



KPMG Forensic

KPMG Forensic works with organizations to help them in their efforts to achieve the highest level of integrity. We work with businesses to effectively manage the costs and risks of complying with new regulations and enforcement activity and the dangers of costly and disruptive litigation.

More than ever companies are operating in a complex global business environment. They are drowning in a sea of digital data, adapting to the perils of doing business in new markets, struggling to comply with increased regulation and trying to avoid costly enforcement actions and litigation. Managing the risk of fraud and misconduct has never been more challenging.

KPMG provides access to deep forensic capabilities across the globe that match your needs

KPMG Forensic is a global network comprised of over 2,500 multidisciplinary professionals from member firms of KPMG International Cooperative (KPMG International) who assist clients in achieving the highest 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 our clients in assessing and mitigating the vulnerabilities to such activities. We also deliver a broad range of services to help prevent and resolve commercial disputes including the assessment of damages; the resolutions 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 data analytics 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.

What differentiates KPMG Forensic?

Our forensic insight

We have worked with some of the world's leading organizations in establishing values and standards, implementing and evaluating programs to govern employee conduct, measuring and reporting publicly on the impact of such programs, and investigating allegations of fraud or misconduct.

With this experience comes in-depth understanding of leading practices and critical knowledge and experience in dealing with particular integrity issues. Our approach includes gaining a clear understanding of our clients challenges and developing innovative approaches to add business value that include detailed data analytics and leveraging cost-effective technological solutions.

KPMG Forensic methodologies

Taking advantage of these leading practices, we have developed proprietary methodologies and approaches to provide consistent value across our global network for clients in any part of the world. Our methodologies and diagnostic tools have been scrutinized and defended in regulatory and judicial enforcement settings.

- Global investigations methodology
- Anti-bribery and corruption proactive methodology
- Anti-bribery and corruption reactive methodology
- Corporate intelligence methodology
- Fraud risk management methodology
- Global forensic data analysis methodology
- Global Evidence Tracking System (GETS)

Our understanding of data and analytics

We have the ability to help clients manage and access large volumes of digital data to draw out insights to more effectively manage risk in a cost-effective manner. KPMG leverages sophisticated technology and approaches to gain insights on business partners, customers, and agents; analyze transactional data to help uncover patterns, biases, and errors; and find the relevant facts for determining if there has been fraud, misconduct, or violations of laws, regulations, or company policies.

Our insight and experience, coupled with the use of technological methodologies, greatly increases a company's ability to manage risk while providing efficient and cost-effective alternatives to meet the growing demands of today's business challenges.

Relevant experience

Professionals in our Forensic practice draw on extensive experience in law and regulatory enforcement, fraud and misconduct risk assessment, ethics and compliance program evaluation, asset tracing, forensic accounting, computer forensics, and forensic data analysis.





Our global Forensic footprint

Multidisciplinary global client service teams

With Forensic professionals from the Americas, Asia-Pacific, and Europe to the Middle East and Africa, KPMG is well positioned to provide a high level of consistent service to our clients, and will be there to assist you in any of your locations around the world. We can readily assemble multinational teams

from member firms comprising professionals who have been consistently trained on our global methodologies and who will draw on specific subject matter experiences and skills from across the firms' disciplines.



- Over 2,500 Forensic professionals worldwide in 52 countries
- Consistent global approach
- Rapid response through single point of contact

- India**
- Eight offices with major presence in Delhi, Mumbai, and Bangalore
 - Eight partners and 550 professionals
- Russia**
- Four offices with major presence in Moscow
 - One partner and 43 professionals

- Brazil**
- Offices in São Paulo and Rio de Janeiro
 - Two partners and 30 professionals
- Africa**
- Seven offices in South Africa with main office in Johannesburg; offices in Kenya, Nigeria, and Angola
 - Fourteen partners and 189 professionals

- UAE**
- Main office in Sharjah
 - One partner and 18 professionals
- Central and Eastern Europe**
- Offices in Bulgaria, Croatia, Czech Republic, Hungary, Latvia, Poland, Romania, and Slovakia
 - Two partners and 34 professionals

- Greater China**
- Seven offices with major presence in Hong Kong, Shanghai, and Beijing
 - Four partners and 44 professionals

Investigations for a global consumer markets company

As the on-call investigation service provider to a global household goods manufacturer, KPMG has worked with outside counsel, general counsel, or internal audit on investigations in Russia, the Ukraine, Vietnam, Indonesia, Pakistan, and the Philippines. These investigations have involved potential bribery and corruption, conflict of interest, earnings management, and environmental compliance concerns. Our assistance with these projects has supported the company in defining a strategy for remediation, implementing robust control procedures within their internal audit programs, and demonstrating to regulatory bodies that independent investigations have been conducted.

Investigating suspected fraud and misconduct

Responding quickly to allegations of fraud or misconduct is critical but rarely easy, especially if wrongdoing is reported in foreign countries. Having resources with the right skill sets, fluency in the local language, knowledge of local customs, and ability to be deployed within days is a tall order for any organization. In light of the whistleblower provisions of the Dodd-Frank Act, preparing for such fire drills, knowing how to respond, and knowing how to conduct an effective investigation is more critical than ever. To improve response time, efficiency, and cost, organizations are increasingly establishing relationships with reputable providers of global forensic investigation services—on an as-needed or on-call basis.

