

Fraud Prevention and Detection Policy

1. Introduction

The purpose of this Fraud Prevention and Detection Policy is to establish a framework for preventing, detecting, and reporting fraud within our organization. This policy outlines the responsibilities of employees, the procedures for identifying and reporting fraudulent activities, and the steps to be taken in investigating and resolving such incidents. Additionally, this policy addresses the protection of whistleblowers and the procedures for reporting concerns related to fraud.

2. Definition of Fraud

For the purposes of this policy, fraud is defined as any deliberate act or omission carried out by an individual or group with the intent of obtaining unauthorized personal or organizational benefits or causing losses to the company. Fraud can include, but is not limited to, theft, embezzlement, bribery, forgery, misappropriation of funds or assets, false financial reporting, and conflicts of interest.

3. Prevention Measures

- a. Code of Conduct: The company has a comprehensive Code of Conduct that defines acceptable behavior, ethical standards, and guidelines for employees and stakeholders.
- b. Internal Controls: Adequate internal controls will be implemented to safeguard the company's assets, prevent fraudulent activities, and ensure compliance with applicable laws and regulations.
- c. Segregation of Duties: Wherever possible, duties and responsibilities will be segregated to prevent any one person from having excessive control over financial processes or assets.
- d. Employee Awareness and Training: Regular training programs will be conducted to educate employees about fraud prevention, detection techniques, and the importance of reporting suspicions or concerns promptly.
- e. Whistleblowing Policy: A clear whistleblowing policy has been established, ensuring protection for employees who report fraudulent activities or concerns in good faith.

4. Detection and Reporting

- a. Early Warning Signs: Employees should remain vigilant for potential fraud indicators, such as unexplained discrepancies, abnormal transactions, suspicious behavior, or financial irregularities. Any concerns should be reported immediately.
- b. Reporting Channels: The company will establish multiple reporting channels to encourage employees to report suspected fraudulent activities. These channels may include an

anonymous reporting hotline, designated email addresses, or direct reporting to supervisors or management.

c. Confidentiality and Non-Retaliation: Whistleblowers' identities will be treated confidentially, and appropriate measures will be taken to protect them from retaliation. Retaliation against employees reporting concerns in good faith will not be tolerated and may result in disciplinary action.

d. Investigation Process: Reported concerns will be promptly and thoroughly investigated by the designated individuals or team responsible for fraud detection. Investigations will be carried out objectively, confidentially, and with due regard for the rights of all parties involved.

e. Corrective Actions: Upon completion of the investigation, appropriate actions will be taken to address any confirmed instances of fraud. This may include disciplinary action, termination of employment, recovery of losses, and legal proceedings if necessary.

5. Communication and Training

a. Policy Distribution: This policy will be communicated to all employees, contractors, and stakeholders. It will be easily accessible through the company's intranet or other designated platforms.

b. Training Programs: Regular training sessions will be conducted to raise awareness about fraud prevention, detection, and reporting procedures. Employees will be educated on the potential risks, warning signs, and their role in mitigating fraud.

c. Periodic Policy Review: The policy will be reviewed periodically to ensure its effectiveness, relevance, and compliance with any changes in laws, regulations, or industry best practices.

6. Conclusion

Our company is committed to maintaining the highest ethical standards and ensuring a transparent, fraud-free work environment. By adhering to this Fraud Prevention and Detection Policy, employees contribute to the safeguarding of company assets, the preservation of its reputation, and the promotion of a culture of integrity.