

## Procedure for reporting suspicions of wrongdoing or malpractice

At KroeseWevers, we believe that it is important to have a sound integrity policy and, by extension, an adequate whistleblowing policy in place. We have therefore drawn up the following procedure for dealing with reports of suspected wrongdoing or malpractice:

### Clause 1. Definitions

1. For the purposes of this Procedure, the following definitions apply:
  - a. **KroeseWevers**: the employer referred to in this Procedure, i.e. the private limited liability company KroeseWevers Holding BV and its subsidiaries;
  - b. **Employee**: any person working for KroeseWevers, whether or not based on an employment contract;
  - c. **Suspicion of wrongdoing**: the suspicion voiced by an employee of a wrongdoing within the organisation in which he works or used to work, or within another organisation which he came in contact with through his work, provided that:
    - 1e. the suspicion is based on reasonable grounds, arising from knowledge gained by the employee during his work for KroeseWevers or through his work with another company or organisation, and
    - 2e. the public interest is at stake, due to:
      - i. any (imminent) violation of a statutory rule, including a criminal offence or an imminent criminal offence,
      - ii. any (imminent) harm to public health,
      - iii. any (imminent) harm to the safety of persons,
      - iv. any (imminent) harm to the environment,
      - v. any (imminent) harm to the proper functioning of the organisation due to an inappropriate act or omission,
      - vi. any (imminent) violation of a rule other than a statutory rule,
      - vii. any (imminent) misuse of public money,
      - viii. any (imminent) deliberate withholding, destruction, or manipulation of information about any of the circumstances referred to above under (i) to (vii);
  - d. **Suspicion of malpractice**: a suspicion, based on reasonable grounds, of a shortcoming or an irregularity of a general, operational or financial nature taking place under the responsibility of KroeseWevers of so serious a nature as to fall outside the scope of the regular work processes and the immediate superior's responsibility;
  - e. **Counsellor**: any person appointed by KroeseWevers to act as such. The counsellors' names can be found on the employee portal.
  - f. **Whistleblowing advice centre**: the advice centre set up pursuant to the Temporary (Whistleblowing Advisory Committee) Decision (see Official Gazette [*Staatsblad*] 2011, 427, and Official Gazette 2015, 202);

- g. **Advisory department of the House for Whistleblowers:** the advisory department of the House referred to in Section 3a (2) of the House for Whistleblowers Act [*Wet Huis voor Klokkeluiders*];
  - h. **Report:** the notification of a suspicion of wrongdoing or malpractice under this Procedure;
  - i. **Reporting employee:** any employee who reports a suspicion of wrongdoing or malpractice under this Procedure;
  - j. **Executive board:** the person or persons responsible for the day-to-day management of KroeseWevers.
  - k. **Compliance officer:** any person appointed by KroeseWevers to monitor legal compliance within the organisation.
  - l. **Investigators:** any persons appointed by the executive board to investigate the wrongdoing;
  - m. **External body:** the body which, in the reporting employee's reasonable opinion, is the best suited to dealing with the external reporting of a suspicion of wrongdoing;
  - n. **External third party:** any organisation or representative of an organisation that, in the reporting employee's reasonable opinion, may be considered capable of resolving the suspected wrongdoing either directly or indirectly;
  - o. **Investigative department of the House for Whistleblowers:** the investigative department of the House referred to in Section 3a (3) of the House for Whistleblowers Act;
2. For the purposes of this Procedure, words importing the masculine include the feminine.

## **Clause 2. Information, advice, and support for the employee**

1. An employee may consult anyone within the organisation confidentially about a suspicion of wrongdoing.
2. An employee may ask a counsellor confidentially to provide information, advice and support so as to report a suspicion of wrongdoing.
3. The employee may ask the advisory department of the House for Whistleblowers to provide information, advice and support in the event of a suspicion of wrongdoing.

