

Regulation on Reporting (suspected) wrongdoing

PGGM

**This document has been prepared in the Dutch language.
In the event of a conflict in interpretation or discrepancy between the
Dutch language and the English language, the Dutch version will prevail.**



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1. Introduction

1.1. General

PGGM is committed to ensuring safety and integrity in the work environment for all persons active in the company. While we do our utmost to prevent wrongdoing, unfortunately, this can happen. In such cases, we believe it is important that the reporter of (suspected) wrongdoing, feels safe and protected enough to proceed with a report. Suspected or actual wrongdoing can also be reported anonymously.

Reporting (suspected) wrongdoing is challenging. Still, it is important to report, because we cannot take action if we do not know something is not right. Safety and integrity in the work environment is important not only for our organisation and employees, but of course also for our customers and society as a whole.

These regulations explain how to report (suspected) wrongdoing and what protection the reporter can expect¹. This Regulation on reporting (suspected) wrongdoing describes, among other things:

- How the reporting procedure works;
- What protection the reporter has;
- What protection the accused has;
- How a report is investigated and how it is reported.

This reporting procedure complies with the Dutch Whistleblowers Protection Act (hereinafter: Wbk).

1.2. Purpose, scope and intended readers

1.2.1. Purpose and scope

Based on this reporting procedure, (suspected) wrongdoing in the working relationship can be reported that affects the **social interest**. This concerns serious problems, for example because they involve several colleagues or managers, affect (large) parts of the organisation or customers or third parties. Social wrongdoing occurs when social interest is at stake. Wrongdoing occurs when the act or omission has one or more of the following characteristics:

- it concerns a violation of the law or, pursuant to a statutory provision, of internal rules established by the employer;
- it concerns a public health risk;
- it concerns danger to the safety of persons;
- it concerns an environmental risk;
- it concerns a risk to the proper performance of the organisation due to improper acts or omissions.

¹ This Regulation replaces the 2022 PGGM Whistleblower Regulation.

In addition to wrongdoing affecting the public interest, the Wbk also designates as wrongdoing a breach of a European Union regulation or directive in certain policy areas. This is also known as a **breach of Union law**. Union law is enshrined in a European regulation or directive or national laws or regulations derived from it. A breach of Union law is an act or omission that is unlawful or undermines the purpose and is detrimental to the public interest. This would include environmental protection or private data protection.

Besides wrongdoing as set out in the Wbk, there may also be **other integrity violations** such as unauthorised use of company assets or violation of the internal code of conduct. Such issues can also be reported through this reporting procedure.

In each case, the Reporting Officer will assess whether there is wrongdoing within the meaning of the Wbk. However, the law does clearly state that the public interest is at stake in any case if the act or omission does not merely affect personal interests and there is either a pattern or structural character or if it is significant or extensive.

1.2.2. Reporting other integrity violations or inappropriate behaviour

When a report is submitted, it is sometimes difficult to determine whether it concerns, for example, wrongdoing, another integrity violation or inappropriate behaviour (such as bullying, discrimination or sexually transgressive behaviour). An (external) central hotline has been set up for all reports for submitting anonymous reports (a link to the hotline can be found on the intranet and on the external website www.pggm.nl). If the report does not involve wrongdoing, the report is forwarded to the appropriate department and will be followed up. The reporter will be informed accordingly in advance.

1.2.3. Target group

The intended readers of this document include: anyone who works, has worked or will work at or for PGGM. We refer to such persons as 'reporters' in these reporting regulations. For example, the following persons inside and outside PGGM may in any case submit a report: employees, former employees, temporary workers, secondees, self-employed workers, volunteers, (paid or unpaid) trainees, job applicants, (representatives of) shareholders, members of the Executive Board, members of the Executive Committee, members of the Supervisory Board, (sub)contractors, independent consultants, suppliers and anyone under their supervision, franchisees and employees of franchisees. A person can only be considered a reporter within the meaning of the Wbk if the reporter has a reasonable suspicion of wrongdoing and can substantiate it. This means that there must be concrete and reliable indications of suspected wrongdoing. A reporter then falls under the protections of the law.