KPMG helps clients find and assess the relevant facts concerning alleged or suspected fraud, misconduct, or other improprieties such as violations of laws, regulations, or organizational policies.

We can readily assemble local or multinational teams comprising members who use shared methodologies and have deep industry sector knowledge and demonstrated technical skills. Our professionals provide an impartial means for legal counsel, audit and special committees, and executives to establish truths, evaluate implications, identify appropriate remedial actions, and communicate with regulators or outside auditors when needed.

We work closely with our clients to understand their objectives and coordinate our approach to utilize the appropriate resources. Our goal is to help clients ascertain the relevant facts so that a concern or situation can be rapidly resolved with minimal disruption and cost. KPMG understands how to conduct a successful investigation. Our global investigations methodology is designed to support an investigation response that is timely, thorough, accurate, discreet, and credible.

Cross-border capabilities

To provide thorough, wide-ranging services worldwide, KPMG has established a cohesive team of international offices and professionals within KPMG member firms that is coordinated by a global steering group. This network includes more than 2,500 forensic professionals who have worked extensively with one another. With our global coordination, KPMG can field the

appropriate team for the situation. Knowing the complexities of the diverse legal and regulatory requirements of various countries is key to completing a multijurisdictional investigation. Through central coordination, our services are scalable—from a small team in one country to many teams operating simultaneously in dozens of countries. No matter where in the world your investigation takes us, a single trusted KPMG adviser will manage your case, obtain feedback from you, and keep you informed of progress.

KPMG's Global Investigations Methodology

KPMG applies its proprietary Global Investigations Methodology in performing investigations for our clients, which is a culmination of worldwide leading practices. With the investigation fundamentals firmly in place, KPMG professionals focus on specific client needs and the development and execution of a case-specific investigative plan.

Investigation technology

One of the greatest challenges in any investigation is finding the relevant data and managing the issues related to jurisdictional access to data and data transport. Collections must be executed efficiently, cost-effectively, and with strict chain of custody.

KPMG's leading technology capabilities enable our clients to respond quickly to adverse events. Our clients value access to our skilled forensic technology professionals who have the experience and reach to help them recover and analyze digital evidence virtually anywhere in the world.

Areas of specialty in investigations

- Bribery and corruption
- Fraud and misconduct
- Breach of company procedures
- Ponzi and other investment schemes
- Conflicts of interest
- Cyber-crime
- Embezzlement and misappropriation
- Financial reporting fraud
- Medicaid and Medicare fraud
- Data breach
- Money laundering
- Procurement fraud
- Violation of fiduciary duty

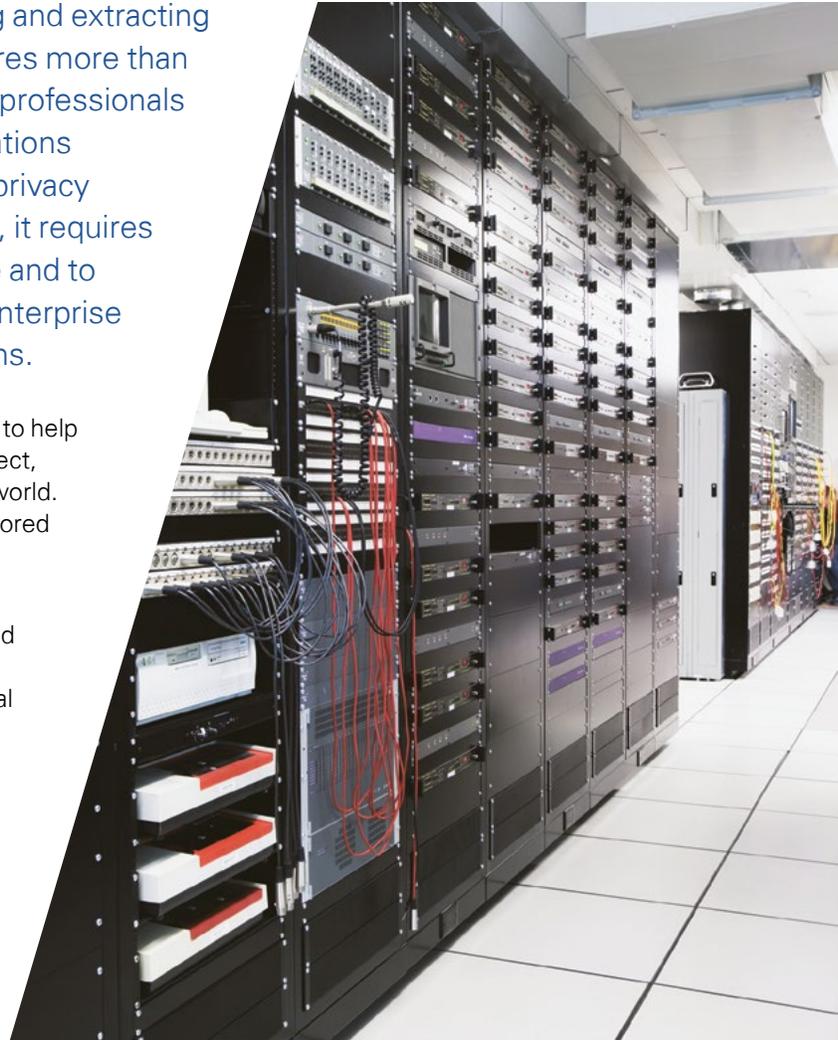
Collecting and preserving electronically stored information

Evidence often exists only in digital form. Locating and extracting it, particularly in multinational organizations, requires more than customized equipment and software—it requires professionals trained and experienced in myriad laws and regulations regarding data collection, storage, and transport; privacy issues; and human rights legislation. Furthermore, it requires the ability to understand and map IT infrastructure and to collect and process data not only from common enterprise systems, but also from custom and legacy systems.