## **Clause 3. Concerns raised internally by a KroeseWevers employee**

1. An employee who suspects any wrongdoing or malpractice to have occurred at KroeseWevers may raise his concerns with the office manager or the executive board.  
If the employee reasonably suspects the executive board to be involved in the suspected wrongdoing or malpractice, the employee may report his concerns to the compliance officer. In such cases, "executive board" should read "compliance officer" in the rest of this document.

2. The employee may also report a suspicion of wrongdoing or malpractice at KroeseWevers through a counsellor. The reporting employee may choose to remain anonymous. In such cases, all communications will run through the counsellor. In consultation with the employee, the counsellor will pass on the report to the office manager or executive board referred to in the previous paragraph or to the compliance officer, as the case may be.

#### **Clause 4. Concerns raised internally by an employee of another organisation**

1. An employee of another organisation who has come in contact with KroeseWevers through his work and who suspects any wrongdoing to have occurred at KroeseWevers may raise his concerns with the executive board.  
If the employee of another organisation reasonably suspects the executive board to be involved in the suspected wrongdoing, the employee may raise his concerns with the compliance officer. In such cases, “executive board” should read “compliance officer” in the rest of this document.
2. The employee of another organisation as referred to in the previous paragraph may also report his suspicion of wrongdoing at KroeseWevers through a counsellor. The reporting employee may choose to remain anonymous. In such cases, all communications will run through the counsellor. In consultation with the reporting employee, the counsellor will pass on the report to the office manager or executive board or to the compliance officer, as the case may be.

#### **Clause 5. Protecting the reporting employee from reprisals**

1. KroeseWevers will not treat the reporting employee unfavourably for having reported properly and in good faith a suspicion of wrongdoing or malpractice to KroeseWevers or another organisation or an external body as referred to in Clause 14 (3) or an external party in the circumstances as referred to in Clause 14 (4).
2. Unfavourable treatment as referred to in Clause 5 (1) includes, without limitation, taking any action against the reporting employee, such as:
  - a. terminating the reporting employee’s employment contract other than at his own request;
  - b. terminating a temporary employment contract early, or not extending a temporary employment contract;
  - c. not converting a temporary employment contract into a permanent employment contract;
  - d. taking disciplinary action;
  - e. banning the reporting employee or any of his work colleagues from conducting an investigation, speaking out, coming in to work and/or contacting anyone;
  - f. appointing the reporting employee to a different position other than at his own request;

- g. extending or restricting the employee's duties other than at his own request;
  - h. transferring or relocating the reporting employee other than at his own request;
  - i. refusing a request by the reporting employee to be transferred or relocated;
  - j. changing the reporting employee's workplace, or refusing a request to that effect;
  - k. denying the reporting employee any pay rise, one-off payment, bonus, or allowance;
  - l. denying the reporting employee the chance to be promoted;
  - m. not accepting a sickness notification, or leaving the employee registered as absent due to illness;
  - n. refusing a request for taking leave;
  - o. granting leave other than at the reporting employee's own request;
3. Unfavourable treatment as referred to in Clause 5 (1) also includes the situation in which there are reasonable grounds for calling the reporting employee to account over his performance, or for taking unfavourable action against him as referred to in Clause 5 (2), but the action taken by KroeseWevers is not reasonably proportional to those grounds.
4. If KroeseWevers proceeds to take unfavourable action as referred to in Clause 5 (2) against the reporting employee within a foreseeable time after the concerns were raised, KroeseWevers must explain why it considers the action to be necessary and that the action is nothing to do with the good faith and proper reporting of a suspicion of wrongdoing or malpractice.
5. KroeseWevers is responsible for ensuring that the reporting employee's managers and work colleagues refrain from any form of unfavourable treatment in connection with the good faith and proper reporting of a suspicion of wrongdoing or malpractice that may affect the reporting employee's professional performance or personal wellbeing. This includes, without limitation:
- a. bullying, ignoring, or excluding the reporting employee;
  - b. making unfounded or disproportional accusations about the reporting employee's performance;
  - c. effectively banning the reporting employee or any of his work colleagues from conducting an investigation, speaking out, coming in to work and/or contacting anyone, howsoever phrased;
  - d. intimidating the reporting employee by threatening to take certain action or behave in a certain way if he pursues the matter.
6. Employees who are treating the reporting employee unfavourably will be called to account by KroeseWevers and may receive a reprimand or face disciplinary action.

