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Nedap Whistleblower policy

Public

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1. Reading guide

This Nedap whistleblower policy ('policy') can be used both internally and externally. For readers who want to get to the point quickly (making a report), it is recommended to read chapters 4 to 6.

2. Scope

This policy is relevant for the Nedap Group: Nedap N.V. and its subsidiaries. The policy is based on European laws and regulations, including the Whistleblower Protection Act and the Corporate Governance Code. If there are specific rules regarding whistleblowers in the country where Nedap and/or a subsidiary operates, these specific rules will be adhered to in addition to this policy.

3. Introduction

At Nedap, we commit ourselves to act with honesty, integrity, and with respect for laws, regulations, and our core values. This is embodied in our Code of Conduct. However, where work is done, things can sometimes go wrong. This is inevitable and, in some cases, even a good way to learn quickly.

Nedap has a corporate culture based on transparency and personal responsibility. In our culture, we encourage speaking up to each other to prevent or quickly resolve undesirable situations. Therefore, when in doubt about a situation, you should preferably (and if possible) talk to someone you trust, such as a colleague, your team captain, or the Compliance Officer. In most cases, this provides a good outcome for those involved. However, sometimes that is really not possible. For such situations, various arrangements are available.

This policy describes the procedure if there is a suspicion of misconduct or irregularity. Misconducts are situations that can have serious consequences for our organization, our employees, other stakeholders, and/or our society¹. Irregularities are failures to errors in execution, structures, processes, or procedures within the organization that are so serious that they exceed the responsibility of the direct management². This policy explains how you can safely report a (suspicion of) misconduct or irregularity.

The policy is not intended for complaints or problems relating to (individual) personal work relationships or labor disputes.

4. What is a suspicion of misconduct or irregularity?

A report should concern a suspicion of misconduct or irregularity³. Misconduct is (legally) divided into two categories, namely (a danger of) a breach of laws and regulations, such as a regulation or directive of the European Union ('Union law'), and misconduct where the public interest is at stake ('social misconduct').

¹ See chapter 4.3 for further explanation of this concept.

² See the Whistleblower's House Manual ('Handleiding Huis voor Klokkeluiders'). Integrity in practice. The reporting scheme ('de meldregeling').

³ See Annex 1 (points 5 and 6) for the legal definition of a suspicion of misconduct or irregularity.

4.1 What is a suspicion?

To report misconduct or irregularity, it is not necessary that you can prove it with facts, a suspicion is sufficient. However, this suspicion must be based on reasonable grounds and arise from knowledge you have acquired or obtained yourself. It should not solely be based on hearsay.

4.2 When is there a case of breach of Union law?

A breach of Union law means doing or omitting something that contravenes or undermines the rules of the European Union. This can include topics such as fraud, money laundering, accepting money or goods in exchange for services, breaching procurement rules and environmental regulations, breaching safety measures, and hazardous working conditions. See Annex 1 (point 1) for a more extensive overview of topics.

4.3 When is there a case of societal misconduct?

What exactly constitutes societal misconduct will have to be examined on a case-by-case basis. It is an act or omission that can have serious or extensive consequences for our organization, our employees, other stakeholders, and/or our society. In the case of societal misconduct, one or more of the following characteristics are often present:

- there is a violation of the law or an internal rule that Nedap has established based on a legal provision, such as certain components in the Code of Conduct;
- there is a danger to public health;
- there is a danger to the safety of individuals;
- there is a danger to environmental degradation;
- there is a danger to the proper functioning of Nedap as an organization.

Therefore, it concerns a public interest that exceeds the individual interest. A personal conflict in the workplace is therefore not societal misconduct. For such conflicts or complaints, you can always contact one of the trusted persons or HR.

5. Who can make a report in a protected manner?

Anyone who has a work or business relationship with Nedap can report a suspicion of misconduct or irregularity within the organization of Nedap in a protected manner. The relationship does not have to exist at the time the report is made. Not only people who are employed by Nedap, such as employees, may report in a protected manner, but also people who have a different type of work or business relationship with Nedap. Think of self-employed persons, temporary workers, applicants, shareholders, commissioners, and people who work under the supervision and direction of (sub)contractors and suppliers.

People who assist you with the report are also protected. Think of trusted persons, colleagues, or family members.

