



Corporate Governance & Compliance | Competitive Advantage®

# AT A GLANCE



## WHO WE ARE

The Red Flag Group is a leading **independent corporate governance & compliance firm** providing thought leadership at all levels to global enterprises. We have eight offices and offer our integrated services across the globe.

The Red Flag Group was founded in 2006 by former in-house counsel and senior compliance officers of large multinational companies who wished to provide their skills to businesses looking to enhance their compliance infrastructure. We are a mix of former in-house counsel, compliance officers, accountants, regulatory officials and trainers - all tasked with building innovative and cost effective solutions for our clients.

We assist companies in developing and maintaining efficient and effective corporate governance and compliance programmes and have a proven track record in providing integrity due diligence investigations in over 150 countries.

We also enable corporates to manage compliance risks globally through our bespoke web-based technology solutions, known as the ComplianceDesktop® Technology Platform.



Our organisation was founded on three key values: **innovation**, **quality** and **integrity**. These three values underpin our commitment to our clients and our commitment to each other.

We are passionately devoted to providing uniquely innovative services and will be constantly looking for new ways to provide value to our clients through innovative products. The day that our service becomes a “commodity” will be the day we stop doing business.



Our mission is to exceed our clients' expectations every time by providing the highest level of quality. In March 2011, the Firm was awarded the ISO 9001 and 27001 Certifications by the BSI Group. The ISO 27001 Standard shows the Firm can support ongoing high level security of our ComplianceDesktop® Technology Platform and demonstrates our commitment to protecting client data.

The ISO 9001 standard addresses the quality management system of a company and obtaining the award will help us improve the system of process controls. The company has also been using Six Sigma DMAIC methodologies to improve delivery time of global due diligence and intelligence gathering.

Integrity is at the core of our organisation and an essential part of our relationship with our clients and the solutions we provide to them. Our business success is dependent on trusting relationships, which are built on this foundation of integrity. It forms the bedrock of The Red Flag Group and is never compromised or questioned.

## OUR HISTORY

The Red Flag Group was founded in 2006 in Hong Kong, by former in-house counsel and compliance officers of large multinational companies who started out by launching the Advisory and Training Services.

In the following year we introduced the Due Diligence and Technology Services, followed by the Compliance Audit Services in 2008.

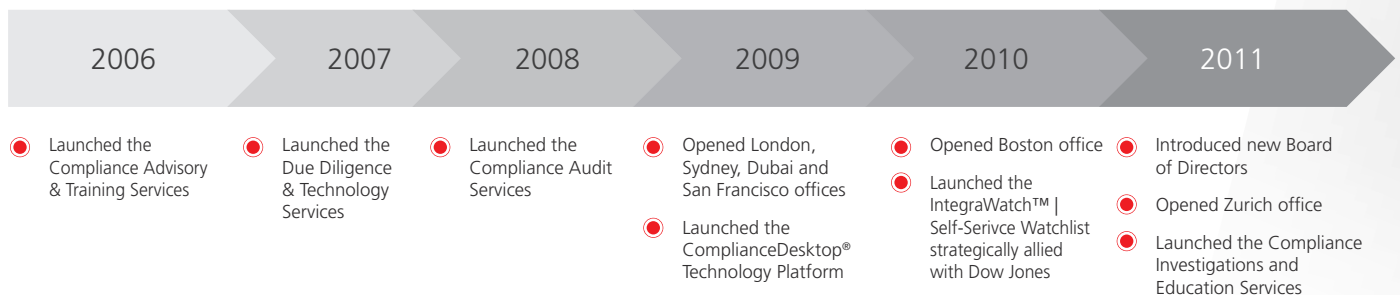
Our first office opened in London in 2009, closely followed by offices in Singapore, Sydney, Dubai and California. In the same year, we launched our ComplianceDesktop® Technology Platform.

We opened our Boston office in 2010 and the same year saw us expanding our Corporate Governance in Advisory Services and setting up a strategic alliance with Dow Jones to launch the IntegraWatch™ | Self-Service Watchlist.

In 2011 we introduced our new Board of Directors, launched our Compliance Investigations and Education Services and opened our 8th office in Zurich.