**Clause 6. Preventing reprisals against the reporting employee**

1. The counsellor appointed pursuant to Clause 9 (5) must discuss with the reporting employee without delay what risks of reprisals there are, how such risks can be mitigated, and what the employee can do if he feels that he is being treated unfavourably. The counsellor must ensure that this is documented in writing, and submit the document for approval and signature to the reporting employee. The reporting employee will be provided with a copy.
2. If he feels that he is being treated unfavourably, the reporting employee may discuss this with the counsellor without delay. The counsellor and the reporting employee will also discuss the measures to be taken to prevent unfavourable treatment. The counsellor must ensure that this is documented in writing, and submit the document for approval and signature to the reporting employee. The counsellor must pass on the report to the executive board without delay. The reporting employee will be provided with a copy.
3. The executive board is responsible for ensuring that any measures necessary to prevent unfavourable treatment are taken.

**Clause 7. Protecting any others involved from reprisals**

1. KroeseWevers will not treat unfavourably any persons within the organisation who were consulted by the reporting employee about his suspicion of wrongdoing on the basis that they acted as advisers to the reporting employee.
2. KroeseWevers will not treat the counsellor unfavourably for exercising his duties as described in this Procedure.
3. KroeseWevers will not treat the investigators unfavourably for exercising their duties as described in this Procedure.
4. KroeseWevers will not treat unfavourably an employee who has been interviewed by the investigators for making a statement in good faith.
5. KroeseWevers will not treat an employee unfavourably for submitting documents to the investigators which the employee reasonably believes are material to the investigation.
6. Clauses 5 (2) to (6) apply *mutatis mutandis* to the unfavourable treatment of any person as referred to in Clauses 7 (1) to (5) .

**Clause 8. Confidential handling of the report and the employee's identity**

1. KroeseWevers is responsible for ensuring that the information about the report is stored in such a way that physical and digital access to that information is restricted to those involved in handling the report.
2. All persons involved in handling the report are under an obligation not to disclose the reporting employee's identity without his express written permission, and must treat the information about the report confidentially.
3. If the suspicion of wrongdoing or malpractice has been reported through the counsellor, and the reporting employee has not consented to his identity being

disclosed, all correspondence about the report must be sent to the counsellor, who will pass on such correspondence to the reporting employee without delay.

4. All persons involved in handling the report are under an obligation not to disclose the identity of anyone consulted by the reporting employee without the express written permission of the reporting employee and the person consulted.

#### **Clause 9. Documenting, forwarding, and confirming receipt of an internal report**

1. If the employee reports a suspicion of wrongdoing or malpractice to the office manager, executive board, compliance officer or counsellor verbally, or provides a verbal clarification of a report made in writing, the person so notified must, in consultation with the reporting employee, ensure that the verbal report or clarification is documented in writing and submitted for approval and signature to the reporting employee. The reporting employee will be provided with a copy.
2. If the concerns are raised with the office manager or counsellor, the office manager or counsellor must pass on the concerns to the executive board without delay.
3. If the reporting employee or the office manager or counsellor who has received the report reasonably suspects that the executive board is involved in the suspected wrongdoing or malpractice, they must pass on the report to the compliance officer without delay. In such cases, "executive board" should read "compliance officer" in the rest of this document.
4. The executive board must send the reporting employee confirmation of receipt of the report without delay. The confirmation of receipt will as a minimum contain a brief description of the report, the date when it was received, and a copy of the report.
5. If the report was not made through a counsellor, the executive board must, in consultation with the reporting employee, appoint a counsellor without delay so as to prevent any unfavourable treatment.