2. How and where to report

Any (suspected) wrongdoing may be reported to PGGM confidentially and/or anonymously. The report can be made in writing, electronically (such as by email) or verbally (e.g. by phone or via the external reporting platform), or, upon request, a personal interview on site (within a reasonable period of time). If (suspected) wrongdoing is reported to PGGM, anonymously or otherwise, PGGM can immediately take measures to stop the wrongdoing as soon as possible and prevent future wrongdoing. However, internally reporting the issue first is not mandatory. If, for whatever reason, a reporter prefers to make use of an external hotline directly, that is also allowed.

2.1. Internal reporting

Any (suspected) wrongdoing can be reported to:

- a) The **direct manager or the next-level manager** of the employee. In consultation with the reporter, it is decided whether the reporter or the relevant manager will report the report to the Reporting Officer.
- b) At PGGM's **Reporting Officer**. This can be reported via reportingofficer@pggm.nl. The Reporting Officer works in the Compliance Department. The Reporting Officer will treat the report confidentially. This means that the identity of the reporter will not be shared with others without the reporter's consent. And that also means there will be no unnecessary communication about the report submitted. Anyone involved in reporting or investigating suspected wrongdoing is required to keep confidential any information and data that comes to their knowledge during the reporting or investigation.
- c) Via an **external reporting platform**. (Suspected) wrongdoing can be reported completely anonymously via an external reporting platform (a link to the hotline can be found on the intranet and on the external website www.pggm.nl). This specialised and certified company is hired by PGGM so that reporters can report suspected and actual wrongdoing (and also other reports of integrity violations) anonymously. This specialist company protects the privacy and anonymity of the reporter. The report is treated confidentially and anonymously throughout the process. A report number is associated with the report rather than the name of the reporter. Only the report number will be passed on to PGGM. The report will be processed anonymously by PGGM's Reporting Officer. The reporter's name will be revealed only if the reporter wants this. Reporting through this platform is easy:
 - Go to the hotline (a link to the hotline can be found on the intranet and on the external website www.pggm.nl). This is a protected internet environment on the supplier's website.
 - The 'report' button allows data to be entered about the report and documents to be attached if required. This system also allows for verbal reporting. No audio file will be forwarded to PGGM in that case; instead, a transcript (the exact text of the reporter's recorded report) will be forwarded by supplier to PGGM. As a result, the reporter is not traceable even through the voice.
 - This report is completely anonymous. The reporter need not provide a name or contact details. If the reporter wishes to further explain the report in person or through an interview at an (external) location, this can be requested during the

reporting process. In such situations, the reporter's name and contact details do become known and the report is no longer anonymous. The handling of the report will remain confidential.

2.2. External reporting: external Reporting Officer or external authority

- a) To the **external Reporting Officer** For PGGM, this is Rien Timmer; he can be reached at 06-30736614 or at cjctimmer@live.com. The external Reporting Officer also handles the report confidentially. This means that the identity of the reporter will not be shared with others without the reporter's consent. And that also means there will be no unnecessary communication about the report submitted.
- b) A reporter may always report suspected wrongdoing to any of the competent **external authorities** These competent authorities have a so-called 'external reporting channel' for receiving reports of wrongdoing. Examples of these external authorities are:
 - the Consumer and Market Authority (ACM)
 - the Authority for the Financial Markets (AFM)
 - the Data Protection Authority (AP)
 - the Dutch Central Bank (DNB)

If the reporter chooses to report directly externally, the reporter enjoys (the same) protection as for an internal reporting. A reporter may also contact the Dutch Whistleblower Authority (Huis voor Klokkeluiders) for advice on a report or the reporting process.

2.3. Reporting concerns those involved in implementation of regulation or EC / SB

If the report concerns those involved in the Regulation on reporting (suspected) wrongdoing, such as the internal Reporting Officer, Compliance Director, director of Internal Audit or members of the EC, the reporter may contact the Chair of the EC or the Chair of the SB directly. Any fact-finding will be carried out by an external party in all these cases. If the report concerns the Chair of the EC, members of the SB or the Chair of the SB, the reporter may contact the external Reporting Officer. For PGGM, this is Rien Timmer; he can be reached at 06-30736614 or at cjctimmer@live.com. For example, if the report relates to an ExB member, the external Reporting Officer reports on this directly to the Chair of the SB. As a reporter, you can also ask the Whistleblower Authority for advice and support.

