Global Anti-Fraud Policy v2.0

Master List Ref	Release Date	Review Date	Next Review Date
PL-ISMS-ENT-013	January, 2016	January, 2025	January, 2026
Version: 2.0	**Process Owner** IRM	**Reviewed by** Associate Director - IRM	**Approved by** SVP - IRM

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1. Purpose & Objective

The Global Anti-Fraud policy aims to protect the brand, reputation and assets of the Company from loss or damage resulting from suspected incidents of fraud, in addition to safeguarding the confidentiality of client and customer data used for providing services to our clients.

The policy aims to achieve the following objectives:

- Promote zero tolerance to fraud;
- Strengthen the anti-fraud culture across the Company;
- Spread awareness and educate employees on fraud risks faced by the Company;
- Encourage all employees / associates of Firstsource to report cases of fraud; and
- Identify and address organization vulnerabilities through proactive and reactive measures

2. Scope & Applicability

This policy applies to all employees (full time and part time), associates & employees of associates of Firstsource and any parties having a business relationship with Firstsource.
For the purpose of this policy, associates of Firstsource include vendors, consultants, business partners and contractors.

3. What is Fraud?

3.1: Definition

The Oxford dictionary defines fraud as “wrongful or criminal deception intended to result in financial or personal gain”.
Fraud can also be defined as “a willful act committed by an individual or entity, by deception, suppression, cheating or by any other fraudulent or illegal means, thereby causing wrongful gain(s) to self and other individuals and wrongful loss to others”

Global Anti-Fraud Policy defines fraud as “any illegal, dishonest or irregular act done knowingly and willfully, whether by words or by conduct, which may result in a financial or non-financial loss to the Company. It includes:

- Use of deception with the intention of pursuing personal interests and causing loss to the proper interests of the Company;
- Illegitimate pursuit of Company interests in an appropriate manner for personal gain; and
- Intentional distortion of financial statements or other records by persons internal or external to the Company which is carried out to conceal misappropriation of assets or for personal gains”

Fraud is an intentional act to achieve illicit gain

Fraud can be perpetrated by an insider or outsider (employee or associate)

An individual or a group of people can commit fraud through collusion

Specific Exclusions: Irregularities concerning employee's moral, ethical or behavioral conduct should be resolved by departmental management and Human Resource department rather than Fraud Risk Management (FRM) team.

In case there is any question as to whether an action constitutes fraud, contact the FRM team for guidance.

3.2: Illustrations

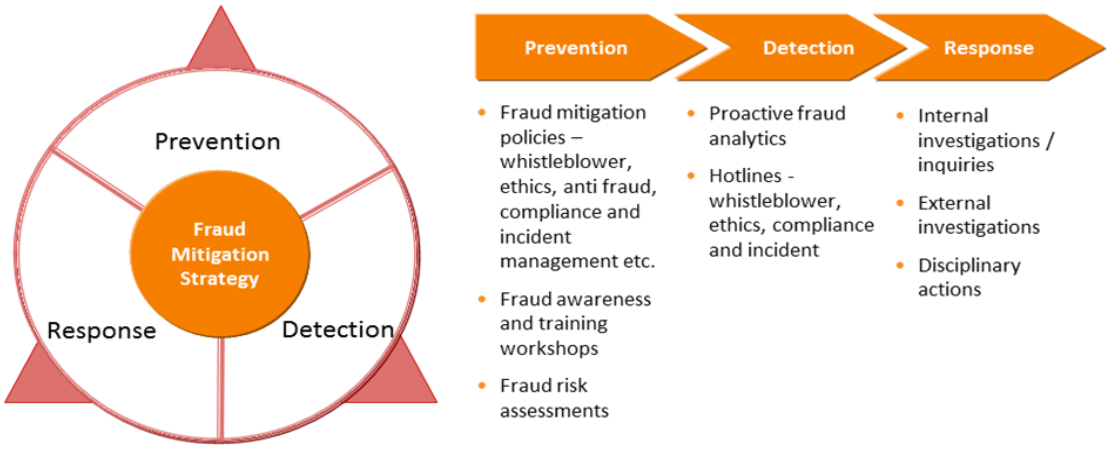
Listed below are few illustrations that could be construed as fraud. If in doubt, contact the FRM team at fraudhelpline@firstsource.com