#### **Clause 10. Handling of the internal report by the employer**

1. The executive board must launch an investigation when a suspicion of wrongdoing or malpractice is reported, unless:
  - a. the suspicion is not based on reasonable grounds, or
  - b. it is immediately clear that the concerns raised do not involve a suspicion of wrongdoing or malpractice.
2. If it decides not to launch an investigation, the executive board must notify the reporting employee in writing within two weeks of the internal report being made. In the notification, the executive board must explain why it believes that the suspicion is not based on reasonable grounds or that it is already clear beforehand that the concerns raised do not involve a suspicion of wrongdoing or malpractice.
3. The executive board decides whether to notify an external body as referred to in Clause 14 (3) of a suspicion of wrongdoing. If KroeseWevers notifies an external body, the executive board must send the reporting employee a copy of such notification, unless there are compelling reasons not to do so.

4. The executive board must arrange for the investigation to be conducted by investigators who are independent and impartial, and will in any case not have the investigation carried out by persons who are or were possibly involved in the suspected wrongdoing or malpractice.
5. The executive board must notify the reporting employee in writing without delay that an investigation has been launched and who will conduct the investigation. The executive board must also at the same time send the reporting employee a copy of the investigation instructions, unless there are compelling reasons not to do so.
6. The executive board must inform the persons who are the subjects of the report that concerns have been raised, and about the fact that an external body as referred to in Clause 8 (3) has been notified, unless this could harm the interests of the investigation or enforcement.

#### **Clause 11. Conducting the investigation**

1. The investigators must allow the reporting employee an opportunity to state his case. The investigators must ensure that this is documented in writing, and submit the document for approval and signature to the reporting employee. The reporting employee will be provided with a copy.
2. The investigators may also interview other persons. The investigators must ensure that this is documented in writing, and submit the document for approval and signature to the person interviewed. The person interviewed will be provided with a copy.
3. The investigators will have access to all such documents available at KroeseWevers as they may reasonably consider necessary for the investigation.
4. Employees may provide the investigators with all such documents as they may reasonably believe require reading by the investigators.
5. The investigators will prepare a draft investigation report and allow the reporting employee an opportunity to comment on the draft, unless there are compelling reasons not to do so.
6. The investigators will subsequently adopt the investigation report. They will send the reporting employee a copy, unless there are compelling reasons not to do so.

#### **Clause 12. Position of KroeseWevers**

1. The executive board must inform the reporting employee in writing within eight weeks of the concerns being raised about the company's position on the reported suspicion of wrongdoing or malpractice. The executive board must also indicate what action has been taken in response to the report.
2. If it becomes clear that the company is unable to notify its position within the stated time, the executive board must so notify the reporting employee in writing, indicating when he employee will be informed of the company's position. If this means that the total time period will exceed twelve weeks, the executive board must explain why it needs more time.

3. After the investigation has been completed, the executive board will decide whether to notify an external body as referred to in Clause 14 (3) of the suspicion of wrongdoing, the investigation report, and KroeseWevers's position. If KroeseWevers notifies an external body, the executive board must send the reporting employee a copy of such notification, unless there are compelling reasons not to do so.
4. The persons who are the subjects of the report will be kept informed in the same way as the reporting employee pursuant to Clauses 12 (1) to (3), unless this could harm the interests of the investigation or enforcement.

**Clause 13. Hearing both sides with regard to the investigation report and KroeseWevers's position**

1. KroeseWevers must allow the reporting employee an opportunity to respond to the investigation report and the position taken by KroeseWevers.
2. If, in response to the investigation report or KroeseWevers's position, the reporting employee submits and substantiates that the suspicion of wrongdoing or malpractice was not in fact investigated or not properly investigated, or that there are material flaws in the investigation report or KroeseWevers's position, KroeseWevers must provide a substantiated response and, if necessary, launch a new or further investigation. Clauses 10 to 13 apply *mutatis mutandis* to such new or further investigation.
3. If KroeseWevers notifies an external body as referred to in Clause 14 (3), KroeseWevers must also provide the external body with the reporting employee's response to the investigation report and KroeseWevers's position. The reporting employee will be provided with a copy of such notification.