3. Right to advice

If a reporter is unsure whether there is wrongdoing, or if a reporter is unsure what to do prior, during or after (handling) the report, the reporter can ask a so-called 'confidant adviser' for information, advice and support. This can be done internally or externally.

3.1. Confidant advisor

- a) One of PGGM's **confidential counsellor** Contact with a confidential counsellor can take place by phone, email or in person. The appointment can take place at the office or at an external location. During this appointment, a reporter can discuss (suspected) wrongdoing with the confidential counsellor. The confidential counsellor explains how the procedure works, advises, informs and refers the reporter (if necessary) to the appropriate office. A reporter can choose to speak to an internal or external confidential counsellor. The names of the confidential counsellors are listed on the intranet and PGGM's external website. Reporting (suspected) wrongdoing is ultimately done by a reporter personally via the reporting platform, or to the manager or his superior or to an external authority.
- b) **Reporting officer PGGM** at reportingofficer@pggm.nl
- c) To the **external Reporting Officer** For PGGM, this is Rien Timmer and he can be reached at 06- 30736614 or at cjctimmer@live.com.
- d) Via the **external reporting platform**. Even if a reporter is in doubt as to whether there is wrongdoing, a report can be made via the external reporting platform. The report will be handled by PGGM's Reporting Officer. Throughout this process, the anonymity of the reporter is guaranteed. Chat functionality allows contact with the reporter. The Reporting Officer will assess whether the report concerns wrongdoing. If it does not concern wrongdoing but the report needs to be followed up, the Reporting Officer, in consultation with the reporter, will refer the report to the appropriate desk. The reporter will be informed of the progress of the process.

3.2. Other consultants

A reporter can also always seek advice from an external adviser, such as an attorney, a legal specialist from a trade union, a legal specialist from a legal aid insurer or a company doctor. A reporter can also ask the Whistleblower Authority for information, advice and support. The Whistleblower Authority does not disclose the identity of the reporter to PGGM. This happens only if the reporter agrees.

4. Protection and legal aid

4.1. Protection of the reporter

When the reporter has made a report of (suspected) wrongdoing, based on reasonable suspicion, the reporter is protected from harm. This means that the reporter must not be adversely affected by PGGM as a result of the report. This could include dismissal, bullying or refusal of promotion. This also applies to those who assisted the reporter with the report, such as the adviser in confidence and concerned colleagues. If a reporter nevertheless believes he/she has been wronged, the reporter can request the Whistleblower Authority to investigate. The reporter can also initiate legal proceedings. The reporter must then prove that a report was made and that the reporter was harmed. In court proceedings, the court is required to assume that the disadvantage resulted from the report. PGGM will then have to prove that this is not the case.

A report can be withdrawn at any time. However, if pressure is put on a reporter to withdraw the report, PGGM would like this to be reported. This can be done in the same way as reporting suspected wrongdoing. Even in such a situation, the reporter can apply to the Whistleblower Authority for advice and support.

4.2. Legal aid

Since 1 February 2024, a reporter can qualify for free legal aid or mediation through the Whistleblower Authority (Huis voor Klokkenuiders). If the Advice Department of the Whistleblower Authority concludes that legal support is needed because of possible prejudice or criminalisation as a result of a report of suspected wrongdoing, the department issues a referral letter for legal assistance and/or mediation.

4.3. Protection of the defendant

The person about whom the report is made (the 'defendant') is also entitled to the protection. Therefore, the identity of the defendant will also be kept confidential. The person concerned will be informed of the reason for the investigation, if appropriate in the circumstances. If evidence of wrongdoing is found and measures are implemented, the individual is protected from unintended negative effects beyond the purpose of the action taken. Knowingly reporting or disclosing incorrect information creates a new situation. An integrity investigation will then be launched into the false report, possibly including a rehabilitation and counselling process for the person falsely reported. In that case, PGGM may also provide support to the defendant with regard to further measures, such as in the event of a report for libel or defamation, or in claiming damages.

5. Treatment of report, investigation protocol and measures

5.1. Processing the report

Within seven days after a report is submitted, the reporter will receive an acknowledgement of receipt. No later than three months after the reporter receives such acknowledgement of receipt, the reporter will be informed of the Reporting Officer's assessment of the report. Even if no further follow-up is completed for the report, the reporter will be informed accordingly and the reasons for this decision will be given. If the report is submitted to the external Reporting Officer, the external Reporting Officer will follow the investigation protocol below.

