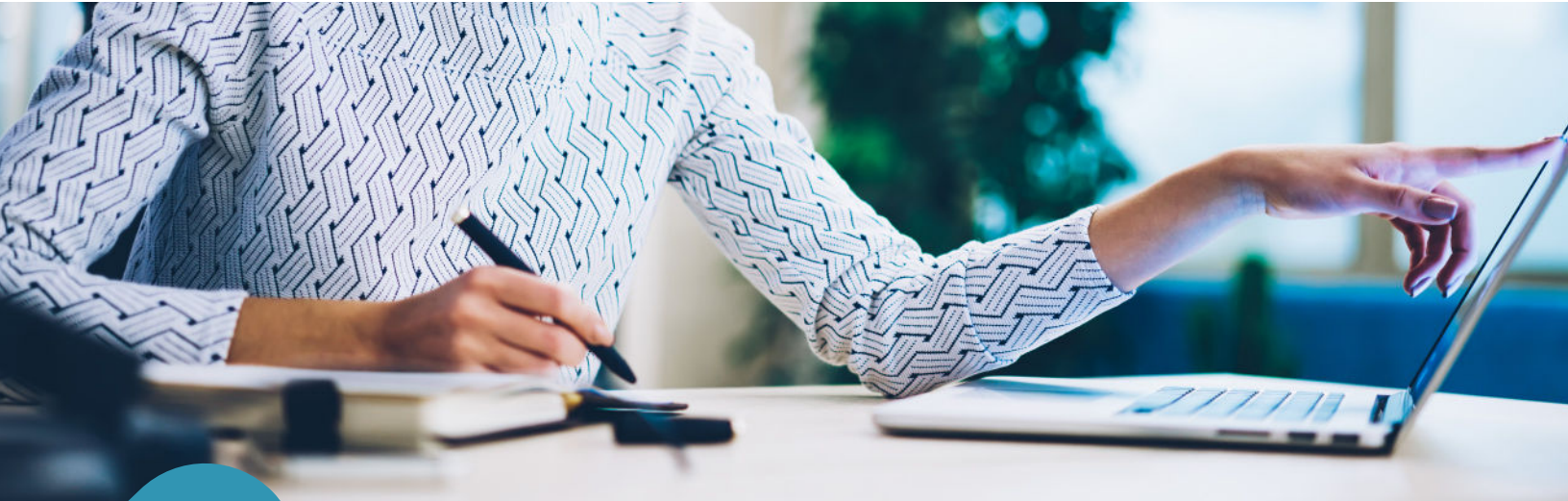


# Beneficial Ownership: Applied Logic

*Better assessment of risk with applied percentages*



Understanding whom you do business with is a fundamental regulatory requirement and illustrates good corporate governance. For compliance and risk teams, knowing the beneficial owner of all entities you work with as customers, suppliers, or third-parties not only meets regulatory requirements, but builds transparency, and protects your brand reputation, especially at a time of increased scrutiny by regulators, consumer advocates, and shareholder activists.

Identifying beneficial ownership is a challenge. Examples of good governance provided by regulators often assume reasonably simplistic hierarchy structures and linkage, and a ‘best case scenario’ where information is readily available. However, this is not the case in the real world. In many regions, the beneficial ownership data that is available is simply not detailed enough, or is inconsistent, meaning it is hard to follow graphs or structures through to get the full picture.

There are many instances of undisclosed ownership interest and, without a percentage, teams cannot continue up the path, so calculating true ownership is difficult. Without the full picture, a risk-based approach is required. Teams will need to carry out additional customer research, so the process of establishing beneficial ownership can be lengthy and costly.

# Introducing Applied Logic from Dun & Bradstreet

## *Using analytics to find the mostly likely outcome for beneficial ownership*

Applied Logic from Dun & Bradstreet gives users the choice to see applied percentages for beneficial ownership, in one of two ways:

- A ‘worst case scenario’, based on the owners assuming all the unknown ownership. E.g. Four attached owners holding shares to another entity but all undisclosed, assume 100% each.
- An ‘equal distribution’, based on the owners assuming equal amounts of ownership. E.g. Four attached owners holding shares to another entity but all undisclosed, assume 25% each.

This solution allows for accurate allocation and full resolution without removing the actual or legal position. Users have access to both the legal and applied data, allowing them to be able to ‘follow the money’ and establish a beneficial owner’s true percentage holding.