**Clause 14. Concerns raised externally**

1. After reporting a suspicion of wrongdoing internally, the reporting employee may also raise his concerns externally if:
  - a. the reporting employee does not accept the position referred to in Clause 12 and believes that the suspicion was disregarded wrongly;
  - b. the reporting employee received no notification of the company's position within the time stated in Clause 12 (1) or (2).
2. The reporting employee may report his concerns externally if he cannot reasonably be required to do so internally first. This will be the case if the law so requires or, without limitation, if:
  - a. there is an immediate danger and there is a compelling and urgent public interest that needs protecting by raising his concerns externally straightaway;
  - b. there is a reasonable suspicion that the executive board of KroeseWevers is involved in the suspected wrongdoing;
  - c. the reporting employee is reasonably justified in fearing reprisals if he reports his concerns internally;
  - d. there is a clear and specific threat of evidence being misappropriated or destructed;

- e. the same wrongdoing was reported previously, but was not addressed;
  - f. there is an obligation to report the concerns externally straightaway.
3. The reporting employee may report his concerns externally to an external body which, in the employee's reasonable opinion, is the best suited to handling the report. An external body includes, without limitation:
  - a. a body responsible for investigating criminal offences;
  - b. a body responsible for monitoring compliance with any law or regulation;
  - c. any other body authorised to receive the report, such as the investigative department of the House for Whistleblowers.
4. If, in the reporting employee's reasonable opinion, the public interest is more compelling than KroeseWevers's confidentiality interest, the reporting employee may also raise his concerns with an external third party which, in his reasonable opinion, may be considered capable of resolving the suspected wrongdoing either directly or indirectly.

**Clause 15. Internal and external investigation of unfavourable treatment of reporting employee**

1. If the reporting employee believes that he is being treated unfavourably for reporting a suspicion of wrongdoing, the reporting employee may ask the executive board to investigate the manner in which he is being treated within the organisation.
2. Clauses 10 to 13 apply *mutatis mutandis*.
3. Clauses 15 (1) and (2) apply *mutatis mutandis* to the persons referred to in Clauses 7 (1) to (6).
4. The reporting employee may also ask the investigative department of the House for Whistleblowers to investigate the manner in which KroeseWevers has been treating him since he reported his suspicion of wrongdoing.

**Clause 16. Publication, reporting, and evaluation**

1. The executive board is responsible for ensuring that this Procedure is published on the intranet and KroeseWevers's website.
2. The executive board must report annually on the policy regarding the reporting of suspicions of wrongdoing and malpractice and the implementation of this Procedure. The executive board's report must as a minimum provide:
  - a. information about the policy pursued during the year regarding the handling of reports of suspicions of wrongdoing and malpractice, and the policy to be pursued in this field in the coming year;
  - b. information about the number of reports made, and an indication of the nature of the reports, the findings of the investigations, and the position taken by KroeseWevers;
  - c. general information about the experience with preventing reprisals against the reporting employees;
  - d. information about the number of requests for an investigation of unfavourable treatment received in connection with the reporting of a

suspicion of wrongdoing, and an indication of the findings of the investigations and the position taken by KroeseWevers.

3. The executive board must send the draft version of its report referred to in Clause 16 (2) for discussion to the Works Council, following which the draft will be discussed in a consultative meeting with the Works Council.
4. The executive board must allow the Works Council an opportunity to comment on the policy regarding the handling of reports of suspicions of wrongdoing and malpractice, the implementation of this Procedure, and the executive board's report. The executive board must incorporate the Works Council's view in its final report, and submit such incorporation for approval by the Works Council.

**Clause 17 Effective date of this Procedure**

1. This Procedure takes effect immediately.

Enschede, The Netherlands, November 2016