6. Where can it be reported?

6.1 Internal report

If you have a concern about a particular situation that may constitute misconduct or an irregularity, if possible, first discuss it with someone within Nedap whom you trust, such as a colleague or your direct supervisor. If you do not feel comfortable discussing the situation with any of these people, you can always contact the Compliance Officer (see Annex 2 for details). See also paragraph 6.3 in this regard.

If you (eventually) want to report a suspicion of misconduct or irregularity, there are several formal channels to do so. The report can be made orally (on-site at Nedap or by phone) to the Compliance Officer or in writing via our reporting system, called IntegrityLog. In IntegrityLog, we register reports. You can access IntegrityLog via Okta or via the following website: <https://nedap.integrity.complylog.com/>. If desired, you can also make an anonymous report via this system. In that case, make sure to keep the secret code (Token-ID) safe.

The Compliance Officer coordinates the report. In its absence or, for example, if the Compliance Officer is involved in the cause of the report, you can contact the Internal Auditor. If the latter is absent, has a conflicting interest, or otherwise plays a concrete role in the investigation, you can contact the backup. The contact details of the Compliance Officer, the Internal Auditor, and their backup are provided in Annex 2.

Are you not employed at Nedap? Then you can also contact the Compliance Officer or IntegrityLog for making the report.

6.2 External report

We encourage reporting a suspicion of misconduct or irregularity internally first (see paragraph 6.1), but you also have the option to report externally directly to a competent authority, including the House of Whistleblowers ('Huis voor Klokkenuiders')⁴. The procedure for this is described on the website of the competent authority. At the department 'advise' of the House of Whistleblowers, you can obtain information about making an external report and choosing the competent authority.

You can also make an external report if you disagree with Nedap's position on your internal report, if you believe the report has been unfairly set aside or insufficiently investigated, or if you have not received a position from Nedap on your internal report within the specified period.

6.3 Are you in doubt, or would you like advice or support?

If you have a suspicion of misconduct or irregularity but are hesitant to report it, or if you want advice or support in this regard, you can confidentially contact the Compliance Officer or one of the trusted persons of Nedap. You can also contact the House of Whistleblowers⁵.

⁴ See Annex 1 (point 2) for a list of competent authorities.

⁵ Via www.huisvoorklokkenuiders.nl.

7. What is being protected against?

7.1 Protection against retaliation

When you make a report, you should not be retaliated against during and after the handling of this report. This protection also applies at the moment you disclose information about misconduct or irregularity⁶.

Retaliation is considered to occur if you are treated worse for making the report than if you had not made the report. Examples of retaliation include threats of or actual dismissal or suspension, refusal of promotion, transfer to another market group or location, bullying, or exclusion⁷.

Any (direct or indirect) form of retaliation against the reporter is a reason for disciplinary measures against the person who is guilty of this retaliation. Contact the Compliance Officer if you feel that your report has led or will lead to negative consequences. You can also report the retaliation directly to the investigation department of the House of Whistleblowers.

The protection also applies to (legal) persons who assist you and other involved third parties, such as the trusted persons, investigators, employees who are heard, and the Compliance Officer.

Protection against retaliation applies provided that you have reasonable grounds to believe that the information about the suspicion of misconduct or irregularity is correct at that time. For example, if it turns out that the report was not made in good faith (for example in the case of personal grudge against a colleague), the protection does not apply, and this can lead to disciplinary measures.

7.2 Protection of (personal) information and identity

Everyone involved in the report and subsequent investigation is bound by confidentiality. This means that confidential information or information that can reasonably be assumed to be confidential must be kept secret unless the law prescribes otherwise. Therefore, we ensure that all information related to the report and the investigation is accessible only to people who are directly involved in the handling thereof, both physically and digitally.

Confidential information includes at least:

- information about the identity of the reporter;
- information about the person to whom the report relates or to whom this person is linked;
- information about third parties mentioned in the report;
- all information traceable to the above-mentioned data;
- trade secrets according to the Dutch Act on the protection of trade secrets ('Wet bescherming bedrijfsgeheimen').