KPMG has the experience, technical skill, and global resources to help our clients tackle these important issues. KPMG helps you collect, recover, and analyze digital evidence virtually anywhere in the world. We have conducted thousands of international electronically stored information (ESI) collections and analyses.

In the past five years alone, KPMG has performed on-site collections of more than 20,000 custodians. We have developed detailed work processes and procedures for chain of custody that adhere to rigorous professional-practice protocols for digital evidence handling.

Additionally, we can help your organization respond to security breaches and assist you in avoiding them in the future. We provide assistance with investigation support, intrusion detection, security monitoring, evidence collection and analyses, vulnerability assessments and remediation, expert witness testimony, and liaising with law enforcement. We also help build your organization's incident response capabilities and assist with efforts to mitigate the risk of future security breaches.



Digital evidence recovery and incident response

A U.S. university retained KPMG to conduct an investigation of a series of IT-related incidents. Through the analysis of core network and select employee-issued systems, KPMG determined the university's network had been breached, data had been compromised, and the e-mail of top university officials was being actively monitored by an unauthorized source. While performing emergency and long-term remediation based on vulnerability and risk management assessments, KPMG traced evidence of historical and active intrusions back to a former IT employee. KPMG submitted evidence to the U.S. Attorney General's office for prosecution of the individual found responsible. Additionally, KPMG played a critical role in identifying Personally Identifiable Information (PII) that was compromised during the intrusions, and assisted university efforts to self-report to approximately 93,000 individuals.

Managing the risks of fraud and misconduct

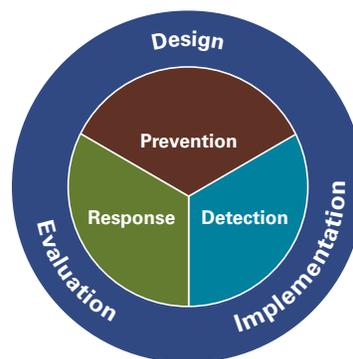
Having a reputation for integrity is crucial to safeguarding market confidence and public trust. Unfortunately, fraud and misconduct can seriously undermine such efforts, exposing an organization to legal, regulatory, or reputational damage. This is especially important in an environment marked by intense scrutiny and rising enforcement.

Experienced leaders are asking themselves some fundamental questions. What are the fraud and misconduct risks we should be most concerned about? How do our risks differ across our business units, geographies, and processes? How can we better leverage technology to see the early warning signs of fraud? What have others in our industry found to be effective?

KPMG utilizes its global fraud risk management methodology to assist clients in their continuous efforts to prevent, detect, and respond to fraud and misconduct through the design, implementation, and evaluation of applicable programs and controls.

Specifically, our methodology is designed to:

- **Prevent** instances of fraud and misconduct from occurring
- **Detect** instances when they do occur
- **Respond** appropriately and take corrective action when instances arise.



The following table lists sample elements of this detailed program designed to prevent, detect, and respond to fraud and misconduct.

Prevention	Detection	Response
Board/Audit Committee oversight Executive and line management functions Internal audit, compliance, and monitoring functions		
<ul style="list-style-type: none"> • Fraud and misconduct risk assessment • Code of conduct and related standards • Employee and third-party due diligence • Communication and training • Process-specific fraud risk controls 	<ul style="list-style-type: none"> • Hotlines and whistle-blower mechanisms • Auditing and monitoring • Proactive forensic data analysis 	<ul style="list-style-type: none"> • Internal investigation protocols • Enforcement and accountability guidelines • Disclosure protocols • Remediation plans

We bring the “know-how” to these objectives by working with clients to:

- Assess needs based on the nature of potential fraud and misconduct risk and existing controls
- Design programs and controls in a manner consistent with legal and regulatory criteria, as well as industry practices that companies have generally found to be effective
- Implement programs and controls by assigning responsibilities, building competencies, and deploying resources
- Evaluate the design and operational effectiveness of controls in achieving their objectives.

Leveraging forensic data analytics

The volume of data and electronic information continues to grow at an astonishing rate. This growth is transforming all aspects of business, and changing the way companies manage and extract value from data. As organizational complexity increases, the demand for advanced forensic data analysis rises.

KPMG provides powerful data analytics that can create immediate value for our clients. We can identify opportunities to stop fraud, waste, and misappropriation of resources that have an immediate impact on the bottom line. KPMG's Global Forensic Data Analysis Methodology is our approach to examining financial and operational data routinely collected in the normal course of business and extracting additional value by making a series of comparisons, summaries, and aggregations to detect anomalies, patterns, and trends that are potentially indicative of fraud or other misconduct. We provide results that are meaningful, understandable, and easily transferable to management, internal audit, or investigative teams.