Our global team has in-depth and hands on experience in **anti-corruption** and **compliance**: over 50 percent of the Firm's work is on anti-corruption related matters with the remainder on **general compliance**, conflict of interest, integrity issues, anti-trust and competition, and **privacy compliance**.

We have been involved in developing **compliance tools** and infrastructure to manage and report compliance issues; implementing compliance training across corporations; developing **risk assessments** for compliance and incident reporting tools, such as a whistleblower and reporting hotline; and integrating compliance and the business.



The Firm conducts thousands of due diligence and audits of third parties annually **in over 200 countries**. We have developed and provided compliance e-learning courses in 10 languages and trained over 5,000 people in person-to-person sessions in 10 countries. At the same time, we conducted kick-back **investigations** across the world including in Hong Kong, China, Indonesia, Bangladesh, India, UAE, Brazil and Pakistan.

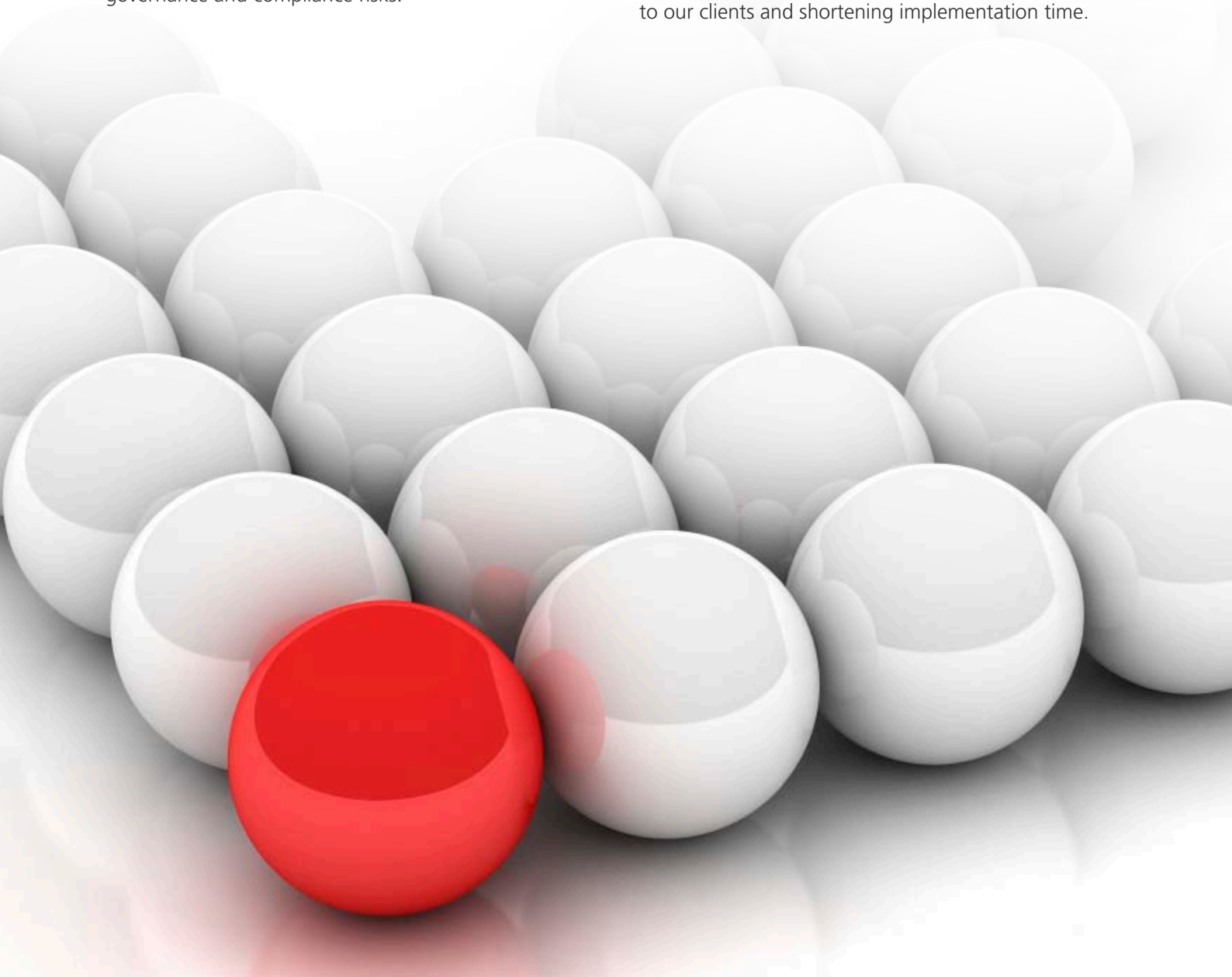


## OUR FOCUS

The Red Flag Group provides services, guidance and solutions to boards, executives, compliance and legal departments on how to develop and improve their corporate governance and compliance programmes. Our services take a holistic approach to the entire organisation, ranging from board reviews and director selection and compliance programme development and implementation, through to developing bespoke technology solutions to manage governance and compliance risks.

Focused on providing world-class professional advice in complex strategic governance and compliance assignments, we utilise both our global capabilities and deeply rooted local know-how.

Our industry experts recognise the challenges of managing a global compliance infrastructure and the time constraints this puts on the organisation. Our solutions are designed to support our clients by providing secure and tested programmes, thus reducing the delivery risks to our clients and shortening implementation time.





We are focused on three primary businesses rather than on a broad range of advisory services. These are **Corporate Governance** and **Compliance** Advisory, Due Diligence and Technology. We believe this focus is why our business continues to expand attracting clients often through referrals and recruiting industry experts who want to work in a firm focused on excelling at our core activities.

Our Corporate Governance and Compliance **Advisory** Services focus on offering practical solutions for organisations. These include governance advice and design, compliance risk assessment, ethics and corporate culture development, board reviews, director selection, compliance programme development and implementation, including training, education and communication. We can follow up with audits, reviews and health checks.

