

## **Regulation on actual or suspected wrongdoing, breaches of Union law and integrity-related and other incidents**

### **Introduction**

Things can go wrong at any type of organisation and DNB is no exception. We want to hear from you about things that went wrong, be they major or minor. This Regulation sets out how to report instances of wrongdoing, breaches of Union law and other irregularities, how we handle incident reports, how we protect employees making reports, and what you can do if you are dissatisfied with our handling of your report. In this Regulation, we refer to instances of wrongdoing, breaches of Union law and irregularities jointly as "incidents". The term "incidents" does not refer to operational issues such as power cuts or equipment malfunctions, but rather to situations where – in brief – people breach written or unwritten rules.

Understandably, it is not always easy to report things that are going or have gone wrong, especially if you caused or helped cause it. But it may be difficult or awkward to report an incident internally even if you are not directly involved. Even so, it is of major importance to both DNB and its staff that incidents are reported, because only then can we take appropriate measures and contain the damage. Moreover, DNB's reputation hinges on society's perception of the authority's integrity. This is why we expect staff to report incidents. It is part and parcel of being a good employee. In turn, we handle reports with the utmost care, ensuring that reporting staff members are not adversely affected. Confidentiality is key.

Part 1 of this Regulation describes who must report actual and suspected incidents when, how and where. This is referred to as the "reporting procedure". Part 2 sets out how we investigate reports, part 3 describes the possible outcomes of our investigation, and part 4 addresses the complaints procedure.

### **Part 1 – Reporting procedure**

#### **What to report?**

DNB expects its employees to report any actual or suspected incident, irrespective of whether it is major or minor and whether or not they are directly involved.

#### **Wrongdoing, breaches of Union law and irregularities**

In this Regulation, incidents affecting the public interest are referred to as instances of "wrongdoing". They often involve serious issues. In using the term "wrongdoing", we align with its definition in the Whistleblowers Authority Act (*Wet Huis voor klokkenluiders*): *"instances of wrongdoing affecting the public interest in the event of non-compliance with statutory requirements, a danger to public health, a danger to the safety of persons, a danger to*

*environmental degradation, or a danger to the proper functioning of a public service or a business as a result of an improper act or omission”.*

Breaches of Union law by DNB, as referred to in article 2 of the Directive 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law (OJ, L305/17) (hereafter: Directive) fall under the scope of this regulation as well and can also be reported. The term Breaches of Union law is consistent with the definition of breaches of article 5 of the Directive, in which breaches are defined as ‘acts or omissions that i) are unlawful and relate to the Union acts and areas falling within the material scope referred to in Article 2, or ii) defeat the object or the purpose of the rules in the Union acts and areas falling within the material scope referred to in Article 2’. This concerns certain directives and regulation on specific areas of the Union law. These areas are:

- public procurement;
- financial services, products and markets, and prevention of money laundering and terrorist financing;
- product safety and compliance;
- transport safety;
- protection of the environment;
- radiation protection and nuclear safety;
- food and feed safety, animal health and welfare;
- public health;;
- consumer protection;
- protection of privacy and personal data, and security of network and information systems;

"Irregularities" are incidents that do not affect DNB's function in society and are not breaches of Union law. Irregularities do involve violations of internal or external laws, rules or basic values. The Annex lists examples of wrongdoing, breaches of Union law and irregularities.

### **Who can make a report?**

#### *Reporting (a suspicion of) wrongdoing or irregularities*

Anyone can report a (suspicion) of wrongdoing or irregularities, not only persons who perform or performed work for DNB, but also individuals who never worked for DNB. Regular staff as well as self-employed workers, trainees and employees of other organisations, for instance, can make a report.

#### *Reporting (a suspicion of) a breach of Union law*

Everyone who is working for DNB or has worked for DNB in the past (such as directors, employees, temporary workers, freelancers, trainees, volunteers, flex workers, consultants and seconded persons) can report (a suspicion of) a breach of Union law, despite of the legal nature of the relationship. Other persons who have a relationship with DNB in the context of their work-

related activities (such as applicants, shareholders, members of the supervisory board, suppliers, (sub)contractors and cooperation partners) and who have obtained information in this context about a (suspected) infringement of EU law can report (a suspicion of) a breach of Union law.

### **Advice of a confidential adviser or the Whistleblowers Authority (*Huis voor Klokkenluiders*)**

Staff members who are unsure whether to make a report can seek the opinion of one of DNB's confidential advisers. The confidential advisers treat all information they receive confidentially and take action only after obtaining permission from the person who gave it to them. Alternatively, staff members can ask a confidential adviser to help them make a report or to make a report on their behalf. Staff members can also request the advice department of the Whistleblowers Authority for information, advice and support in relation to reporting actual or suspected instances of wrongdoing (see <https://huisvoorklokkenluiders.nl>, in Dutch only).

### **Where and how to make a report?**

Reports can be made both orally and in writing, to your manager or the Compliance and Integrity department (C&I). Managers must forward reports they receive to C&I as soon as practicable. C&I will then assess the admissibility of the report. When a report has been made by phone, the reporter gets the possibility to check and correct the record of the conversation before signing it.