KPMG leverages sophisticated data analytics to support a number of our offerings, including proactive and reactive fraud analysis and fraud risk assessments.

Additional services include forensic in the audit engagements, AML investigations, FCPA investigations, and contract compliance testing. Data analytics is also used in social network analysis to identify hidden relationships between people, organizations, and events, to validate system implementations including offline calculations and user-acceptance testing, and for regulatory investigations.

KPMG provides powerful **data analytics** that can create **immediate value** for our clients. We can identify opportunities to **stop fraud**, waste, and misappropriation of resources that have an **immediate impact** on the bottom line.

Data analytics is woven into everything we do

- Fraud detection**
 Seeks to identify anomalies or red flags that may indicate potential fraud in the general ledger, inventory transactions, employee master data, vendor master data, time and expense reporting, and other client systems.
- Fraud risk management**
 Assists engagements by identifying areas of risk within client systems and by risk ranking the fraudulent findings for targeted analysis of client procedures and policies.
- Client-specific data analysis**
 Involves making a series of comparisons, summaries, and aggregations of client data by filtering results based on industry-specific rules or routines run on clients' financial information.
- Forensic in the audit**
 Performs journal entry analysis using our K-Trace methodology to detect potential fraud, or suspicious journal entries, or areas to be considered for further analysis.
- U.S. Foreign Corrupt Practices Act**
 Assists FCPA investigations where forensic data analytics can help identify vulnerabilities or prohibited activities in transactions with foreign government entities.
- Anti-money laundering**
 Employs tools and techniques to detect previously unidentified suspicious transactions and risk rank those transactions in order to help determine whether the filing of a Suspicious Activity Report is warranted. KPMG also assists financial institutions in risk ranking their customers based on an evaluation of the customer's transaction data.
- Contract compliance**
 Assists a variety of clients in assessing contract compliance and dispute resolution with regard to commercial and government contracts.
- Social network analysis**
 Assists organizations in identifying social networks or fraud rings that evade traditional methods of detection.
- System validations**
 Assists in validating installed systems at client sites such as AML systems and pharmaceutical government pricing calculation systems.
- Structured data e-discovery**
 Involves a combination of experience in both e-discovery and data analytics with the skills and resources to understand complex data models and deal with multiple data types.

Addressing third-party risk management

Global transactions and regulatory scrutiny increasingly impel companies 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 to know how they operate can expose organizations to reputational damage, operational risk, government investigations, as well as monetary penalties and potential criminal liability.

KPMG provides third-party due diligence on behalf of clients operating in the United States and around the world. We work with clients to develop due diligence approaches that are appropriate for third parties presenting varying levels of risk, while providing the additional benefit of an objective and independent perspective. Our methodologies are informed by and responsive to a variety of global risks as well as regulatory compliance-drivers, including the U.S. Foreign Corrupt Practices Act (FCPA), securities and exchange regulations, and the USA PATRIOT Act, as well as consumer- and data-protection regulations in the United States and globally.

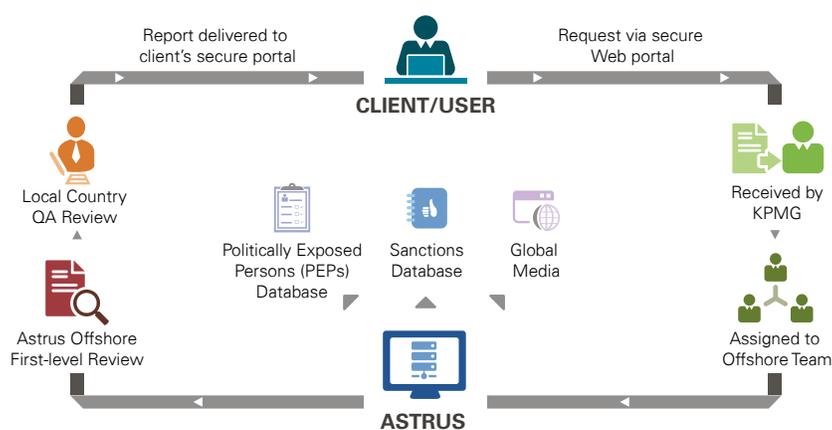
KPMG assists clients to identify the appropriate level of due diligence for third-party intermediaries based upon such factors as jurisdictional risk, nature of the industry and service provided, and the importance of the relationship. KPMG can craft approaches for clients to create cost-efficient, timely, and responsive reporting.

KPMG Astrus

Astrus, KPMG's secure online due diligence portal, provides a robust and cost-efficient way to obtain information and assess risks associated with customers, agents, and counterparties. Astrus uses advanced search technology to cover an extensive range of online public data sources, including global sanctions and regulatory enforcement lists, corporate records, court filings, and press and media archives. Important integrity and reputational information on subjects is identified and interpreted by dedicated KPMG analysts. Astrus leverages the collective knowledge of KPMG's Corporate

Intelligence professionals globally to help clients assess reputational, regulatory, and jurisdictional risk. Astrus also helps provide organizations with:

- Access to data from multiple premium data sources in multiple jurisdictions
- A clear and concise summary of key findings and possible risks using indicators that are determined by our clients to help provide a consistent measurement of relevant integrity risks
- A single point of entry and delivery via the Astrus portal tools
- Web-based access through which clients commission reports, and through which reports can be reviewed internally by the client's legal, compliance, or risk team
- An objective assessment of facts related to integrity risk issues.