- Usurpation of corporate interests for personal gain;
- Misappropriation of assets, embezzlement and theft;
- Payment or receipt of bribes, kickbacks or other inappropriate payments;
- Deriving benefits for Company's interests through illicit or illegal means in collusion with external parties;
- Participation in sham or fraudulent transactions;
- Deceptive, misleading or false statements about corporate transactions;
- Forgery or alteration of accounting record or vouchers;
- Unauthorized disclosure of trade secrets of the Company for personal gain;
- Non-disclosure of material information needed for an informed investment decision;
- Theft or misuse of confidential / sensitive information; and
- Other fraud behaviors' causing loss or illegal gain to the Company.

4. Fraud Mitigation Strategy

Fraud Mitigation Strategy at Firstsource focuses on fraud prevention, detection and response ("Three Pillars" of Fraud Risk Management) to achieve the following objectives:

- Proactive identification and remediation of fraud risk;
- Educate and guide employees and strengthen fraud preparedness; and
- Timely fraud response through investigations, disciplinary actions and process remediation



5. Fraud Prevention & Control

Prevention of fraud is everybody's responsibility. Management, employees and associates of Firstsource are expected to be alert at all times and take necessary steps to report fraud.
The roles and responsibilities of all stakeholders are detailed below:

Stakeholder	Responsibility
Risk Committee	• Comprising of the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Compliance Officer (CCO), it will provide guidance on the fraud mitigation strategy and related risks of Firstsource
Business & Function Heads	• Assess the risk of fraud arising in the normal business operations of each geography, process and unit within their span; • Establish controls and procedures designed to eliminate the likelihood of occurrence of fraud; • Report and recommend a remedial course of action in respect to suspected or voiced concerns of fraud or fraudulent behaviour; • Promote a regular corporate culture of honesty and integrity through the following actions and activities: ○ Lead by example in complying with the Global Anti-Fraud Policy; ○ Regularly communicate the Company's message of honesty and integrity with employees of the Company, through the Employee Handbook and other written and verbal presentations of the principles underlying in this Policy; ○ Conduct periodic meetings to ensure employees attend trainings regarding business ethics and the related laws and regulations; ○ Notify all direct or indirect interested parties, including external parties (customers, suppliers, supervision authorities and shareholders) regarding this Policy and the obligation of the employees to comply therewith; ○ Notify employees and external third parties of the opportunity and procedures for anonymously reporting wrongdoings and dishonest behavior; and ○ Identify and asses the importance and possibility of fraud risk at entity level, in each business department level and at all significant accounts levels, in view of the Company's overall risk management assessment process.
Fraud Risk Management (FRM) Team	• Design and develop the FRM framework; • Review, monitor, improve and implement security controls across the organization; • Assess and approve adequacy and appropriateness of security / fraud controls across all organizational functions covering operations, administration, facilities, physical security, human resources, technology, finance, sales & marketing and other support functions; • Assess, examine and approve inter as well as intra departmental controls;

Stakeholder	Responsibility
	• Sign off the policies, procedures and control designs for all departments covering the security / fraud prevention controls; • Access systems, policies, records, documents, SOPs, MIS, employees (team members) and any other information of all functions / departments across the Company, with the approval of any member of the Risk Committee, as an when the need arises; • Review and assess all reported cases of fraud; • Manage / conduct / coordinate all investigations and share reports with the designated personnel; • Recommend and follow through the disciplinary actions taken against the wrongdoers; and • Review and update, as necessary, the Global Anti-Fraud Policy on an annual basis.
Human Resources Team	• Obtain Declaration for reading, understanding and agreeing to comply with the Global Anti-Fraud Policy from all employees; • Perform customary background checks (education, work experience and criminal records) for individuals being considered for employment or positions of trust; and • Formal written documents for background checks shall be retained and filed in employee's record.
All employees of the Company	• Ensure compliance with all Firstsource policies and procedures; • Report "all" cases of suspected fraud immediately on whistleblowing@firstsource.com ; • Do not tamper any evidence and do not try to investigate the case yourself; • Provide complete support and cooperation to the FRM team; • Act with the highest standards of ethics and integrity; • Acknowledge reading, understanding and agreeing to comply with the Global Anti-Fraud Policy at the time of joining; and • Complete and pass the online Global Anti-Fraud Training on an annual basis (applicable for Managers and above)
All associates of the Company	• Ensure compliance with all Firstsource policies and procedures; • Report "all" cases of suspected fraud immediately on whistleblowing@firstsource.com; • Do not tamper any evidence and do not try to investigate the case yourself; • Provide complete support and cooperation to the FRM team; • Act with the highest standards of ethics and integrity; and • Read, understand and agree to comply with the Global Anti-Fraud Policy by signing the declaration of acceptance on an annual basis