### **Making a report anonymously**

If desired, reports may be made anonymously, whether or not through a third party. However, it will be more difficult for C&I to investigate a report if the identity of the employee making it is unknown, given that he or she cannot be asked to provide any additional information to substantiate the report. We prefer reports made through an intermediary to anonymous reports, as they allow us to ask the intermediary for further information relevant to our handling of the report. C&I decides at its own discretion whether or not to follow up on anonymous reports, depending on their nature and underlying reasons. It is essential for an anonymous report to be sufficiently specific and serious to launch a targeted further investigation.

### **Making a report externally**

Incidents should preferably be reported internally, seeing that DNB holds primary responsibility for handling them. But this does not mean that staff are prohibited from reporting incidents externally as well as internally. Employees may report instances of wrongdoing externally to the Investigation department of the Whistleblowers Authority or to a supervisory authority such as the Human Environment and Transport Inspectorate of the Ministry of Infrastructure and the Environment, or the police. They may do so directly because of an immediate threat, because in all reasonableness they cannot be expected to follow the internal reporting procedure, because an internal report is likely to trigger retaliatory measures, or because there is a real danger that evidence will be withheld or destroyed.

**Protection of staff making a report in good faith**

We protect staff against any adverse effects their reports may have. A staff member who properly reports an incident in good faith will not be disadvantaged in his or her position for having done so. Staff act in good faith if their suspicion of an incident is based on reasonable grounds. They need not prove that the incident took place but must be able to substantiate it to some degree. A suspicion of an incident must be sufficiently specific and based on the reporting staff member's personal observation or documentation. When such reports concern a breach of Union law by DNB is reported, entities of the person who made the report, facilitators and certain third parties, who could suffer retaliation in a work-related context, such as family members and colleagues who are connected with the person who made the report, are also protected against adverse effects.

Adverse effects include:

- dismissal;
- no extension – or early termination – of a temporary employment contract;
- disciplinary measures;
- denial of a salary increase;
- internal transfer against the staff member's wishes;
- denial of a promotion;
- demotion;
- bullying;
- rejection of an application for leave.

Should DNB take a measure at a staff member's disadvantage relatively shortly after he or she has made a report, it will substantiate why the measure is considered necessary and that it is not related to the proper report of a suspected incident made in good faith.

The foregoing does not mean that we refrain from punishing reporting staff members who have committed an imputable act themselves. But a prompt report of an incident that the reporting staff member caused or helped cause may be reason for us to mitigate the potential measures. In general, it is not our primary concern to punish improper conduct. It is more important to investigate whether something went wrong and what repercussions this has or may have, and to prevent new incidents from occurring.

**No protection of staff making a report in bad faith**

We do not protect staff making a report in bad faith. Bad faith involves a deliberately false or untrue report, for instance with the intention to damage another person's reputation. In cases of this nature we see no reason to protect the reporting staff member and may take measures against him or her.

## **Part 2 – Investigation and reporting**

### **Standard investigation**

We conduct a standard investigation at the request of the division director or the Executive Director responsible for the division at which the alleged incident took place. The head of C&I and the requesting person decide by agreement whether an investigation is called for and whether the Governing Board must be notified of the investigation. If the incident potentially involves wrongdoing or a breach of Union law, the President must be the person requesting the investigation. If the incident potentially involves an Executive Director or the President, the Supervisory Board must be the party requesting the investigation.

The head of C&I can also request an investigation independently if, for example, a minor incident is involved or it is unclear where the incident originated. If the head of C&I is the person requesting the investigation and the incident is serious, he or she must consult with the Executive Director responsible for legal services or with the President.

The head of C&I ensures that details of reports are disclosed strictly on a need-to-know basis. We will decide against conducting an investigation if a report is not based on reasonable grounds or if it is clear beforehand that a report is unrelated to an actual or suspected incident.

### **Special integrity investigations**

If the integrity of one or more staff members is in jeopardy, we will conduct a special investigation or preliminary special investigation in accordance with the Regulation on special integrity investigations (*Regeling bijzondere integriteitsonderzoeken*). In cases of this nature, the investigators have wider powers than in standard investigations. For instance, they have access to CCTV footage and staff members' email accounts. The Regulation on special integrity investigations provides adequate safeguards to protect staff members' privacy interests. We conduct a special investigation or preliminary investigation at the request of the division director or the Executive Director responsible for the division at which the incident was detected. The head of C&I can also request a special investigation or preliminary special investigation, as specified in the mentioned Regulation, independently.

### **Role of the Supervisory Board chair**

If the head of C&I has reasonable grounds to suspect that the President or an Executive Director is involved in an alleged incident, he or she must promptly notify the chair of DNB's Supervisory Board. The chair of the Supervisory Board and the head of C&I decide by agreement whether an investigation is called for.

### **Independence of the investigators**

If it is decided to launch an investigation, the head of C&I instructs one or more independent and impartial investigators. In any event, investigations are not conducted by persons who are possibly involved in the actual or alleged incident. Depending on the nature of the investigation, the investigators may be staff of the C&I department as well as staff of other departments, for example the internal audit department (IAD), or external investigators.