Your identity and that of the persons involved will not be disclosed without your consent. However, there are situations in which we are legally obliged to disclose someone's identity. An example of this is when a judge obliges us to do so in a legal procedure. In that case, we will inform you unless this endangers the procedure. If

⁶ However, there are conditions that apply for this. See Annex 1 (point 7).

⁷ For more examples, we refer you to Annex 1 (point 8).

you do not give permission to disclose your identity and that of the involved persons, all correspondence will be sent anonymously via the reporting system (IntegrityLog).

8. How is the internal handling conducted?

8.1 Handling of the internal report

As mentioned under 6.1, the handling of a report is coordinated by the Compliance Officer (and in its absence or if the Compliance Officer is directly/indirectly involved, by its backup)⁸. The Compliance Officer ensures that your report is handled in an effective and confidential manner. Think of informing and engaging the right people, monitoring overview and progress, and reporting to the board of directors. To ensure independence, the Compliance Officer has no executive role in the investigation. The Compliance Officer has the mandate from the board to appoint case managers and require them to set aside time to investigate the reported misconduct or irregularity.

Reports are registered in IntegrityLog. Oral reports are recorded therein by means of a written representation of the conversation or a recording. In the latter case, your permission will be asked in advance. If a written representation of the conversation is made, you will have the opportunity to check, correct, and confirm it.

After you made a report, you will receive a confirmation of receipt as soon as possible, but no later than 7 days after receipt of the report. No later than 3 months after sending the confirmation of receipt, you will receive information about the assessment, or next steps.

The Compliance Officer first assesses, as far as possible based on the available information, whether the report falls within the scope of the Whistleblower Protection Act. A report will not be (further) investigated if the suspicion is not (or turns out not to be) based on reasonable grounds or if it is clear in advance that the report does not relate to a suspicion of misconduct or irregularity. In that case, you will be informed about this stating the reasons within 2 weeks after the report. Furthermore, it will be assessed whether your report should perhaps be picked up and handled by someone else within the organization.

8.2 The execution of the internal investigation

8.2.1 Informing the board

The board of directors will be informed about the report as soon as reasonably possible if it is established that it concerns a report of a suspicion of misconduct or irregularity, unless the board is involved in the cause of the report. In the latter case, the chairperson of the board of commissioners will be informed. Furthermore, it will be assessed which other stakeholders must be involved and which other procedures may need to be started.

The Compliance Officer is in close contact with the board throughout the entire process of the report. Your identity as a reporter will not be shared unless you give permission for this.

8.2.2 Setting up an investigation team & investigation report

The Compliance Officer will set up an independent team with one or more persons who will investigate the report ('case managers'). The composition of the team depends on the nature of the report. This can be, for example, a specialist in the field of compliance, legal affairs, HR, or finance.

⁸ See Annex 2 for the contacting details.

The case managers are responsible for collecting evidence, interviewing various people, and reporting to the Compliance Officer. Based on their findings, the investigation team prepares an investigation report. This should be done as soon as possible, but no later than 6 weeks after receipt of the report. This report will be sent to you, giving you the opportunity to make comments on it unless there are serious objections to share this with you.

8.2.3 Advisory report coordinator

The Compliance Officer carefully evaluates the findings of the investigation team and takes a position on the report and (if applicable) the recommended measures based on this. These measures can include disciplinary or corrective measures or reporting to an external authority. The advisory report will be shared with the board as soon as possible, but no later than 9 weeks after receipt of the report.

8.2.4 Decision of the board

Based on the findings of the investigation team and the Compliance Officer, the board eventually takes a substantive decision. If the board is involved in the cause of the report, the chairperson of the board of commissioners will make the decision.

8.2.5 Feedback

No later than 3 months after sending the confirmation of receipt, you will receive more information about the substantive decision with regard to the reported suspicion. The feedback will also indicate which steps the report will lead to or has led to. If it becomes clear that the decision cannot be given within this period, you will be notified and told when you can expect the decision.

If you believe that the suspicion of misconduct or irregularity has not actually or properly been investigated or that there are substantial inaccuracies in Nedap's position, you can indicate this, after which a substantive response will be given.

8.2.6 Deletion of data

The report will be deleted in the register when the data in the report is no longer necessary to comply with this policy or other legal requirements. As long as a report is under investigation or has subsequently been reported to a competent authority or is the subject of a complaint or legal proceedings, the details of a report will be retained.