This results in better assessment of risk, through reducing the number of undisclosed beneficiaries. In turn, there should be less owners that potentially need screening, increasing efficiency within the compliance process and reducing false positive remediation.

- Use analytics to fill in transparency gaps and imply true ownership percentages
- We distribute direct and indirect share ownership equally, allowing calculations to be completed
- We add unknown shareholders where 100% of share ownership is not distributed
- Implied beneficial ownership can now be calculated
  - Enables full picture
  - Supports workflow
  - Allows for risk-based approach

### A VARIETY OF VIEWS TO AID USE CASES

With the addition of Applied Logic, Dun & Bradstreet now derive analytics and provide different visualisations to help users achieve a view of true beneficial ownership.

1. **LEGAL VIEW** – Provide the full information as reported with no additional analytics
2. **BENEFICIAL OWNERSHIP VIEW** – Get straight to the answer and show the true owners only without the paths
3. **APPLIED CONTROL VIEW** – Use analytics to fill in transparency gaps and imply true ownership percentages

### BEST-IN-CLASS DATA, WHEN AND WHERE YOU NEED IT

Receive intelligence on beneficial ownership from the world’s largest commercial database. Dun & Bradstreet sources and enriches information from over 100 registries around the world, most of which have a daily update cycle.

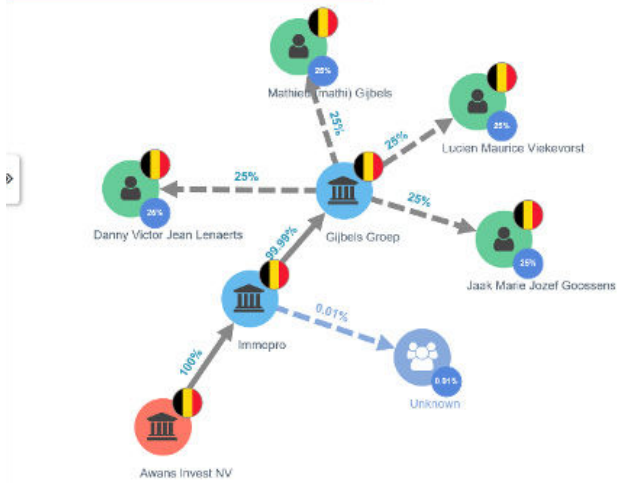
Our beneficial ownership data spans more than 120 countries and unlocks more than 150 million connections. We provide insight into beneficial owners with calculation down to 0.01% (including beneficiaries and individuals up to and including UBOs).

Applied Logic can be calculated on 128 million organisations, instantly. Data is currently available through regular batch outputs and combined with visualization tools in D&B Onboard.

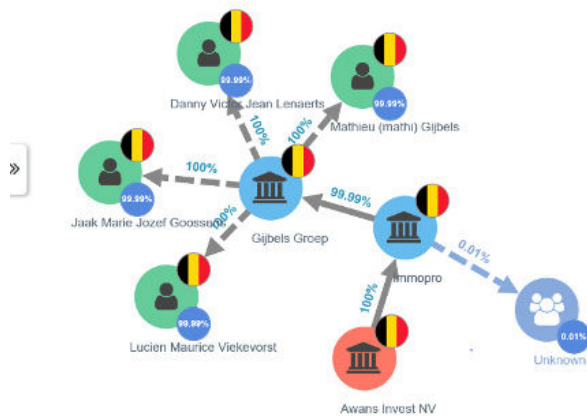
## EXAMPLE OF APPLIED LOGIC

Users can choose their appetite for risk – whether equal distribution or worst-case scenario. By managing appetite of risk workflow, a risk-based approach can be applied differently based on your target business or case.

Report for 370694352 on 02/10/2020 ^  
Displaying 0.01% and above - legal & implied ownership  
Criteria Equal Distribution



Report for 370694352 on 02/10/2020 ^  
Displaying 0.01% and above - legal & implied ownership  
Criteria Worst Case



## NEXT STEPS

To discover how you can access our Applied Logic solution, please contact your Dun & Bradstreet representative and let us know your requirements.

### ABOUT DUN & BRADSTREET

Dun & Bradstreet, a leading global provider of business decisioning data and analytics, enables companies around the world to improve their business performance. Dun & Bradstreet's Data Cloud fuels solutions and delivers insights that empower customers to accelerate revenue, lower cost, mitigate risk, and transform their businesses. Since 1841, companies of every size have relied on Dun & Bradstreet to help them manage risk and reveal opportunity. Twitter: @DunBradstreet