The focus of our **Due Diligence** Services ranges from simple background checks to a full due diligence of an organisation's compliance programme.

Our team of experts gathering intelligence and carrying out customised due diligence reviews in over 80 countries includes compliance specialists, attorneys, forensic accountants and intelligence specialists.

We offer global integrity due diligence solutions for mergers and acquisitions, joint ventures, sales channels, vendors, suppliers and resellers, agents and third parties, key employees, business partners and government interfaces.

Our focus on **Technology** brings you a simple to use, secure, web-based software that allows you to manage your legal and compliance functions globally, in one single portal. Our ComplianceDesktop® Technology Platform has a flexible product structure that lets you select the applications which best suite your present business needs and provides a complete picture of your compliance infrastructure across your organisation.

## OUR DIFFERENCE

Our firm is substantially different from mainstream consulting, law, or security and risk-management firms, due to the founders' **profound understanding and extensive practical knowledge of the problems and best solutions concerning corporate governance and compliance.**

Having worked in positions such as regulatory officials, senior compliance officers and in-house counsels in major international companies ourselves, we learned the hard way how to implement compliance programmes and fully understand the needs of those who are tasked with guiding their companies towards compliance.

In addition, we are an **independent** firm, free of many of the conflicts that can arise at larger consulting institutions as a result of their varied audit, investigation, research and other activities.

We know time is money, and we pride ourselves in moving **fast.** We have a flat management structure that allows us to make decisions fast, act swiftly and get solutions implemented quickly, thereby giving enormous value to our clients.

We provide a rich, **integrated** set of reliable compliance-related solutions that have been pre-built and pre-tested, and fully meet our clients' needs.

Our brand, established in a matter of years, is second to none in the field. Our people are united by a desire to be a part of an independent firm in which their activities are at the core, and by a commitment to **excellence and integrity** in their work. This is reinforced by the

significant economic stake our Managing Directors have in our success. The strength of our many long-term client relationships is a testament to our distinctive culture and approach to providing superior advice to our clients.

Our professionals concentrate on solving complex governance and compliance problems and executing specialised risk management strategies. We strive to maintain and enhance our base of highly **talented professionals** and pride ourselves on being able to offer clients more senior-level attention than may be available at many of our competitors.