6. Reporting & Reviewing Protocols

6.1: Fraud Reporting

At Firstsource, we foster an open communication culture. Any person (employee or associates of the Company) with knowledge of suspected incident of fraud or who is personally being coerced by others to participate in a fraudulent activity must report the case immediately.

All cases of suspected fraud can be reported to whistleblowing@firstsource.com and the Company shall strive to maintain any request for anonymity.

Carefully refer to the important aspects to be considered while reporting a suspected fraud incident.

Important: Do's

- **Report immediately / as soon as you are aware of an alleged incident**
- **Provide the following information along with the incident:**
  - **Who is the suspect (name)**
  - **What has the suspect done**
  - **Copy of evidences that you may have**
  - **Other information like contact details, program / process / department, names of third parties, if any.**
  - **Your name and contact number, which may be required to get further details, if any**

Important Don'ts

- **Do not delay in reporting the incident. The more you delay, the longer the exposure to the fraud which may mean greater losses to the Company and / or to you**
- **Do not hide any information while reporting the incident**
- **Do not tamper with any evidence / original documents**
- **Do not try to investigate the incident yourself**
- **Do not share information with anybody. Process as defined in External Engagement section of External Engagement – Speaking Opportunity Policy to be followed for all communications**

6.2: Inquiry & Investigation

The FRM team will review and assess all the reported incidents of suspected fraud and carry out the required inquiries / investigations / inspections. FRM team may hire/involve the services of external / internal fraud investigation and / or forensic experts, wherever required. Further, all investigations will be handled on a case by case basis and may involve reporting to the Law Enforcements Authorities, where deemed necessary.

All investigations will be carried out objectively, and independently of the Line Management for the area in which the fraud has occurred or is suspected. All employees and third parties are required to provide complete support during all investigations.

FRM team will recommend and follow through the necessary disciplinary actions on a case by case basis and learnings will be shared with relevant stakeholders to proactively manage and prevent similar cases in future.

6.3: Disciplinary Actions

Disciplinary action will be taken against the perpetrator(s) in the event of an incident of fraud, which may involve but not limited to suspension or termination of employment, penalty, criminal or civil action. The disciplinary actions will be decided on a case by case basis by the Head of FRM, HR and Legal in consultation with the CCO. Guidance will be obtained from the Risk Committee, where required.

6.4: Safeguard

Confidentiality: FRM team maintains the confidentiality of all the information received. Results of investigation conducted shall not be disclosed to anyone other than those who have a legitimate need to know.

Bad faith allegations: Notwithstanding anything contained anywhere in this policy, the Company shall have the absolute authority to take disciplinary action against the informant if it is found, upon investigation, that the allegations were made by informant in bad faith.

7. Awareness

Employee awareness with respect to fraud is critical and it is important that all employees understand the reporting modes and their responsibilities.

All employees in managerial positions will be responsible for educating their team members on the importance of complying with Global Anti-Fraud Policy and identifying / reporting of suspicious activity, at all times.

Additionally, fraud awareness training and refresher programs will be carried out on an annual basis. Managers and above will go through computer based training, declarations and assessments with a passing score of 90%.

Annexure A

Information Classification Details

Classification: Firstsource Restricted
Information Owner (IO): Risk Committee
Information Custodian (IC): IRM team
Authorization List (AL): All Employees, 3rd Parties, Existing/Prospective Clients,
Declassify on: Never

Annexure B

Changes since the Last Version (Version)

Date	Version Number	Changes made
4th January, 2016	v1.0 to v2.0	1. Changed the ownership from ERM to IRM team; 2. Removed obsolete information from the document.