Third-party due diligence to enhance customer files

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 provided accelerated delivery of detailed background, reputation, and integrity reports to the client, who met stringent self-imposed deadlines to identify its highest-risk clients and implement appropriate monitoring and controls.

Addressing regulatory oversight and compliance challenges

Drawing on our experience with both clients and regulators, KPMG helps its clients in their efforts to prevent, detect, and respond appropriately to noncompliance with regulatory or contractual requirements.

Anti-bribery and corruption enforcement

KPMG provides assistance that is essential to managing risk under the FCPA, the U.K. Bribery Act 2010, and the anti-corruption laws of numerous other countries. We help by providing prevention measures which include risk assessments, the evaluation of program controls and governance structures, third-party screening and acquisition due diligence, and training programs in a variety of formats. Our detection measures include ongoing review of third-party business partners, compliance reviews, anti-bribery and corruption information technology (IT) governance systems advice, and the design and implementation of employee and business partner reporting systems. And our response measures include conducting inquiries to vet the authenticity of allegations, conducting cross-border investigations related to allegations of violations, and developing remediation strategies to strengthen anti-bribery and corruption programs and controls.

Anti-money laundering regulation

KPMG has provided anti-money laundering (AML) assessments worldwide. Whether assisting a financial institution proactively seeking to improve its program or reactively responding to a regulatory order, we provide assistance to address many areas of AML program improvement sought by the financial community in today's marketplace.

Economics and regulation

KPMG uses economic arguments, supported with numbers, to build compelling cases for our clients in disputes, in negotiations with regulators, and in discussions with antitrust authorities. In addition to our economics experience, we draw on a wide range of skills including accounting, knowledge of the regulatory process, and current business environment to produce persuasive arguments supported by the strongest evidence available.

Intellectual property and contract governance

KPMG provides assistance to its clients in helping their business partners comply with contract terms related to royalties, licenses, and incentive-based marketing programs. Our professionals perform royalty reviews of licensees on behalf of licensors. This work helps companies recover lost revenue and enhance the compliance review process. At the same time, it can help maintain—or even improve—the relationship between the two parties, since our approach can help reduce the tension or mistrust that self-reporting relationships often create.

Life sciences

KPMG is at the forefront of efforts to help pharmaceutical and life sciences organizations prepare for and survive a new surge of regulatory review and enforcement. KPMG helps clients at all phases of the regulatory compliance life cycle, from the development of a robust compliance program through investigation, remediation, and recovery in instances of misconduct or noncompliance. When engaged in an advisory role, we can serve organizations directly and under privilege to their outside legal counsel.

FCPA Compliance Monitoring

KPMG Switzerland was retained to support a lawyer in his role as Compliance Monitor. This monitoring was based on a deferred prosecution agreement. For this engagement KPMG performed anti-bribery and corruption country reviews in among others Nigeria, Russia, India, China and Brasil with a focus on tone at the top, code of conduct, anti-bribery and corruption procedures (books and records obligation and internal controls), audits and investigations, HR/sanctions, training and third party due diligence. For these country-reviews KPMG combined the knowledge of the Swiss Forensic team with the knowledge of the local teams in the various countries. The findings were reported to the Compliance Monitor who reported to the company. Our work aided the company in identifying and mitigating its corruption risks.

Resolving disputes and litigation

When disputes arise, it is important to gather the relevant facts, and focus on the key business and financial issues and that will decide the case as soon as possible. Cross-border disputes can involve complex economic, financial, and technical issues as well as multiple languages, client locations, and applicable laws and standards. Litigants with a command of the issues can make sound decisions in responding to disputes.

KPMG provides accounting, economic, loss quantification, and valuation-related advice and opinions as well as document disclosure services. Our objective assessments help to resolve disputes in arbitration, litigation, insurance claims, and transactions. We serve as privileged consultants, expert witnesses, arbitrators, and panel-appointed neutral experts. We support parties in negotiations and mediations. Our senior professionals are seasoned expert witnesses and arbitrators and deal with some of the largest and most complex disputes in the world.

KPMG assists litigants and their legal counsel with potentially costly and disruptive disputes and litigation. We identify and analyze key accounting, economic, and financial issues around which the dispute evolves. KPMG member firms deliver a wide range of services that provide litigants with a command of the issues and support making sound decisions in responding to disputes including:

- Forensic accounting investigations
- Early case assessment
- Document and electronic record disclosure
- Data analysis
- Corporate intelligence
- Valuations
- Economic analysis
- Damages assessment
- Assistance with negotiation strategy
- Expert witness testimony
- Expert determination

Our senior professionals deal with some of the largest and most complex disputes in the world. We can:

- Provide expert witnesses in litigation, arbitration, regulatory hearings, or adversary proceedings
- Serve as a privileged consultant, using our specialized experience in fields such as auditing, accounting, economics, valuation, finance, tax, and industry practices
- Gather and manage electronic data for use in commercial disputes
- Perform complex data analysis to support privileged consulting or expert testimony
- Act as an arbitrator, independent accountant, or court- or tribunal-appointed expert—we often take one of these roles in postacquisition disputes
- Advise clients on accounting terminology of purchase and sale agreements to avoid disputes, and prepare completion accounts.