### **Information to reporting staff about progress and DNB's compliance with notification requirements**

After receiving the report, the person who made the report receives an acknowledgment of receipt within seven days. Within three months after the acknowledgment of receipt, the person who made the report receives feedback about the report. C&I informs staff members who have made a report about its follow-up actions. If disclosing details about the follow-up or method of follow-up is contrary to the interests of the investigation for confidentiality reasons, no such details will be disclosed. C&I ensures that DNB complies with all applicable statutory and other notification requirements in conformity with the procedures in place, including reporting specific incidents to the ECB and reporting data leaks as defined in the Personal Data Protection Act (*Wet bescherming persoonsgegevens*) to the Dutch Data Protection Authority (*Autoriteit Persoonsgegevens*).

### **Investigation procedure and procedural safeguards**

The investigators notify the person(s) to whom a report is related unless doing so may hamper the investigation or enforcement. The investigators interview the person(s) involved in an actual or alleged incident, always ensuring that both sides are heard. The investigators are authorised to access and request any internal documents they deem reasonably necessary for the purpose of their investigation. The investigators seek to reduce the time needed to complete the investigation to a minimum. They update those involved on the investigation on a regular basis. The investigators submit their findings to the person(s) involved in an actual or alleged incident. The latter can challenge only the facts and circumstances established by the investigators, not their findings.

### **Report of investigation findings**

The investigators report their findings to the head of C&I, who in turn informs the staff member making the report, the person requesting the investigation, the division director(s) involved, the Governing Board and other stakeholders about the outcome of the investigation. It is possible that these findings are reported in retrospect as part of C&I's quarterly report. In any event, the comprehensive investigation findings are reported to the Governing Board in cases in which it was notified at an earlier stage of the incident report and the request for an investigation.

**Non-disclosure and confidentiality**

C&I and all other persons involved in an incident report treat the information relating to the report confidentially and with the utmost care. C&I ensures that any information relating to an incident report is saved in such a manner that it is physically and digitally accessible only to those who are involved in handling the report. Anyone involved in an investigation based on this Regulation is bound to a non-disclosure obligation regarding the identity of the staff member making the report. The identity of the reporting staff member is not disclosed without his or her express written consent.

**Quarterly report**

Each quarter, C&I reports anonymised data on the number and nature of reported incidents and their handling to the Governing Board and the Audit Committee of DNB's Supervisory Board. DNB reports on incidents in anonymised form in its annual report to the Governing Board and the Supervisory Board.

**Part 3 – Position and follow-up actions**

Once the investigation has been completed and the findings have been reported, a position is taken on the substance of the reported incident. C&I communicates this position to the reporting staff member in writing, specifying the follow-up actions that the report has triggered. In consultation with the head of C&I, the person requesting the investigation takes a position on the substance of the incident and identifies the required follow-up actions. This is normally done within six weeks after the investigation has been completed.

**Part 4 – Complaints procedure**

If a staff member making a report or any other stakeholder disagrees with how the investigation was carried out, the investigation findings, or the measures taken in response, they can file a complaint with DNB's complaints committee. Reporting staff members and other stakeholders may also file a complaint with the complaints committee about a decision not to launch an investigation into an incident report. A reporting staff member may also file a complaint with the complaints committee if he or she believes that the legal protection this Regulation seeks to provide is not being provided. The complaints committee will assess the admissibility of the complaint and advise the Governing Board on the merits of the complaint and any measures to be taken in response. The DNB Complaints Procedure (*Klachtenregeling DNB*) provides further details on the complaints committee.

**Entry into force of the Regulation and revocation of the regulation in force**

This Regulation enters into force on 17 December 2021 and is an updated version of the Regulation on actual or suspected wrongdoing and integrity-related and other incidents of 5 September 2017.

**C&I contact details**

If you have any questions concerning this Regulation or wish to make an incident report, please contact the compliance officers by phone at 3838, by internal post, or by email ([compliance.officer@dnb.nl](mailto:compliance.officer@dnb.nl)).



## Annex - Examples of actually or potentially reportable situations

A staff member believes to have seen an externally contracted employee make improper use of DNB property.

A staff member has strong suspicions that a co-worker has leaked secret information.

A staff member notices that his manager consistently tones down reports to the Governing Board, which therefore fails to receive alarming information on the situation within the department.

An insider finds out that his partner has purchased shares in an insurance company he supervises.

Supervision staff use DNB loyalty cards when filling up their lease car. A staff member has seen a colleague lend a DNB loyalty card to a friend.

Banknotes are found to be missing from the vault, but there is no evidence pointing to a specific perpetrator.

A manager bullies his staff into filling in positive answers in the high performance organisation

A division director receives a letter from a bank about a suspected conflict of interest concerning a supervisor.

A manager receives word that one of his staff acts as a credit risk management counsellor for banks as a sideline after work.

A security officer is asked to look the other way while a staff member's cousin parks his car in the DNB parking lot.

An externally contracted employee learns that a staff member regularly receives luxury gifts from a software supplier at his home address.

A staff member notices that personal data is being shared with a third party that should not have access to that data.

A staff member becomes aware that certain project that require a tender, are not put out in a tender at all.