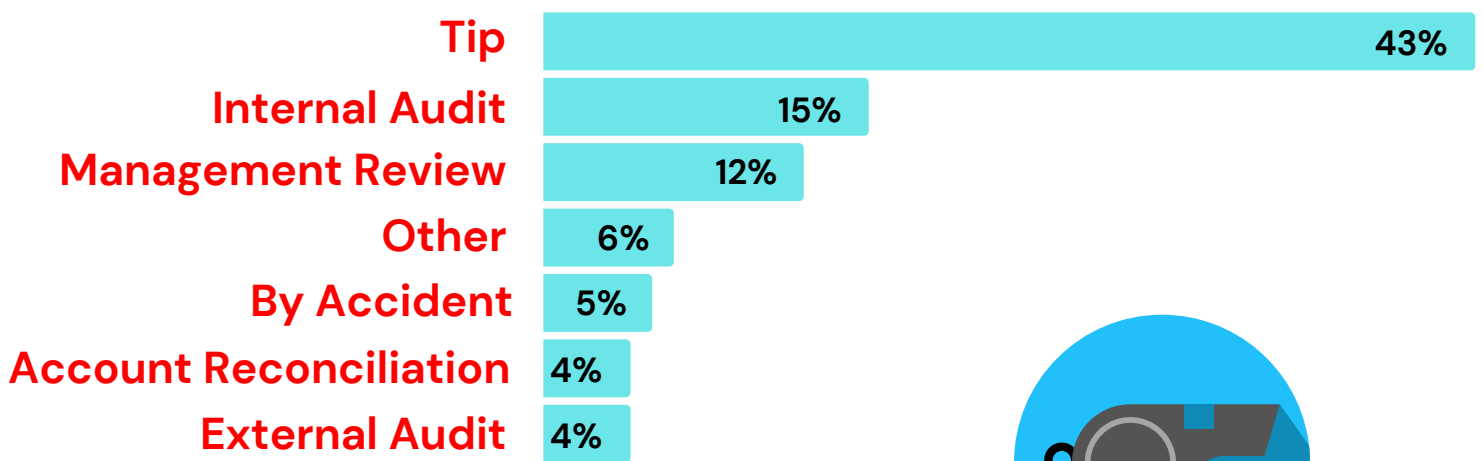


THE SEC GETS TOUGH ON MISCONDUCT

A financial statement fraud can go on for 2 years before it is discovered. 22% of occupational fraud cases cause losses of more than \$1,000,000. As a result, the SEC is getting tough on organizational accountability

TOP METHODS OF FRAUD DETECTION



DID YOU KNOW?

In 2021, the biggest award given to a whistleblower was \$110,000,000, which is the second highest award in history

A whistleblower in 2020 was awarded \$114,000,000, which is historically the largest award ever given.

The SEC has awarded more than \$1 billion to whistleblowers since the start of the Whistleblower Programs in 2011

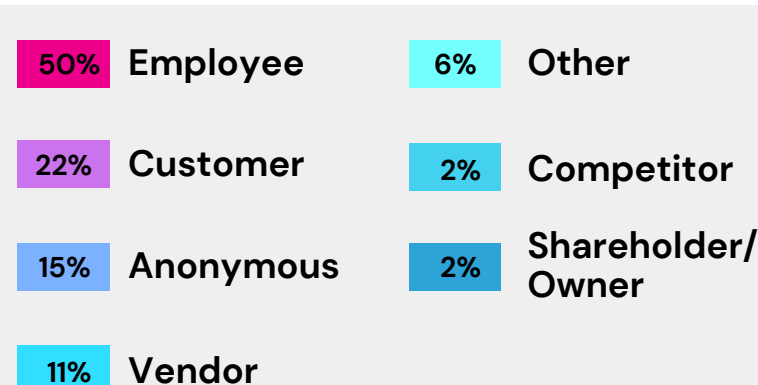
TOP WHISTLEBLOWER ALLEGATION TYPES IN FY21

- 3,090** Manipulation
- 1,913** Corporate Disclosures and Financials
- 1,910** Offering Fraud
- 778** Trading and Pricing
- 762** Initial Coin Offerings and Cryptocurrencies
- 417** Insider Trading

TIPS THROUGH THE YEARS

| | 2018 | 2019 | 2020 | 2021 |
|--|-------|-------|-------|--------|
| Number of tips received | 5,292 | 5,212 | 6,911 | 12,210 |
| Highest Amount Awarded | 82M | 50M | 114M | 110M |
| SEC Fines on Organizational Misconduct | 3.9B | 4.3B | 4.7B | 3.9B |

SOURCE OF TIPS



Source: www.sec.gov
 Source: <https://www.acfe.com/report-to-the-nations/2020/>