

## Anti-Fraud Policy

### INTRODUCTION

Perma-Fix Environmental Services, Inc. (referred to hereafter as the Company) is committed to the highest possible standards of openness, honesty, and accountability in all its affairs. The Company is determined to maintain a culture of honesty and opposition to fraud and corruption. In line with that commitment, the Company's Anti-Fraud Policy outlines the principles we are committed to in relation to preventing, reporting, and managing fraud and corruption. This Anti-Fraud Policy reinforces the Company's approach by setting out the ways in which employees or members of the public can voice their concerns about suspected fraud or corruption. It also outlines how the Company will deal with such complaints.

### IMPLEMENTATION

The actions within this policy will be implemented where suspicions of fraud or corruption have been raised.

*Fraud* is defined as:

"The intentional distortion of financial statements or other records by persons internal or external to the company which is carried out to conceal the misappropriation of assets or otherwise for gain."

*Corruption* is defined as:

"The offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person."

Fraudulent or corrupt acts may include:

- **Systems Issues** - Where a process/system exists that is prone to abuse by either employees or the public.
- **Financial Issues** - Where individuals or companies have fraudulently obtained an inappropriate financial benefit from the Company.
- **Equipment Issues** - Where the Company's equipment is used for inappropriate personal use.
- **Resource Issues** - Where there is a misuse of resources (e.g. theft of materials).
- **Other Issues** - Activities undertaken by employees of the Company which may be unlawful, against the Company's policies, falls below established standards or practices, or amounts to improper conduct.

This is not an exhaustive list. If you are in any doubt about the seriousness of your concern, advice and guidance can be obtained from the Chief Executive Officer (CEO), Chief Financial Officer (CFO), or Internal Audit Department.

### SAFEGUARDS

**Harassment or Victimization** - The Company recognizes that the decision to report a concern can be difficult, not least because of the fear of reprisal from those responsible for the malpractice. The Company will not tolerate harassment or victimization and will take action to protect those who raise a concern in good faith.

**Confidentiality** - The Company will do its best to protect an individual's identity when they raise a concern and do not want their name to be disclosed. It must be appreciated, however, that the investigation process may reveal the source of the information, and a statement by the individual may be required as part of the evidence.

**Anonymous Allegations** - This policy encourages individuals to put their names to allegations. Concerns expressed anonymously are much less powerful, but they will be considered at the discretion of the Company. In exercising this discretion, the factors to be considered would include the seriousness of the issues raised, the credibility of the concern, and the likelihood of confirming the allegation from attributable sources.

**Untrue Allegations** - If an allegation is made in good faith but is not confirmed by the investigation, no action will be taken against the originator. If individuals make malicious and false allegations, action may be considered against the person making the allegation.

### EMPLOYEE ACTIONS

Employees are often the first to realize something is seriously wrong within the Company. However, they may not express their concerns because they feel that speaking up would be disloyal to their colleagues or the Company. They may also fear harassment or victimization. In these circumstances, some may feel that it may be easier to ignore the concern rather than report what may be a suspicion.

The Company's Whistle-blowing Policy is intended to encourage and enable staff to raise serious concerns within the Company rather than overlook a problem or blow the whistle to the media or other external bodies.

A full copy of the Whistle-blowing Policy can be obtained from the Human Resources Department or in the employee handbook, which was distributed to all employees or is located on the website at [www.perma-fix.net](http://www.perma-fix.net) under the Employee Benefits <https://access.paylocity.com/> Employee Self-service Portal.

In essence, employees should approach the Internal Audit Department. If the claim is substantiated, the CEO, CFO and the Internal Audit Department will be notified and consulted. The nature of the complaint will determine the Company's course of action.

Internal Audit can be contacted by sending an e-mail to [cmiller@hancockaskew.com](mailto:cmiller@hancockaskew.com) or by calling (678) 992-1562.

## **PUBLIC ACTIONS**

The Company encourages members of the public who suspect fraud and corruption to contact the CEO, CFO, or Internal Audit Department.

The Internal Audit Department operates independently of all other Company processes and departments and works to establish procedures with the following aims:

- develop an anti-fraud culture.
- deter, prevent, detect, and investigate fraud and corruption.
- report to the Audit Committee matters concerning personnel who commit or seek to commit some sort of fraud or corruption.

The possible courses of action taken by the Company are outlined below.

Internal Audit can be contacted by sending an e-mail to [cmiller@hancockaskew.com](mailto:cmiller@hancockaskew.com) or call (678) 992-1562, or by writing to the Internal Audit Department, 8302 Dunwoody Place Suite # 250, Atlanta, GA 30350.

## **HOW WILL ALLEGATIONS OF FRAUD OR CORRUPTION BE DEALT WITH BY THE COMPANY?**

For issues raised by employees or members of the public, the action taken by the Company will depend on the nature of the concern. The matters raised may:

- be investigated internally
- be referred to the appropriate authorities

Within 5 working days of a concern being received, the CEO or designated officer will write to the complainant:

- acknowledging that the concern has been received;
- indicating how it proposes to deal with the matter;
- giving an estimate of how long it will take to provide a final response;
- telling the complainant whether any initial enquiries have been made; and
- telling the complainant whether any further investigations will take place, and if not, why not.

Where the loss is substantial, the Company should obtain legal advice without delay. Legal advice should also be obtained about prospects for recovering losses where the perpetrator refuses repayment. The Company would normally expect to recover costs in addition to losses.

The Company accepts that those who reported the alleged fraud or corruption need to be assured that the matter has been properly addressed, and, subject to legal constraints, information about the outcomes of any investigation will be forwarded to the complainant.

## **REVIEW**

This plan will be reviewed at least annually or after each use. Any need for change will be reported to the audit committee for approval.