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Media Statement

In February 2019, Consolidated Nuclear Security, LLC (CNS) self-reported to the Government that it believed certain employees at the Pantex Plant had improperly claimed and been paid for hours they did not work.

After extensive investigations by both CNS and the federal government, CNS has agreed to repay the government \$18.4 million for its employees' overcharging and has fired those employees who engaged in this egregious misconduct.

CNS initially discovered suspicious activity as it implemented process efficiencies and improved payroll systems. CNS promptly disclosed the issue to the Government, and then CNS fully cooperated with the Government's investigation through numerous actions, including:

- Providing up-to-date information to the government regarding the nature of the improperly charged hours, the personnel involved in the mischarging, and the potential financial impact to the NNSA;
- Identifying individuals with potential awareness of relevant information or conduct and facilitating interviews of those individuals;
- Preserving relevant documents and electronic information and facilitating their review by Government investigators;
- Undertaking extensive measures to guard against the possible reoccurrence of similar misconduct.

CNS's cooperation with the investigation and its remedial actions—which included terminating employees were positively recognized by the Department of Justice and taken into consideration as part of the settlement.

CNS remains dedicated to its mission of ensuring the effectiveness and reliability of the U.S. nuclear stockpile in support of the Nation's nuclear deterrent—and to delivering its mission to the highest standards of excellence, ethics, and integrity.

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Consolidated Nuclear Security, LLC, operates the Pantex Plant, located in Amarillo, Texas, and the Y-12 National Security Complex, located in Oak Ridge, Tennessee, for the U.S. National Nuclear Security Administration. Bechtel National, Inc., is the lead member of CNS; minority members include Leidos, Inc.; ATK Launch Systems, LLC; and SOC, LLC. Pantex and Y-12 are key facilities in the U.S. Nuclear Security Enterprise, and CNS performs its work with a focus on performance excellence and the imperatives of safety, security, disciplined operations, and delivering as promised.

For more information on each site, visit <u>www.pantex.energy.gov</u> or <u>www.y12.doe.gov</u>. Follow Y-12 on <u>Facebook</u>, <u>X</u>, and <u>LinkedIn</u>. Follow Pantex on <u>Facebook</u>, <u>X</u>, and <u>LinkedIn</u>.