

## **Categorical Zero-Tolerance Commitment**

CONCORD operates under a regime of categorical zero tolerance for fraud in all forms - financial-statement fraud, asset misappropriation, corruption, procurement fraud, payroll fraud, expense fraud, tax fraud, Business-Email-Compromise ('BEC') fraud, and any other form - whether perpetrated by Personnel, third parties, or external actors.

Substantiated fraud results in proportionate disciplinary action up to and including immediate termination of employment, civil recovery, and where appropriate, referral to law enforcement authorities for criminal prosecution.

CONCORD recovers losses from fraudulent activity through all available legal means including civil action, insurance claims, and where applicable, criminal restitution.

The purpose of the anti-fraud policy implemented by CONCORD is to promote a culture that deters fraudulent activity and facilitates the prevention and detection of fraud, corruption, conflict of interest and double funding, as well as to implement rules that will help identify evidence of fraud, corruption, conflict of interest and double funding and ensure that these cases are dealt with in a timely and appropriate manner.

## **Fraud Risk Assessment**

CONCORD conducts annual fraud risk assessment covering all sites, business lines, processes, third-party relationships, and country exposures. Risk treatment plans are implemented for elevated-risk areas and progress is tracked quarterly. The risk of fraud, corruption, conflict of interest and double financing in CONCORD's activities is managed by creating an effective system for identifying risk areas and selecting appropriate techniques for identification, taking control actions and mechanisms. The assessment uses the ACFE fraud categorization including asset misappropriation, financial statement fraud, corruption-related fraud, procurement fraud, vendor and customer fraud, and cyber-fraud including business email compromise. The process includes identifying risks, assessing the effectiveness of existing control measures and, if necessary, introducing additional measures until the perceived acceptable level of risk is achieved. When identifying and assessing risks, established indicators of fraud are also taken into account.

## **Investigation Procedure**

Suspected fraud is investigated internally under the Anti-Fraud Investigation Procedure with appropriate independence from the affected business unit. Investigations include evidence preservation (legal-hold mechanisms invoked promptly), witness interviews, forensic data analysis where appropriate, document review, and findings determination. Substantiated cases are documented in the ABAC & Anti-Fraud Combined Audit Engagement Record with anonymized

aggregate reporting. Confidentiality is strictly maintained throughout. External forensic accountants and legal counsel are engaged where the scale, complexity, or potential criminal exposure warrants.

When gaps in control activities are identified, CONCORD formulates appropriate recommendations for improving activities to prevent fraud, corruption, conflict of interest and double funding. Training is provided to employees on topics related to the risks of serious irregularities, the prevention and detection of fraud.

## **Regulatory and External Reporting**

CONCORD reports a proven fraud to relevant regulatory and law enforcement authorities as required by applicable local laws; and refers to law enforcement where prosecution is appropriate.

CONCORD has provided the opportunity to submit reports of irregularities through the reporting channels: the Speak-Up Portal, email ([compliance@concordusa.com](mailto:compliance@concordusa.com)), and by established channels in all CONCORD sites - reports can be submitted verbally, in writing and by email. Personnel reporting suspected fraud benefit from the comprehensive whistleblower protections set out in Whistleblower and Speak-Up Policy, including CONCORD-wide reversed burden of proof in retaliation analysis under the local legislation.