KPMG Forensic offers a team of **professionals experienced** in providing **authoritative**, impartial advice on a range of **financial and accounting** aspects of disputes.

Claim calculation of loss due to fraud

KPMG assisted our client, a Cayman-based hedge fund, in a dispute that arose following a fraud perpetrated by the investment manager of the fund. The fund had brought a claim against the fund administrator in relation to its duties to calculate and distribute the net asset value of the fund to investors. KPMG assisted the client by utilizing technical specialists in International Financial Reporting Standards (IFRS), in Cayman fund accounting, and in valuation techniques. We investigated the factual details of the claim, calculated the overall loss suffered, and assessed the appropriateness of valuation techniques under IFRS and GAAP. Overall, KPMG issued seven expert reports in the arbitration proceedings. Following a three-week hearing, the case settled favorably for our client.

Managing major construction capital expenditures

Companies implementing growth plans or executing large capital projects frequently encounter surprises in the form of cost overruns and schedule delays. Major capital projects are often complicated, fast-paced, and risky endeavors, in an environment prone to fraud, uncertainty, waste, and abuse. Stakeholders are demanding transparency, predictability, and accountability for project results so that administrators and boards are empowered to make prudent capital decisions.

KPMG's Major Projects Advisory professionals assist clients in identifying and mitigating project risks throughout the project life cycle. Our methodology encompasses both "doing the right project" and "doing the project right." During development, KPMG provides owners with objective feedback to assist decision making for the appraisal, selection, and establishment of programs and projects. During execution, we provide real-time, objective feedback to owners and contractors to facilitate proactive decision making to mitigate cost, schedule, quality, and other project risks.

Contract compliance and cost recovery

We assess vendor compliance with engineering, consulting, procurement, construction, and other contracts used to develop major capital projects. We conduct detailed testing to verify designers, vendors, and contractors are performing in accordance with contract terms and conditions.

Construction controls assessment

Project controls are evaluated utilizing a risk-based methodology that is supported by our controls assessment tool and customized work plans to assess project controls. Our approach includes objective criteria for assessing controls; a baseline for measuring controls against peers and for evaluating process improvement efforts on a project, program, or global basis; and a focus on project governance for transparency and accountability of project expenditures.

Program or project risk assessment

We evaluate and test project risk management processes to identify, prioritize, manage, and mitigate risks.

From our collective experience on numerous projects, KPMG professionals meet with key team members to evaluate and identify risks and challenges and help to develop a customized action plan in order to save or recover costs, mitigate risks, and improve project or program performance.

Independent project monitoring

As a project monitor, KPMG can design and implement a customized oversight and monitoring program aimed at reducing cost, mitigating risk, and increasing the accuracy and transparency of project transactions and reporting.

Specific benefits of our services may include:

- **Cost recovery and savings** – Identify and quantify costs paid in excess of the contractually allowed amount and identify opportunities for cost savings and value engineering
- **Risk reduction** – Help modify ambiguous or insufficient contract clauses to help reduce unnecessary contractual risk exposure and mitigate and, often, eliminate most or all unnecessary project performance risk exposure
- **Third-party assessment** – Independent assessment of contractor and project performance and ability to meet established project goals and objectives
- **Process improvement** – Offer recommendations focused on streamlining key controls, processes, and procedures as well as identify shortcomings in the contractor's invoicing, accounting, reporting, and project management processes.

KPMG professionals meet with key team members to evaluate and **identify risks** and challenges and help to develop a customized **action plan** in order to save or **recover** costs, **mitigate** risks, and **improve** project or program **performance**.



Transforming records and information management programs

Record creation, management, and destruction, once totally paper based, is now distributed in the millions of digital records and e-mails that make up a company's data and communication. Data now abounds and is rapidly expanding at all levels of an organization. Failure to manage the data life cycle is a growing risk facing every company. While paper records management is not going away entirely, the digital world brings an enormous amount of new challenges and complexities to records and information management. Indeed, faced with increasing regulatory, legal and business demands, the need for effective management has never been greater.

KPMG assists corporations in developing and implementing records and information management programs. The foundations to these programs are governance, policies, procedures, training, and monitoring that allow for the retention and disposition of data and records. KPMG also assists corporations in selecting technology solutions that enable retention. We work with our clients to decrease the time, cost and complexity in responding to regulatory and legal demands. We also help clients with strategic defensible disposition of data and records which further reduces costs and risks.

In addition, we help our clients address the risks throughout the records and information life cycle including program transformations, capability maturity diagnostics, regulatory and compliance assessments, electronic records storage and destruction reviews, privacy, security, and disaster recovery assessments.

KPMG's records and information management transformation approach

Phase I – Current State Assessment

Process-based assessment identifying existing records, policies, procedures, controls, production practices, and risks

Where is the company today?

