

LSEG Due Diligence

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KYC due diligence reports



LSEG RISK INTELLIGENCE

LSEG KYC due diligence reports – available for both companies and individuals – deliver detailed information and comprehensive insights to help regulated entities pinpoint potential risk.

The Know Your Customer (KYC) risk landscape

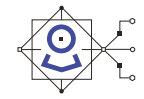
The pervasive nature of financial crime has led to organisations spending vast sums – research by LSEG reveals as much as an average of 3.1% of annual turnover – trying to detect and prevent illicit financial activity within their customer networks. This includes money laundering, bribery and corruption, fraud, tax evasion and more.

Anti-money laundering (AML)/KYC regulation is designed to prevent financial institutions being exploited by potential or existing clients. Therefore, organisations' KYC processes need to include thorough and accurate due diligence in order to comply with intensive AML regulation. It includes verifying basic identifying information on a company (or individual) and conducting due diligence to determine the level of risk of illicit financial crime and the commensurate level of ongoing due diligence or monitoring of that client, based on an enterprise's risk appetite. Within this process, robust due diligence remains the best defence against financial crime.

Organisations that fail to detect potential risk early in the process risk significant regulatory, financial and reputational damage. This reinforces the need for regulated entities to ensure that they assess and understand the full range of potential risks introduced by any new or existing customer.

This starts with verifying the identity of a customer and the ownership and control of an entity, followed by assessing their integrity and financial viability. Additional risks – including cyber, ESG and operational risk – may be emerging but should also be assessed.

Types of risk to consider



Identity risk

Regulated entities must first verify that the customer actually exists and that their identity can be verified by official sources. Then they must verify that the customer is in fact the person they claim to be and not an intermediary.

They should also assess the viability of the customer by understanding the source of their funding or wealth and an entity's ultimate beneficial ownership (UBO) and controllership details, to gauge the potential risk for illicit financial activity and related risks.



Integrity risk

Regulated entities must gauge a client's potential risk for exploiting their services to facilitate illicit financial activity, specifically money laundering and terrorist financing.

They must also verify that the customer is not subject, directly or indirectly, to any government sanctions that would completely or partially restrict a commercial relationship.

In addition, they should further identify and address integrity issues that could have potential reputational implications.



Financial risk

It is important to assess both the creditworthiness and the financial stability of any customer. Additionally, any potential financial irregularities identified should be flagged for further investigation.

By adopting a holistic approach to understanding the risk inherent in any customer relationship, regulated entities can better manage and mitigate total risk and more readily comply with AML and other relevant regulatory and legislative requirements.



Operational risk

Operational risk is an emerging risk which require an assessment to understand customer suitability by looking specifically at elements such as their business performance operational footprint, affiliates, customer base and any other risk-related issues. Further, operational risks can potentially identify and corroborate identity, integrity and financial risks.



ESG-related risk

Although ESG is an emerging risk, many enterprises must abide by CSR goals and be able to identify ESG controversies as part of risk acceptance process. ESG risks range from links to environmental crime, human rights violations and modern slavery to situations where executives and company directors in controlling positions have conflicts of interest or government connections.



Cyber risk

Cyber risk is also an emerging risk; however, Gartner has stated that spend on cybersecurity solutions globally will reach US\$133.7 billion by 2022. Payment fraud is now a substantial form of crime (running into billions) and this, together with other forms of online financial crime, has underscored the crucial need to verify a customer's identity both during onboarding and throughout the customer relationship – not only for compliance reasons but also to protect against reputational damage.

KYC due diligence reports: an overview

LSEG offers a comprehensive range of KYC due diligence reports for both companies and individuals.

Company reports

Where the key subject is a company we offer four distinct reports: Base, Core, Advanced and Premium.

KYC company reports focus on identity, integrity and financial risk by corroborating and investigating identity and UBO information while allowing for the inclusion of operational, data and ESG risks.