Annexure C

Work from Home Process & Procedures - Risk and Requirements

High Risks:

1. Remote user working on client or Firstsource information could use pen, paper or other writing material to note down information and this data could be shared with anyone outside, could use another computer to share the information on the internet, share it anyone through public network; this could jeopardize the client data, end clients data and could lead to legal and regulatory issues;
2. Remote user could use an alternate phone to pass on the information; and this data could be shared with anyone outside, could use another computer to share the information on the internet, share it anyone through public network; this could jeopardize the client data, end clients data and could lead to legal and regulatory issues;
3. Remote user could use digital camera to capture information; and this data could be shared with anyone outside, could use another computer to share the information on the internet, share it anyone through public network; this could jeopardize the client data, end clients data and could lead to legal and regulatory issues;
4. If any sensitive info - CC data or PII or PHI is not masked, then user would have complete access to the information;
5. The risk of home users on Abusive substance, alcohol and on drug while taking calls could lead to unhealthy calls and could jeopardize the reputation of the client and Firstsource.

InfoSec Requirements for WFH:

1. Client concurrence must be made available and working from home should a part of the contact; and all the security controls and risk shall be identified and agreed;
2. Appropriate background checks must be performed periodically for all WFH users;
3. VPN (with 2-factor authentication) must be used to connect Firstsource network;
4. VPN should also identify the remote end points by means of MAC based identification;
5. Segregate all remote end point connections via a separate firewall or via a separate physical interface on the existing firewall and then route in the network traffic;
6. Remote end points (preferably thin client) that would be used for connecting (from remote location) to Firstsource network, must be Firstsource owned, configured and managed;
7. Remote end points must be hardened as per the hardening guidelines; all the external storage must be disabled, COM ports must be disabled;
8. User should be allowed only to execute VPN client at the end point and on successful authentication only authorized application must be only available and accessible in their respective user profiles;
9. User must use unique username and must be authenticated at network (domain authentication) and application level;
10. User account and password must be as per Password and User Account Policy (PL-ISMS-ENT-006);
11. Only designated user must be only allowed to login to the end points;
12. End points must be secured with security software and configured for regular updates though corporate network (anti-virus, anti-spyware);
13. Legal banner must include- any discrepancy identified information handled or accessed should be held responsible; every time user logs in;
14. Post user authentication - print screen, copy / paste, printing must be disabled;
15. Only business required application access must be allowed or accessible over the VPN;
16. Authentication and access logs (VPN connections, firewall, remote end points) must be pushed to central Syslog;
17. Access revocation process should be stringed - id and access must be revoked as soon as the user notifies or do not report for 1 days without information;
18. Regular review and monitoring - work that is been performed by the remote user must be reviewed on periodic basis such as hourly, daily reviews of the work performed, reviews and personal visit;

19. Call and screen recording technology must be implemented for monitoring;
20. User's remote access must be disabled for all planned leaves;
21. Terminate interactive sessions, or activate a secure, locking screensaver requiring authentication, after a period of inactivity not to exceed five (5) minutes;
22. Restricting time of access based on day of week and hour of day as per the business hours;
23. Disable features at the group or user level, including features such as drag-and-drop file transfers, remote printing, or any feature which could be used to capture and remove clients data / Information;
24. Complete logging of all key strokes and mouse clicks during the session so as to maintain a record of what actions have been taken on the end points / Workstation by the Home Based Associate.

<u>Additional requirements:</u>

- End points:
  1. Endpoint threat management solutions/EDR to mitigate threats
  2. Data leak prevention tool on End points
  3. Digital Right management solution for End points
  4. Minimum OS standards - licensed version.
  5. Patch Management/Containerization and Remote wipe capability.

- Network:
  1. VPN concentrator with appropriate number of licenses
  2. Segregated Firewalls for WFH Network traffic.
  3. Network Access controls (to verify predefined criteria)
  4. Dual Authentication (software token or Hardware token)
  5. Identity access Service engines