Our experience is **practical and real.** This experience, combined with the accumulated experience of our consultants means that you get real experience from real practitioners, not first-year or mid-level consultants who need constant guidance and direction.

We do not regard any single jurisdiction as our home country and we link our talented and indigenous professionals with deep local roots and industry expertise across our offices worldwide. This enables us to be a **global firm** while maintaining a **local identity.**

We also build close local **relationships with our clients** to develop an insight into both local and international commercial, economic and political issues affecting their businesses.

Our balanced business model which is geographically diversified and includes countercyclical practices as well as recurring revenues ensures that our company is recession resistant, financially stable and reliable on the long term.

# Our Services

Our services take a holistic approach to the entire organisation,  
from developing compliance programmes to providing  
technology solutions to manage risk.

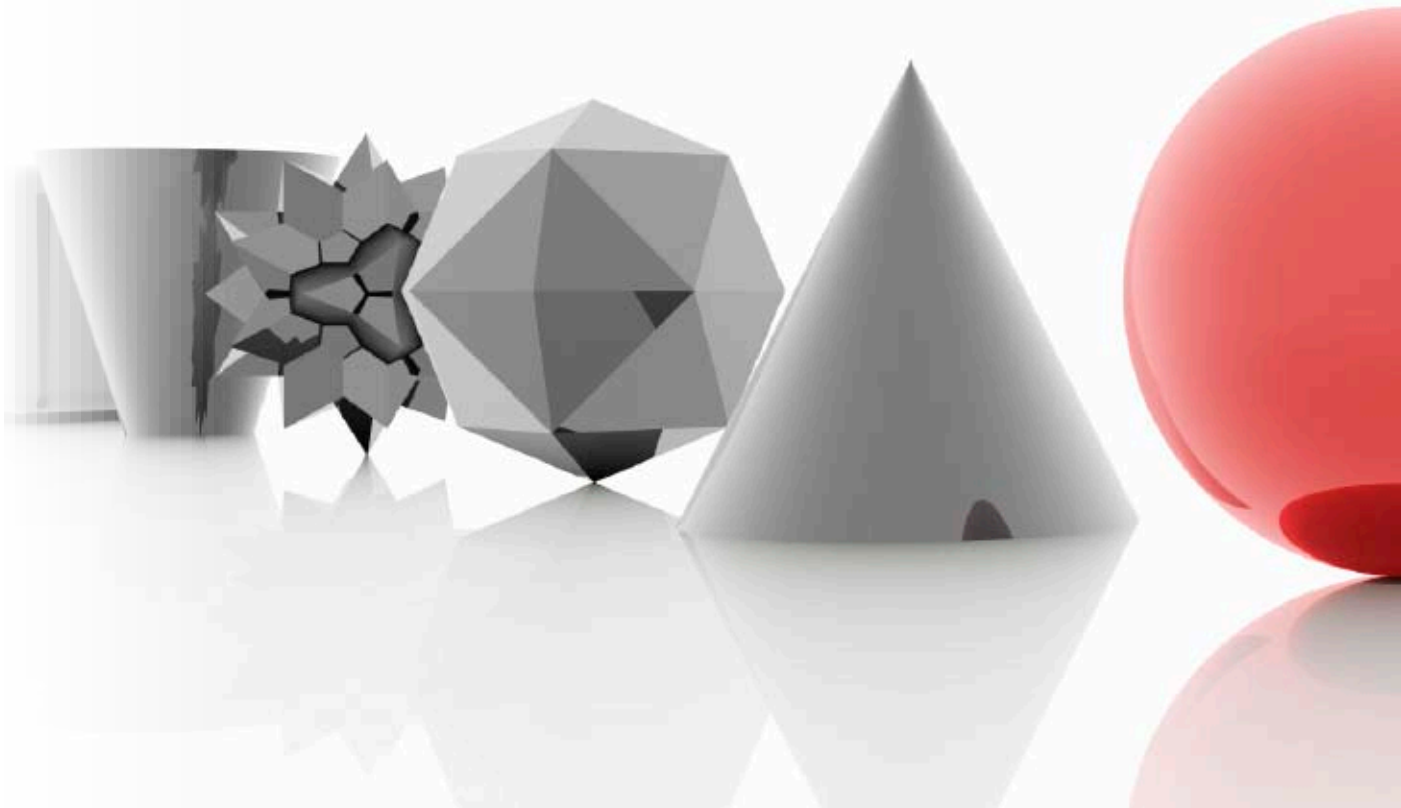


# ADVISORY

The Red Flag Group provides advisory services, guidance, direction and coaching to boards, and compliance and legal departments on how they could develop and improve their corporate governance and compliance programmes.