Reports offer simplicity and clarity, including all the information you need at a glance on a comprehensive cover page:

- An executive summary outlines the key findings
- We offer a choice relating to risk ratings:
 - **Option 1** is an overall rating that delivers a risk score from one to 10, colour-coded from red to green for ease of identification
 - **Option 2** is an **alternate** cover page with NO RISK RATING, to accommodate firms that follow their own in-house ranking rules. In this instance, risks are identified but the overall risk rating is omitted
- A total of 29 risk categories are included, highlighting where each risk was discovered
- Our country risk rating indicates the risks attached to the subject's primary country
- Associations via company ownership, management/control and related risks are provided

KYC due diligence reports at a glance

Company due diligence reports

Option 1 is an overall rating that delivers a risk score from one to 10, colour-coded from red to green for ease of identification.

Option 2 alternate cover page with NO RISK RATING to accommodate firms that follow their own in-house ranking rules. In this instance, risks are identified but the overall risk rating is omitted.

Executive summary
A short summary of the key findings on the subject and its associates

Risk categories
Shows the 29 risk areas searched during the scope of research, highlighting areas where risks were found and rating them accordingly. The 29 risk areas fold into six risk categories which then fold into the **Overall Risk Rating**, taking country risk into account as well

Country risk rating
LSEG proprietary country risk index provides ratings for integrity, identity, ESG, data and cyber, financial and operational/ quality risks for the subject's primary country

Overall risk rating
Single overall rating from one to 10 and red to green

Associations summary: relationship and risks
A ready reference listing of subject company's ownership, management/ control, related associates and any potential risks identified

| Risk Category | Score |
|-------------------------------|-------|
| Integrity Risks | 4.2 |
| Identity Risks | 6.5 |
| ESG Risks | 5.0 |
| Data and Cyber Risks | 4.0 |
| Financial Risks | 5.4 |
| Operational and Quality Risks | 4.0 |

| Associations | Roles | Ownership / Control | Risk Identified |
|------------------|-------------------------|---------------------|-----------------|
| Andrei Dimitrov | Board Member | ☑️ | Risk found |
| Sergey Medvedev | Chief Executive Officer | ☑️ | No risk found |
| Danil Abramovich | Chief Financial Officer | ☑️ | No risk found |
| Alexander Ivanov | Chief Operating Officer | ☑️ | No risk found |

Executive summary
Provides you with a short summary of the key findings on the subject and its associates

Risk categories
Risks identified during the course of research are highlighted

Country risk rating
LSEG proprietary country risk index provides ratings for integrity, identity, ESG, data and cyber, financial and operational/ quality risks for the subject's primary country

No overall risk rating

Associations summary: relationship and risks
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| Andrei Dimitrov | Board Member | ☑️ | Risk found |
| Sergey Medvedev | Chief Executive Officer | ☑️ | No risk found |
| Danil Abramovich | Chief Financial Officer | ☑️ | No risk found |
| Alexander Ivanov | Chief Operating Officer | ☑️ | No risk found |

Drilling down: the details

Company reports

Base Report (online only)

The Base Report covers one company and one key principal and includes:

- Identity/ownership information to include corporate filings (online only), basic media and Internet research and ownership information (a listing of current owners/controllers)
- An integrity assessment, including World-Check and basic media and Internet research, flagging adverse information
- A financial assessment including basic media and Internet research

Core Report

The Core Report covers one company and two key principals, and includes everything offered by the Base Report plus:

- Identity/ownership information that includes all sources of corporate filings, as well as UBO information to the 25% ownership threshold
- Additional integrity information to include litigation, regulatory and law enforcement checks
- Additional financial information to include bankruptcy checks
- An operational assessment based on basic media and Internet research

Advanced Report

The Advanced Report covers one company and two key principals and includes everything offered by the Core Report, plus:

- Identity/ownership information that includes comprehensive media and Internet research
- Additional integrity information that includes 10 World-Check records and full media and Internet research
- Additional financial information that extends to full media and Internet research and a financial credit score from a credit rating agency
- An operational assessment based on full media and Internet research
- An ESG assessment based on full media and Internet research, including a summary of NGO actions and issues from a dedicated ESG data source
- A data and cyber assessment based on full media and Internet research, including a security rating and key metrics behind the rating from a cybersecurity data source

Premium Report

The Premium Report covers one company and two key principals and includes everything offered by the Advanced Report, plus:

- Additional identity/ownership information that includes business intelligence and discreet on-the-ground investigations by trusted sources consisting of former government officials, law enforcement, investigative journalists and individuals within pertinent business communities to provide intelligence beyond open source research

A list of individually priced add-ons is also available.