5.2. Investigation protocol

5.2.1. Assessment of report

Upon receipt of a report, the Reporting Officer will review the report. If the Reporting Officer decides that the report does not concern wrongdoing within the meaning of the Wbk, but concerns, for example, a different integrity incident, an employment conflict or inappropriate behaviour, the Reporting Officer will refer the report to the relevant desk. The Reporting Officer will inform the reporter accordingly in advance.

Every report is taken seriously. This does not mean that every report (automatically) leads to investigation. Once the report is submitted, there are several options. The report may lead directly to fact-finding, to a further preliminary investigation to determine whether fact-finding is needed, or to the decision that no (preliminary) investigation is needed. The Reporting Officer makes an assessment of what to do with the report. In this assessment, the following assessment criteria are applied to make the decision:

- a) *Nature of suspected wrongdoing*
- b) *Admissibility*
- c) *Seriousness of the matter*
- d) *Validation*
- e) *Position of the reporter*
- f) *Accused's position*
- g) *Credibility/probability*

A report can quickly make it clear that something risky or even harmful is going on at PGGM. In this case, the Reporting Officer will inform the Compliance Director. Together they decide whether to involve expertise, e.g. the Internal Audit Director, Risk Director, CJFZ Director and/or HR Director. The considerations made in the decisions are carefully documented. The Compliance Director will inform the Executive Board of the report and will take measures as soon as possible to prevent or limit (further) damage and end this wrongdoing. The relevant EC member in the domain in which the report falls will also be

informed. If the report concerns the Chair of the Executive Board (CEO), the Compliance Director will directly inform the Chair of the Supervisory Board. In case of major misconduct, the Chair of the Executive Board will also inform the Chair of the SB. A fact-finding mission will also be launched as soon as possible. Following the fact-finding process, any persons responsible for the wrongdoing will be sanctioned.

5.2.2. Preliminary investigation

In some cases, the report will not provide sufficient information to make an informed decision on whether or not to launch a fact-finding mission. Then it is necessary to do a limited, quick preliminary investigation. This preliminary investigation aims to facilitate a better assessment of the seriousness of the report and the extent of the problem. The preliminary examination will take up to four weeks. The preliminary investigation is carried out by the Reporting Officer. The outcome of the preliminary investigation will be recorded in writing and the Reporting Officer will report on it to Director Compliance.

The decision whether or not to open a fact-finding mission based on the preliminary investigation is made by the Reporting Officer in consultation with the Compliance Director. Together they decide whether to involve expertise, e.g. the Internal Audit Director, Risk Director, CJFZ Director and/or HR Director. The considerations made in the decisions are carefully documented.

5.2.3. Decision not to initiate fact-finding

It may be decided not to launch a fact-finding mission after the preliminary investigation. The reporter is informed by the Reporting Officer about the decision made. The reporter is given the opportunity to provide additional information within a reasonable time. Even after the provision of any additional information, if it is decided not to conduct a fact-finding mission, the person concerned will be informed that preliminary investigations have been conducted, and that the preliminary investigation shows that there is no reason for further fact-finding.

5.2.4. Fact-finding

If the decision is made to conduct a fact-finding mission, the Compliance Director may decide to carry it out personally (for example, in the case of a violation of the PGGM Code of Conduct) or request that it be carried out by the Risk Director or the Internal Audit Director. The Compliance Director may seek legal advice on this matter from the CJFZ Director. Predecessors may decide to outsource the mission, but they will remain responsible as principals. Careful consideration will be given to whether (and if so, which) managers and executives will be informed about the fact-finding process. In the interest of the investigation, direct managers or team leaders may be kept unaware of the situation.

The reporter is informed in writing by the Reporting Officer about the decision to conduct a fact-finding mission following the report. The reporter is given an explanation of the investigation protocol that will be followed and what may be expected of the reporter during the investigation, such as cooperating in interviews or providing additional information. The Reporting Officer will announce to the relevant accused that they are under investigation as soon as possible. This is done before the start of the fact-finding process if possible, although in the interest of the investigation, this may have to be postponed.