We believe that a well-designed and successfully integrated corporate governance and compliance solution will become a company's competitive advantage. Such programme evolves with the business strategy, is closely linked with the company's strategic vision and continually adds value to the business.

Our advisory services cover a wide range of functions and address a whole plethora of problems that can occur around compliance. Companies turn to us, when they don't have a clear structure for who is exactly doing what and who is responsible for what within compliance, and they need our help to clarify roles and set clear governance standards. Others need us when they wish to introduce change but counter staff resistance – then we step in to develop a culture of compliance.



We help identify and prioritise risk and implement methodology for regularly reviewing and managing it. We assist in building an entire compliance framework based on stakeholder engagement, and follow up with implementation, monitoring, measurement and improvement.

We conduct reviews, assessments, health checks and audits, and provide recommendations on improvements. To increase effectiveness, it is best to add enhancements to an existing programme regularly. This might involve conducting reviews and updates, or benchmarking reviews to determine whether the programme is consistent with industry norms or competitors.

Finally, to ensure consensus with stakeholders, we conduct training and build a communication structure for the company to disseminate the programme both internally and to external contacts.



# AUDITING & MONITORING

Our Monitoring and Audits Practice was established to help our clients identify compliance issues, spot potential risk areas and hotspots, and provide recommendations for practicable programme improvements as part of our integrated services.

Too often compliance programmes are implemented but not effectively monitored. Expert monitoring will contribute to the financial health of the enterprise through savings and the effectiveness of the board of directors.

Conducting reviews, programme assessments, Integrity Circles™, health checks and audits are all effective monitoring tools that have an important role in any compliance programme. We conduct Board Assessment Reviews; undertake Compliance Monitoring; and Programme and Regulatory Assessments.

## Board Assessment Reviews

Companies are used to reviewing the performance and planning the development of their employees, but many don't realise that the same should be done for their board and its directors. Our Board Assessment Reviews help remove inefficiencies by evaluating whether the board is working effectively with the right people in the right places, and whether board meetings are well structured and discussions constructive. We can help restructure inefficient boards and provide a mechanism for feedback and performance monitoring.

## Compliance Monitoring Service

Our Compliance Monitoring Service is fully equipped to monitor a newly acquired entity that has compliance issues, or provide ongoing assessment of a programme to a regulatory body, no matter whether the monitor is imposed on specific programmes or across the entire compliance department.



### **Programme and Regulatory Assessment**

Changes in the regulatory environment are just one of the reasons why a company might need our Programme and Regulatory Assessment. You may have had a spike in compliance breaches or simply need an independent assessment and benchmarking to ensure the programme is working.

### **IntegraSure® | Compliance and Integrity Audits**

Our IntegraSure® | Compliance and Integrity Audits product is a scalable and repeatable global offering to conduct compliance and integrity audits. We ensure quality and consistency on a global level but benefit from the local knowledge and language expertise of our local partner firms.



# TRAINING & COMMUNICATIONS

Training and Communications is an essential part of compliance. In many companies the compliance programme remains a piece of paper without effective communication of its compliance messages and practical training to back it up and put it into practice.

Our Training and Communications Practice was developed to fill this gap by assisting businesses in building enterprise-wide strategic communication plans and help them make a step up from the annual Code of Conduct e-Learning to a targeted training programme on compliance.

We first identify poor communication issues within the company and help clients build and implement a clear and comprehensive communication strategy for disseminating the compliance programme internally, externally and between the organisations and the board. To further strengthen the value of compliance, the strategy also includes on-going monitoring of the compliance messaging within the organisation.



## **Compliance Bootcamps**

An effective training and development programme also needs to be built across the enterprise. We offer customised Compliance Bootcamps, which are workshops that provide executive development through practical scenario training, case studies, discussions, and group participation.