Available add-ons differ according to report type.



Entity Verification Report

We also offer a standalone Entity Verification Report, covering one subject per report. This provides a targeted approach to fulfil regulatory requirements and ensures transparency and an understanding of entity structure and ownership with a specific focus on business overview information, UBO identification, ownership by level and senior management official identification, along with World-Check screening, to fulfil KYC regulatory obligations.

Individual reports

Where the key subject is an individual, we offer a Source of Wealth (SoW) report with the three options (Core, Advanced and Premium). These are also prepared on the basis of one subject per report.

Our SoW reports assess and determine an individual's generation of wealth, from legitimate and potentially illegitimate means, in addition to identity, integrity and financial risks.

Entity Verification Report

The Entity Verification Report covers one company. Reports identify UBOs at the 25% ownership threshold and there is no limit placed on the levels and number of shareholders to determine UBOs. Lower UBO thresholds (e.g., 10%) can be requested for an incremental fee.

Information is gathered in more than 60 primary languages and we use only official company registries, where permitted. We do not rely on intermediary information.

For multi-layered organisations, checks are conducted on up to three levels of third-party ownership but more can be completed if required.

Identified UBOs are screened against LSEG World-Check and there is the option to order enhanced due diligence reports where suspicious entities are flagged.

We also offer a rescreening service to ensure that information remains up to date.

We further offer unrivalled strength in emerging markets, since we have direct access to company registry records in many jurisdictions.

Executive summary of top-down UBOs by name and percent ownership

Ownership structure table – UBOs and additional shareholders

LSEG Due Diligence
Entity Verification Report

SM Corporation Inc.
Australia | Food, Beverage & Tobacco

EXECUTIVE SUMMARY
Inquiries with the Ministry of Commerce and Industry of Saudi Arabia revealed the complete shareholding structure of SM Corporation Inc.
SM Corporation Inc. is owned by Saudi Trading Company and Malwards International Trading Co LLC, each holding 47 percent in the subject company. The remaining shares are owned by Ismael Abdulwahab Said Eshubiki (4 percent) and Mohamed Shaban Abou Jadedik (2 percent).
Inquiries revealed the shareholders of Saudi Trading Company to be Albasmaiah Holding Company Limited (owned by Al-Jabal Electricity Company Limited and Fandi Tariq Abdulrahil Al-Ansari) and Dejam Industrial Investment Company (owned by Al-Jabal Electricity Company Limited and Albasmaiah Holding Company Limited). Meanwhile, Malwards International Trading Co LLC is owned by Sami Ibrahim Fathi Gazzar, Adoua Fattah Ahmed Farouq Sabir, Ramiz Khairy Abdelgawad, Ismael Abdulwahab Said Eshubiki as well as Malwards International Holding Company LLC. Malwards International Holding Company LLC is, in turn, owned by Sami Ibrahim Fathi Gazzar, Adoua Fattah Ahmed Farouq Sabir, Ramiz Khairy Abdelgawad and Fawaz Fahad Abdulmut.

| SHAREHOLDERS | | | SUBJECT COMPANY | |
|-----------------|-----------|------------------|--------------------|------------------|
| Identified UBOs | Ownership | Risks Identified | Name | Risks Identified |
| Subject name 1 | 25% | No risk found | SM Corporation Inc | No risk found |
| Subject name 2 | 7% | No risk found | | |
| Subject name 3 | 25% | Risk found | | |
| Subject name 4 | 23% | Risk found | | |

| SHAREHOLDERS (2nd Level) | | | MANAGEMENT SCREENING | |
|--------------------------|-----------|------------------|-------------------------|------------------|
| Identified UBOs | Ownership | Risks Identified | Management | Risks Identified |
| Subject name 1 | 7% | No risk found | Subject name 1 CEO | No risk found |
| Subject name 2 | 3% | No risk found | Subject name 2 CEO | No risk found |
| Subject name 3 | 23% | Risk found | Subject name 3 CEO | Risk found |
| Subject name 4 | 25% | Risk found | Subject name 4 CEO | Risk found |
| Subject name 5 | 23% | Risk found | Subject name 5 Director | No risk found |