The fact-finding process is aimed at establishing the truth. When deciding who will conduct the fact-finding mission, the following questions are important:

- What kind of suspected wrongdoing is it about?
- What knowledge and expertise is needed to investigate it?
- How can sufficient independence be ensured?

For confidence in the fact-finding process or if the right expertise is not available internally, it may sometimes be better to engage an external party. For example, because of the potential for criminal prosecution, the lack of distance between available internal fact-finders and reporters/accused/involved parties, or the potential involvement of senior management. If necessary, this can be done for a specific part of the investigation or as an addition to the internal investigation team. PGGM remains responsible for the investigation, even in the event of outsourcing.

The aim of fact-finding is to get all relevant facts and circumstances clear. This is why both parties will be heard. It gives investigators the opportunity to test and possibly adjust findings, both with the persons concerned and the reporter.

5.2.5. Investigation report

Investigators describe the facts established. This does not include any opinion on any consequences as a result of the facts under investigation.

An investigation report shall include at least:

- The investigation brief (and any subsequent extensions);
- The description and justification of the investigation tools used;
- the factual account (representation of all facts and circumstances relevant to the suspected wrongdoing);
- the overview of relevant laws and regulations;
- underlying documents (such as interview reports and evidence);
- the findings based on the investigation.

5.3. Measures

After the investigators deliver the report with the results of the fact-finding mission, it is up to EC PGGM to pass a (normative) judgement. If there is actual wrongdoing, PGGM will

eliminate it, sanction any responsible parties and take measures to prevent the wrongdoing from reoccurring.

If a PGGM employee or relevant person is responsible for wrongdoing and/or acts in violation of the PGGM Code of Conduct, this will be considered a serious breach of the trust PGGM places in employees and relations. This may lead to one or more of the following disciplinary measures by the EC PGGM; a warning, transfer, suspension, and/or other disciplinary or employment law measures. Summary dismissal is also an option.

Disciplinary action will be proportionate to the nature and seriousness of the wrongdoing (or violation of the code of conduct). Therefore, in determining the appropriate disciplinary action, all relevant circumstances will be taken into account, including at least the following:

- The seriousness of the offence (or code of conduct violation).
- The employee's (disciplinary) record.
- The employee's hierarchical position and responsibilities.
- Whether financial and/or reputation damage results from the breach for PGGM, clients, employees, business partners or the sector as a whole.
- Relevant mitigating circumstances (such as personal circumstances of the employee).
- What measures have been imposed in similar previous cases (if any).

In addition, PGGM reserves the right to recover any damages from the PGGM employee or relation. A breach of the PGGM Code of Conduct may also be followed by reporting the case to the police and/or the judiciary and/or a report being made to the Dutch Securities Institute (DSI) and/or the Financial Intelligence Unit - Netherlands (FIU), the Netherlands Authority for the Financial Markets (AFM) and/or the Dutch Central Bank .

6. Introduction and monitoring of the Regulation

6.1. Executive Committee PGGM (EC)

The EC is responsible for establishing a procedure for reporting (suspected) misconduct and irregularities and for following up on these reports appropriately.

6.2. Works Council (OR)

The Works Council (OR) has the right of consent when adopting, amending and abolishing the reporting procedure.

6.3. ARC / SB

PGGM's Audit, Risk & Compliance Committee (ARC) of PGGM's Supervisory Board (SB) assesses the structure, operation and effectiveness of the system for compliance with internal and external laws and regulations, including the Regulation on reporting (suspected) wrongdoing. Both the ARC and SB take note of the Regulation on reporting (suspected) wrongdoing. The SB oversees the operation, and possibly adequate follow-up of recommendations and remedial actions, of the reporting procedure of (suspected) wrongdoing and irregularities. The SB ensures that the Executive Board ensures that employees have the opportunity to report alleged irregularities of a general, operational and financial nature within PGGM without jeopardising their legal position.

6.4. Reporting to EC, Works Council and SB

At least once a year, the Compliance function reports to the EC, the Works Council and the Supervisory Board (with the ARC as a preparatory committee) on the number and nature of reports of (suspected) wrongdoing at PGGM and on the progress in processing cases (if any). The EC will offer this report to the Works Council and the SB. This report shall not disclose the identity of any reporter(s) or the identity of any person(s) involved.