The Compliance Bootcamps are fully customised with flexible style and formatting for a targeted audience. The workshops challenge participants beyond basic theory through their tailored content delivered in an engaging way. They are best delivered in larger groups where group participation is a key.

## **IntegraTeach™ | Custom Compliance e-Learning**

Our Custom Compliance e-Learning option, IntegraTeach™, is also fully custom-built and tailored to our clients' needs. Courses are quickly created and rapidly deployed, and there is no need to pay for any licence fees. With a one-off payment, you will own the copyright of the programme and can run it anytime, anywhere. It can be fully tailored to your company's personnel, industry and integrated into the internal learning management system.



# DUE DILIGENCE

Beyond responding to the increased enforcement of the US Foreign Corrupt Practices Act (FCPA) and 2011's new compliance hurdle, the UK Bribery Act, enterprises have to be alert as corrupt practices can pose great dangers from siphoning off the company's well-earned profit to even endangering its business.

Any organisation that conducts business with third parties should have a due diligence programme in place to undertake proactive integrity analysis on its channel partners prior to and throughout the life of their engagement with the company. Only then can the company make an informed decision in any type of transaction, whether they are acquisition or joint-venture related, or involve resellers, suppliers, agents, manufacturers, business partners, and other channel partners.

At The Red Flag Group, we truly see an intrinsic value and business advantage in conducting due diligence on third parties, as well as working towards the development of a comprehensive global third party compliance programme. We can conduct simple checks of a proposed partner's background to a full due diligence of an organisation's compliance programme, providing effective and detailed integrity analysis on business partners and third parties. Every report is reviewed by a member of our team of attorneys, compliance experts, forensic accountants, fraud investigators, and corruption specialists for accuracy and identification of red flags. We deliver useful actionable information and aim to provide comprehensive and robust profiles that can withstand scrutiny before a regulator. With this analysis in place, you will be able to proactively assess and mitigate the risks involved when making transactions.

Our best practices include a clear scope matching your needs, strict process control and quality assurance process, dedicated client relations team, integrated due diligence and IT solutions, global reach and local expertise with research conducted in local languages, live integrity reference checking, high ethical standards, and 24/7 support centre.



# INVESTIGATIONS

In line with our integrated compliance offerings, The Red Flag Group undertakes complex compliance investigation procedures, reflecting the broad legal, investigative and forensic accountancy capabilities of our firm, and expertise in the compliance marketplace globally.



Our compliance investigations not only resolve intra-company issues but can help your organisation learn from its mistakes and provide an opportunity for improvement in your compliance programmes.

Investigations can satisfy several requirements, such as your need for a multipart, sophisticated report with legal, forensic accountancy and investigative elements that cannot be outsourced individually; your need for confidentiality and independent approach, or professional investigation of serious allegations involving high-ranking members of your organisation.

The Red Flag Group's unique strength lies in complex compliance investigations that include legal, investigative and forensic accountancy elements and involve interviews, forensic analysis, document reviews, due diligence, asset tracing, and legal advisory. Working with our partners, we conduct scalable investigations in multiple countries and in multiple languages.

With a broad background and experience in compliance investigation, our team pulls together information from a diverse range of sources to provide you with useful information critical to your business decisions. We locate, extract and analyse data using digital forensic procedures and make that available for review in an easily accessible format.

Our forensic analysts review the companies and/or individuals with focus on allegations of illegal payments, gifts, bribery or other breaches of compliance, while our legal advisory team understands the complex compliance environment in which the investigation takes place.

Comprehensive investigations are essential for global organisations: we build on the results of our investigations to provide our clients with a remediation plan to add continued value for their compliance programme.

# TECHNOLOGY

Lawyers and compliance teams are often only allocated a small budget and their IT needs get overlooked. This is where we come in to help; because there is no doubt that the easiest way to manage all your compliance needs is through a well-designed, integrated technology platform which can save you time, effort and money on the long run.

Constructed by professionals who thoroughly understand your needs, our ComplianceDesktop® Technology Platform is a unique enterprise compliance management service platform which allows you to access web applications designed for lawyers and compliance professionals to manage your legal and compliance functions globally, in one single portal.