9. Publication, reporting and evaluation

This policy comes into effect on 13 September 2023 and replaces the previous Nedap Whistleblower policy. This document is made available on the Nedap Hub and the public website of Nedap. Annually, an anonymous report will be prepared regarding the policy and reports made thereunder.

Annex 1 – Definitions & contact details

In this Annex, you will find definitions that are frequently mentioned in this policy and the Whistleblower Protection Act. For a complete overview, we kindly refer you to the law via <https://www.wetbeschermingklokkenluiders.nl/wetstraject/wetstekst>.

1. **Breach of Union law:** it can include topics as mentioned in article 2 of the Whistleblower directive (Directive (EU) 2019/13917, [link](#)) and as possibly adjusted in an amendment to this directive, for example:
 - 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 and consumer protection;
 - Protection of privacy and personal data, and security of network and information systems;
 - Breaches affecting the Union's financial interests as referred to in Article 325 of the Treaty on the Functioning of the European Union;
 - Breaches related to the internal market as referred to in Article 26, paragraph 2, of the Treaty on the Functioning of the European Union.
2. **Competent authority:** an authority designated by law for receiving and handling reports of a suspicion of misconduct. More specifically: the Netherlands Authority for Consumer and Markets ('ACM'), the Dutch Authority for the Financial Markets ('AFM'), the Data Protection Authority ('AP'), De Nederlandsche Bank N.V. ('DNB'), the House of Whistleblowers, the Health and Youth Care Inspectorate ('IGJ'), the Dutch Healthcare Authority ('NZ'), the Authority for Nuclear Safety and Radiation Protection ('ANVS'), and organisations and administrative authorities, or units thereof, designated by an order in council or a ministerial order which have tasks or powers in one of the areas referred to in Article 2, paragraph 1 of the directive.
3. **Facilitator:** a natural person who advises a reporting person in the reporting process in a work-related context and whose advice is confidential.
4. **Involved third party:**
 - a. a third person who is connected with a reporting person and who could suffer a detriment at the hands of the reporting person's employer or a person or organisation with which the reporting person is otherwise connected in a work-related context; and
 - b. a legal person that the reporting person owns, works for, or is otherwise connected with in a work-related context.
5. **Irregularities:** failures in execution, structures, processes, or procedures within the organization that are so serious that they exceed the responsibility of the direct supervisor.
6. **Misconduct:**
 - a. a breach or risk of a breach of Union law, or
 - b. an act or omission with regard to which the public interest is at stake in connection with:
 - I. a breach or risk of a breach of a statutory regulation or of internal rules that impose a specific obligation and have been established by an employer on the basis of a statutory regulation; or
 - II. a risk to public health, public safety, the environment, or an improper act or omission that jeopardises the proper functioning of the public services or an undertaking. A public interest is in any event at stake if the act or omission affects more than just personal interests and is either part of a pattern or structural in nature, or is serious or broad in scope.

- 7. Protection against retaliation during and after disclosure: you are protected provided that the disclosure is made on reasonable grounds. In addition, when disclosing information about misconduct, it is conditional that you:
 - a. have made a report to Nedap and/or another competent authority prior to the disclosure, and
 - b. have reasons to believe that the investigation following your report is progressing insufficiently. For example, if you do not receive information from Nedap about the report within a reasonable period.
 You do not have to make a report prior to disclosure if it was reasonable for you to assume that:
 - a. the misconduct constitutes an imminent or manifest danger to the public interest;
 - b. there is a risk of retaliation upon reporting to a competent authority, or
 - c. it is unlikely that the misconduct will be resolved properly.
- 8. Retaliation: taking or threatening to take a retaliatory measure, such as dismissal or suspension, a fine as referred to in article 7:650 of the Dutch Civil Code, demotion, withholding promotion, a negative assessment, a written reprimand, transfer to another market group or location, discrimination, intimidation, bullying or exclusion, defamation or slander, early termination of a contract for the provision of goods or services, and revocation of a license. Retaliation also includes a threat of and an attempt of retaliation.

Annex 2 – Contact details

Function	Phone / link
Compliance Officer	+31 544 471 111
IntegrityLog	https://nedap.integrity.complylog.com/

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Parallelweg 2
7141 DC Groenlo
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