→ view shareholding

Client ID: SM/UPA | Report generated on 18 Apr 2021 | RAE 2020 Annual | Provided by Refinitiv | Updated 18 Apr 2021 | Version V8.7.5 | 2021 available

Management screening: results of controllers and management risk screening

Individual reports

Source of Wealth Reports

A SoW report delivers detailed information that can help ensure that an individual's funds have been derived from legitimate business interests. Reports construct a detailed profile of an individual's professional and personal financial activities.

Each report covers one individual and gives an estimate of net worth.

We provide an executive summary that delivers background information on the individual and aim to corroborate client-provided information while identifying new, pertinent SoW information which is categorised by asset class as follows:

| | |
|--------------------|--------------------|
| Careers/earnings | Family assets |
| Directorships | Real estate assets |
| Business interests | Other assets |

Each asset identified is provided as an estimated monetary value and source of wealth classification, from very significant to minimal or unable to determine.

Our robust research methodology builds the narrative of an individual's source of wealth while flagging any potential risk related to wealth generation in terms potential illicit financial activity, as well as regulatory and/or reputational challenges.

A list of individually priced add-ons is also available.

Core Report

The Core Report includes:

- An executive summary of the individual's SoW
- Identity/ownership information drawn from comprehensive media, Internet research and proprietary databases and sources – covering employment history, positions, licences, directorship checks and a listing of relatives and close associates – to ascertain sources of wealth
- Asset classification and quantification, where available, to understand the reported sources and composition of an individual's wealth profile
- An integrity assessment based on World-Check screenings, comprehensive media and Internet research as well as details of litigation, regulation, bankruptcy and law enforcement (LBRL)
- A financial assessment based on comprehensive media and Internet research, including real estate assets and individual business interest checks

Advanced Report

The Advanced Report includes everything offered by the Core Report, plus:

- A more detailed SoW summary that provides comprehensive due diligence checks and a full picture of the subject's net worth
- Additional identity/ownership information that extends to full media and Internet research and short bios on relatives and close associates potentially contributing to subject individual's wealth
- Additional integrity information that includes World-Check screening and full media and Internet research
- Additional financial information to include full media and Internet research and other assets

Premium Report

The Premium Report includes everything offered by the Advanced Report, plus:

- A detailed summary with advanced scope, plus business intelligence and gap analysis for potential risks
- Additional identity/ownership information, supplemented by business intelligence commentary consisting of discreet on-the-ground investigations by trusted sources consisting of former government officials, law enforcement, investigative journalists and individuals within the pertinent business communities

Individual Source of Wealth Report

LSEG Due Diligence
KYC Risk Report - Source of Wealth
PREMIUM

Bradford J. Bergen
New York, United States

ESTIMATED NET WORTH
Significant

EXECUTIVE SUMMARY
Bergen, born in 1960 in the United Kingdom, is a co-founder of a company named Dwell Development based in the United States. He holds and has held several positions in various companies in Thailand and a company in the British Virgin Islands, such as being the Managing Director of G.E.L. General Engineering Service Company Limited, Chief Executive Officer of GRT Ecosystem Company Limited, as well as Director of SNS Ventures Limited, among others. Additionally, he also holds and has held shares in several companies in Thailand and the British Virgin Islands, such as Pace Development Corporation Public Company Limited, General Engineering Public Company Limited, Thai Kriang Group Public Company Limited, Bangkok Thai Fabric Company Limited, Shinawatra Essence Silk Company Limited and SNS Ventures Limited. Bergen's net worth is approximately \$40 to \$50 million, which has been derived from his family's fortune in infrastructure and construction, as well as his own ventures into infrastructure and diversification into shipping. However, his father and uncle are under investigation by the Thai Authority for corruption and bribery allegations concerning a \$500M infrastructure project.