Safe and Easy to Use - All applications are provided through secure, web-based software as a service portal with no IT installation, hardware or software required. Our simple-to-use SaaS architecture will get your company up and running within days.

Security and Privacy - Safety of information is our number one concern. To ensure the safety and integrity of your data, we employ encryption and the latest in security protocols. Our applications are hosted in a Tier 1 SAS 70 Type II certified facility. In addition, our ISO 27001 certification reflects our world class data security and our ISO 9001 certification shows our commitment to quality.



**Flexibility** - Our flexible product structure allows you to select the applications which suite your present business needs, with the ability to add or remove any applications when needed. We also provide consultancy services to help you choose the right combination of compliance solutions and build applications around your existing compliance processes.

**Support** - With our dedication to support our customers, we provide you with multiple contact channels, including a support hotline that is staffed 365/24/7 and a dedicated Customer Advocacy team.

**Easy reporting** - The ComplianceDesktop® Technology Platform consists of a series of integrated applications where data can be shared. This provides a complete picture of your compliance infrastructure. Our powerful reporting formats, including charts, dashboards and reports, will suite all your needs.

The scope of products available can satisfy a wide range of needs.

### **Due Diligence Solution**

To manage due diligence, our Due Diligence Solution provides the Due Diligence Manager that manages investigations, tracks results, and stores and retrieves reports; the Questionnaire Tool™ that gathers important data from partners and the Dow Jones powered IntegraWatch™ | Self-Service Watchlist that allows you to check the risk profile of subjects globally, using the most updated data sources.



### **Policy Management Solution**

Our Policy Management Solution uses the Policy Portal that manages the lifecycle of policies from creation through to review, approval and tracking of their use by staff; the Certification Tool that ensures all compliance obligations are certified and signed off; and the training tool that manages all training materials and completion results.

### **Anti-Corruption Compliance Solution**

The Anti-Corruption Compliance Solution uses the Policy Portal and the Training Tool, in addition to the Remediation Tool that tracks issues for reviews and auditing; and the Gift Travel and Entertainment Tool that manages and reports all benefits received and requested to and from your organisation.

### **Third-Party Compliance Solution**

The Third-Party Compliance Solution aims to help organisations to manage anti-corruption compliance for their business partners spread world-wide. The set includes the Partner Manager that enables you to manage the status of all third-party interaction with your compliance programme.

### **Compliance Risk Management Solution**

Our Compliance Risk Management Solution caters for all your needs of managing compliance within your company as well as that of your outside contacts. It includes the Conflicts Tool that tracks all conflicts of interest within the organisation and the Survey Tool that surveys interactions among staff.

# EDUCATION

Drawing on the vast experience of its extensive research and compliance background, The Red Flag Group's Education Division offers a range of executive education and professional development programmes to help compliance officers broaden their hard and soft skills in compliance.

These practical courses have been carefully designed to enable participants to anticipate and fully respond to the demands of the legal and compliance environment in which they work and to apply their new knowledge in real-life situations.

Focusing on the applications of the relevant compliance regulations, these specialist workshops are delivered at locations worldwide and provide updates on the latest changes and developments in the profession.

The courses can fulfil continuing professional education (CPD) requirements and lead to qualifications in professional designations, such as the Associate of the Australasian Compliance Institute (AACI) and the Certified Compliance Professional (CCP) qualifications awarded by the Australasian Compliance Institute (ACI).

Leading industry partners and professional institutes lend support with their wide experience in the fields of advisory, due diligence, technology and education to address difficult situations, difficult timing and difficult markets.



Strengthening of soft skills, including change management, negotiation and presentation skills is the focus of some of the programmes, while others help participants to customise a unique in-house programme in compliance leadership or build compliance programmes themselves. At the same time, they offer participants the opportunity to grow in their current roles and build important networks within the industry.

Tailored in-house training is put together after careful consultation with you to meet the unique needs of your company. We work with experienced trainers and speakers to create an optimal training solution that meets your desired outcomes and drives your business forward.



- | Advisory
- | Auditing & Monitoring
- | Training & Communications
- | Due Diligence
- | Investigations
- | Technology
- | Education