Phase II – Desired State Design

Agree on transformation business requirements that will achieve desired records risk targets

Responding to the need

Phase III – Implementation Planning

Develop time- and benefit-phased implementation plans for records management initiatives, policies, procedures, and controls

The road map for getting it done

Phase IV – Rollout

Implement and roll out policies, controls, technology, and training

Achieving results

Enterprise-wide records management implementation at an investment firm

An investment firm with over 10,000 branches in the United States, Canada, and the United Kingdom requested KPMG's assistance to develop and implement an enterprise-wide records management program. Working at the direction of the general counsel's office, KPMG assessed the maturity of our client's program in terms of people, process, technology, and controls, and developed a maturity model that was used to set the direction for future initiatives. The objective was to create an enterprise-wide governance model that identified and defined the activities and relationships of individual business units so that the new records management program could advance the firm's set priorities. KPMG developed policies and procedures for the records management program and legal/regulatory hold process. The project included the identification of the key business activities that allowed the linkage of records and regulatory requirements. KPMG also developed a classification schema for their records and, in a separate initiative, reviewed the e-Communications environment, assessed the maturity of that environment, and identified gaps in the current process.

Evaluating discovery preparedness

Now more than ever, electronic discovery matters need to be more accurate, timely, and cost-effective. New mandates, such as the revisions to the Federal Rules of Civil Procedure, mean that clients and counsel need to improve their ability to conduct document reviews, necessitating a more comprehensive, structured approach. Having an electronic data discovery program in place with policies to aid in the identification, preservation, collection, processing, review, and production of ESI can greatly mitigate risk and reduce cost associated with electronic discovery.

Consider the following questions in determining if your organization's IT Strategy or document retention policy should be updated:

- Are you prepared to develop a cost estimate for preservation requests?
- Does your document retention and collection plan consider all potential sources of ESI?
- Has IT been trained to respond to a preservation request?
- How can you leverage your existing technology investments (e.g., existing backup mechanisms, network directories) to collect ESI?

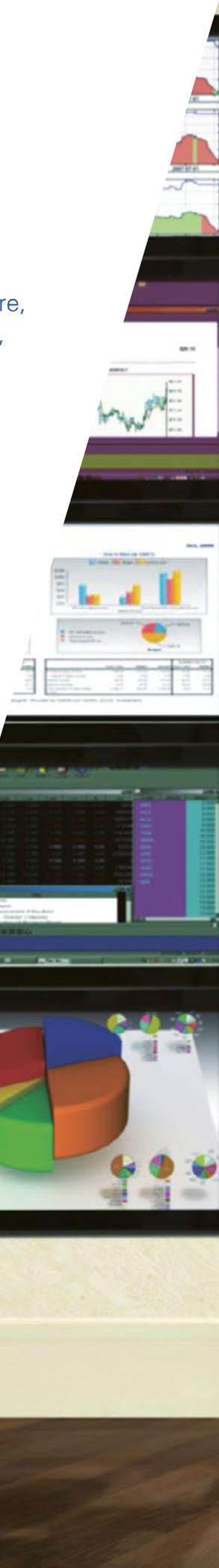
KPMG assists in performing electronic discovery preparedness diagnostics, which allow you take the "pulse" of your organization's records and information management environment and its ability to respond to discovery requests. Your organization's records management program and electronic discovery practices will then be presented using KPMG's customized reporting approach, allowing you and your organization to identify key records/information management and electronic discovery risk gaps.

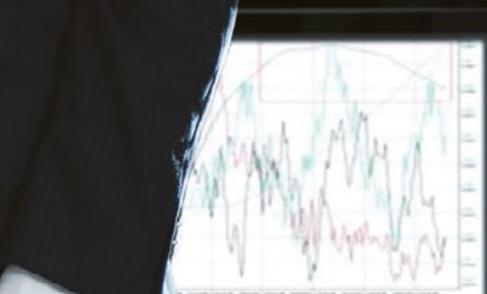
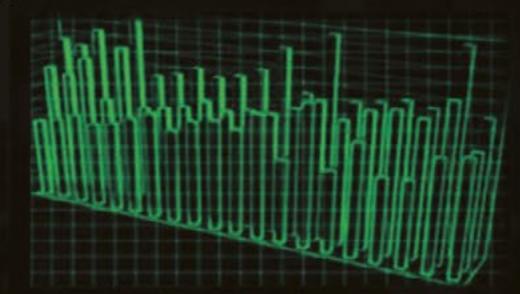
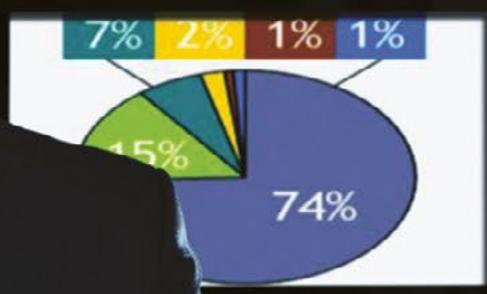
“

KPMG helped us with a large e-discovery project in the context of bet-the-company litigation. Beginning to end, they shined. KPMG's work flow allowed us to quickly and inexpensively cull terabytes of data into a tight set of documents for case analysis and production. KPMG's metrics and sampling procedures assured us that we had done so accurately and reliably. And we found KPMG's proprietary review software—with advanced analytics and machine-assisted review—to be state-of-the-art. More generally, KPMG has emerged as one of the leaders and visionaries in the e-discovery industry. We would not hesitate to work with them again.

