals not only help clients discover the facts underlying concerns about fraud and misconduct, but they also assist clients in assessing and mitigating the vulnerabilities related to such activities. We also deliver a broad range of services to help prevent and resolve commercial disputes including the assessment of damages, resolution of accounting, audit, and finance-related issues, and expert witness services.

Using a wide range of sophisticated technology tools, KPMG Forensic helps organizations address the risks and costs involved with evidence and discovery management, as well as the acquisition, management, and analysis of large data sets. Our professionals work alongside clients to handle information from its creation to its preservation, collection, analysis, and presentation in discovery. We also apply computer forensic and data analysis techniques to assist with detecting fraud and misconduct. To support these services, member firms of KPMG International operate secure data centers in the United States, the United Kingdom, Canada, Australia, India, South Africa, Germany, and Austria.

Professionals in KPMG's Forensic practice draw upon extensive experience in forensic accounting, law enforcement, fraud and misconduct control assessments, legal damage quantification and analysis, expert witness testimony, international arbitration, asset tracing, computer forensics, and forensic data analysis.

KPMG Forensic professionals are well positioned to provide consistent service to global clients. By sharing common global methodologies, KPMG International member firms can readily assemble multinational teams who possess the breadth and depth of technical skills and industry knowledge to address fraud, misconduct, and dispute concerns.

Service offerings are subject to legal and regulatory restrictions. Some services may not be available to KPMG's financial statement audit or other attest service clients.



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