SOURCE OF WEALTH FINDINGS

| | |
|--------------------|-------------|
| Covered Entities | Significant |
| Dispositions | Significant |
| Business Interests | Significant |
| Family Assets | Significant |
| Real Estate Assets | Minimal |
| Other Assets | None found |

RISK FINDINGS SUMMARY

| | |
|--------------------------|-----------------------------------|
| Financial Irregularities | Travel |
| Corruption and Bribery | Government Connections |
| Data Security | Data Security |
| Employment Practices | Business and Organizational Crime |
| Financial Stability | News and Related Matters |
| Political Stability | Financial Stability |

ASSOCIATIONS SUMMARY

- Bradford J. Bergen
- Subject name 2
- Subject name 3
- Subject name 4
- Subject name 5
- +5 more associated profiles

SOURCES SUMMARY

- Global Compliance Check
- Whistle
- Chief Documentation
- Official Documentation
- Dark Web
- +8 more sources

Case ID: 3MAURA
Prepared by: RATHNIA
CONFIDENTIAL

Report generated on: 18 Apr 2021
Updated: 18 Apr 2021
Version: V0.7.0

SAE: 5000 Minimum
report available

Executive summary
Background on the individual and their primary sources of wealth and/or risk

Source of Wealth
By relevant categories as well as a designation, e.g., none found, normal, significant

Association summary
Individual's associations identified during research

Estimated net worth

Risk findings summary for individuals

Sources summary

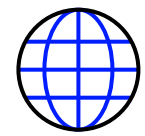
Why LSEG due diligence KYC risk reports?

Our KYC risk due diligence reports deliver detailed analysis and accurate risk ratings so that organisations can make informed decisions and engage customers with confidence.



Quality, holistic reports with global coverage

Our reports deliver accurate, trusted data and insight across the range of risks impacting regulated entities. We have a team of certified compliance professionals able to access a wide range of open and paid primary data, obtained from official sources in over 200 jurisdictions and in 60 languages.



Local knowledge

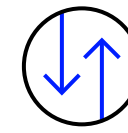
Our due diligence reports are built on insightful data, analysis and knowledge and incorporate local knowledge and analysis that is applicable to the industry and countries where you do business, enabling you to mitigate and remediate risks that are prevalent in your industry or common to your market.



Experience and deep domain expertise from a trusted partner

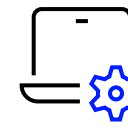
As one of the first to market LSEG has a lengthy track record of delivering quality KYC due diligence reports produced by compliance professionals, with both country and industry knowledge that enables them to provide issues-based analysis and relevant insights. These professionals hold qualifications across different disciplines including law, taxation, finance, auditing, business administration, commerce and international relations.

Contact us to find out how we can help you with your KYC due diligence needs.



Quick turnaround times

We offer convenient ordering capabilities through a dedicated portal. We deliver all reports quickly and efficiently – our Snapshot report is available in a matter of hours and our Basic level report can be turned around in just two business days.



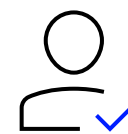
Technology driven

To help streamline research processes and help automate your decision making, we have made large-scale investment in natural language processing (NLP) and AI technology. We deliver modernised, data-orientated content and ratings in both human- and machine-readable formats to better support you in an online world.



Targeted insight

We focus on primary AML/KYC risk concerns specific to identity, integrity and financial risk while also including emerging risks such as operational, ESG and cyber – which are becoming more prevalent and material to consideration of a commercial relationship.



Reports and services to suit your needs

Our suite of KYC due diligence reports are part of the wide and flexible range of due diligence reports that we offer and are available at varying levels of complexity and customisation to address your specific use case. In addition we offer consulting and managed services to handle business as usual operations or remediation projects.