—Attorney, Leading international law firm

”





Managing electronic discovery

Organizations face a variety of complex issues when dealing with ESI, as well as substantial costs in responding effectively to litigation-related or regulatory requests. Managing ESI effectively is getting harder and the stakes are getting higher.

KPMG has multiple data centers in the United States, the United Kingdom, Canada, Australia, India, South Africa, Germany, and Austria. These centers provide technology, processing capability, and professional support to help clients reduce the costs (in capital, time, and resources) associated with investigations, compliance, and litigation in the areas of evidence and discovery management.

Our services are specifically tailored to investigation and discovery processes and can easily accommodate high volumes of documents or data as well as multiple legal teams when needed. KPMG helps organizations mitigate risks and reduce discovery management costs by (i) providing advanced, easy-to-use tools for data culling, review, and mining in native file format; (ii) applying the highest standards and leading practices for custom security protocols and policy; and (iii) providing a full audit trail accountability and tracking of your data on a secure, remotely accessible platform.

Another key differentiator for KPMG is our in-house development of sophisticated technology that focuses on making the discovery process more cost-effective for our clients, while maintaining defensibility of the process and managing risks.

- **Global Evidence Tracking System**

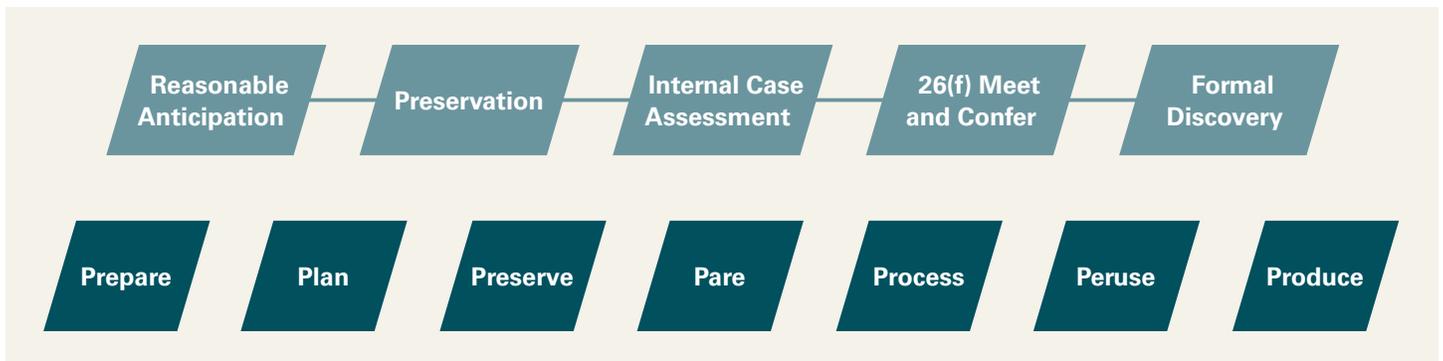
GETS allows you to track physical and logical evidence for investigation, litigation, or regulatory projects—from collection through the processing and production stages. It is designed to provide a consistent and systematic collation of digital evidence, preserve processed data, and document the chain of custody for digital evidence.

- **File Preservation Program**

FPP is a sophisticated application that can help existing e-discovery clients to reduce costs and manage risks of litigation by helping to reduce the amount of ESI collected during litigation and other matters.

- **Discovery Radar**

Our Discovery Radar program is a robust Web-based document review and production platform with enhanced capabilities such as predictive analytics. This can significantly reduce unwanted “noise” in an increasingly precise manner by starting with initial review decisions made by a human, and then employing sophisticated search and retrieval algorithms to “learn” to focus only on relevant documents.



KPMG's core values

KPMG's core values are what define this firm, both internally and externally—to the marketplace, our clients, our employees, and the communities in which we live and do business. Our core values are a screen that every major decision we make is passed through, and a standard by which all of our employees are evaluated. They are as follows:

- **We lead by example.** We, as a firm and as individuals, act in a manner that exemplifies what we expect of each other and our clients, and what our clients should expect from us.
- **We work together.** We team to bring out the best from our combined talents, experiences, knowledge and cultures, thereby creating strong and successful relationships.
- **We respect the individual.** We respect all individuals for their diversity, who they are, and what they bring as individuals and as team members for the benefit of our clients and the firm.
- **We seek the facts and provide insight.** We listen to and proactively challenge different points of view in order to arrive at the right judgments.
- **We are open and honest in our communication.** We encourage timely, clear, and constructive two-way communication.
- **We are committed to our communities.** We, as individuals and teams, use our time and resources to support local communities.
- **Above all, we act with integrity.** We are professional first and foremost, we take pride in being part of KPMG, and we are committed to objectivity, quality, and service of the highest standards.

Contacts

Matthias Kiener

Partner, Head of Forensic Switzerland

T: +41 58 249 21 35

E: mkiener@kpmg.com

Nico Van der Beken

Partner, Head of Forensic Technology

T: +41 58 249 75 76

E: nvanderbeken@kpmg.com

Cindy Hofmann

Director, Forensic Zurich

T: +41 58 249 56 25

E: cindyhofmann@kpmg.com

Eric Blot

Director, Forensic Geneva

T: +41 58 249 37 24

E: eblot@kpmg.com

kpmg.ch

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.

© 2018 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.