KPMG developed various forms for conducting pre-employment screening in order to prevent and detect insider threat(s). The mentioned documents are fully customizable according to your requirements to fit perfectly in your company. The objective is to identify and assess the risk and to implement a robust strategy to prevent incidents that can be caused by future employees by high quality background checks.

1. The background verification form, which has to be signed by the applicant before the screening process, combines the following items:
   - Personal contact details
   - Residential address for the past 10 years
   - Education records (High School, University details)
   - Employment records about current and/or previous employers and references
   - Public mandates/ancillary activities records such as any public position held

Moreover, upon your request we can check the candidate’s criminal record for the past 10 years before the commencement of the activity (the criminal application form has to be signed by the candidate). Upon demand, we can also consider the credit check record for the past two years (shall be requested in the last Canton of residence in Switzerland and in any applicable jurisdiction in case of foreign residency).

2. The catalogue of questions is based on three security levels. Content of the interview:
   - Professional situation such as career development, job satisfaction, reputation, leadership, duty of loyalty, security at work
   - Foreign relationships
   - Financial situation
   - Criminal proceedings
   - Threats, vulnerability to blackmail, corruption, acceptance of advantages
   - Substance abuse and drug offences

A formal check will be conducted prior to interviewing the candidate. If you wish, the interview can be recorded and will be destroyed once KPMG delivers its report.

3. Financial situation form combines the following items:
   - Description of assets (savings, deposit accounts, bonds, shares, funds)
   - Type of credit card(s) (Visa, MasterCard)
   - Description of debts type (mortgage, leasing, loans)

4. Public mandate / ancillary activities form
Consists of identifying whether a public position and/or an ancillary activity has been held for the past 10 years.

5. The KPMG reporting consists in outlining the work performed thanks to:
   - Background verification form
   - Detailed job description
   - Copy of the candidate’s CV as well as all appendices available (copy of diplomas, work certificates, letters of reference)

The KPMG reporting also highlights the findings by color in different categories:
- Green: Verified / In line with the documentation received
- Amber: Inaccessible for verification / Unable to verify / Additional information required / Minor discrepancy
- Red: Discrepancy
To go further: KPMG Insider Threat Tracking Tool (KITT)

On top of the KPMG materials, an IT platform has been developed allowing to automate the people risk operational model. It is a preventive measure and the objective is to act as a single repository for the insider risk teams. It creates stronger business synergies between all relevant business stakeholders.

To ensure that the "right" people join your workforce and that you "know your employee" requires a rigorous risk based and consistent pre-employment screening and vetting process. KITT's combined security controls facilitate the user to identify key risk indicators and to detect malevolent insiders before any sensitive assets from the organization are exfiltrated and cause damage. KITT provides an overview on the accesses granted to the employees versus the role held and combines a large panel of tracking activities that flag and alert inappropriate physical and IT accesses. This allows you to neutralize the risk of your employees trying to bypass any security controls. KPMG will work closely with the organization in order to build up a tailor-made platform to meet the company's needs.

Due to the constant external and internal factors that can have effects on people, the preventive people risk measures should constantly be reviewed and recertified during the duration of employment, especially when the professional function has changed (i.e. promotions, change of roles, disgruntlement etc.).

Having policies and procedures in place that are aligned with the levels of risk of the roles and specific threats to the organization is key to being efficient and to influence a company's culture in a positive way.

Governance model for user lifecycle functions and reporting:

<table>
<thead>
<tr>
<th>New Joiner</th>
<th>Access approval</th>
<th>People risk requirements are checked</th>
</tr>
</thead>
<tbody>
<tr>
<td>Set-up of a new joiner</td>
<td>Employee joins the company</td>
<td>Provisioning Set-up of approved access and update of people risk grid</td>
</tr>
<tr>
<td>Pre-employment checks &amp; vetting</td>
<td>Mover Moving roles within the company</td>
<td>Certification Periodic entitlements review</td>
</tr>
<tr>
<td>Employee leaves the company</td>
<td>Leavers Leaving the company</td>
<td>Governance and assurance activities</td>
</tr>
</tbody>
</table>

Contacts

KPMG SA
Rue de Lyon 11
PO Box 347
CH-1211 Geneva 13
kpmg.ch/forensic

Philippe Fleury
Partner
Head of Forensic
Switzerland
+41 58 249 37 53
pfluey@kpmg.com

Marc Bieri
Director
Forensic
+41 58 249 64 05
mbieri@kpmg.com

Cédric Biedermann
Manager
Forensic
+41 58 249 64 80
cbiedermann@kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received, or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation. The scope of any potential collaboration with audit clients is defined by regulatory requirements governing auditor independence.

©2016 KPMG AG is a subsidiary of KPMG Holding AG, which is a member of the KPMG network of independent firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss legal entity. All rights reserved.