

# REGULATIONS GOVERNING THE SUSPICION OF WRONGDOING TNO

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# PROVISIONS

## Regulations Governing the Suspicion of Wrongdoing TNO

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# 1. BACKGROUND AND SCOPE

Wrongdoing can occur in all organisations, and TNO is no exception. TNO wishes to act with integrity with regard to the handling of wrong-doing and offer guarantees to employees that they can safely report any suspicion of wrongdoing. In the case of wrongdoing the necessary measures can be taken. 'Safe' means that an employee suffers no detriment to his legal status as a consequence of reporting in good faith and in the proper manner a suspicion of wrongdoing.

TNO has compiled these regulations to govern the reporting of the suspicion ("Regulations Governing the Suspicion of Wrongdoing TNO 2019", hereinafter Regulations). These Regulations describe the procedure for making a report and the guarantees of due care necessary to this procedure. These Regulations also describe the correct procedure for conducting an investigation into the Suspicion of Wrongdoing, describes how a careful investigation should take place and respects the interests of the persons involved in the investigation. These Regulations help ensure that reports of suspected wrongdoing are handled in a responsible manner within TNO. These Regulations foster transparency, due care and integrity.

The reporting of a Suspicion of Wrongdoing is only justified when the public interest is at stake. The Regulations are not intended for personal complaints by employees about their work, work relations, unacceptable behaviour and legal status (unless attributable to having reported a Suspicion of Wrongdoing) or situations in which other procedures or regulations apply. For personal complaints and unacceptable behaviour, the Individual Complaints Regulation TNO is available.

TNO expects that the person reporting the Suspicion of Wrongdoing is reasonably certain of the relevant facts and that he is acting in good faith and not for personal gain.

It is expected of the Notifier that he follows the procedure as described in these Regulations. When the Suspicion of Wrongdoing occurs, and is reported in the proper manner, a position is adopted, and further investigation may be commenced and/or measures (preventive or otherwise) may be taken.

Once the Notifier has drawn attention to the issue by reporting it, his role has in principle been fulfilled. The matter will then be assessed and settled by and under

the responsibility of the relevant manager, Executive Board member, Supervisory Board member or the Integrity Reporting Centre.

In some cases (see also Article 14) an individual can apply to the Huis voor Klokkenuiders (House for Whistleblowers), a whistleblowers' organisation, for an investigation. See their website.

If they feel they have been treated negligently, persons against whom the report is directed may apply to the Integrity Reporting Centre and may lodge a complaint (possibly through a Confidential Counsellor). The Integrity Reporting Centre will then advise the Executive Board or Supervisory Board in handling this complaint.

The Regulations comply with the requirements of the Dutch Corporate Governance Code (Van Maanen Committee) as revised at the end of 2016 and can also be classed as reporting regulations in the sense of the House for Whistleblowers Act (Wet Huis voor Klokkenuiders) and as a regulation in the context of the Netherlands Code of Conduct for Research Integrity (NGWI). The Corporate Governance Code does not apply to TNO as a research institution under public law, but TNO wishes to adhere voluntarily to the principle of good business practice established in this Code. In so doing, TNO has chosen to focus these Regulations on suspicions of wrongdoing. Where less serious matters are involved, these will be resolved by recourse to regular procedures or dealt with and/or settled following a recommendation from the Integrity Reporting Centre.

The Regulations have been approved by the Executive Board, the Council for Defence Research and the Works Council and become effective on 15 May 2019. The Regulations replace the 'Regulations governing the suspicion of wrongdoing TNO 2017'.

## 2. DEFINITIONS

In these Regulations the following definitions are used:

1. **Defendant:** the person against whom the report is directed;
2. **External Agency:** the external authority which in the opinion of the Executive Board or Supervisory Board can or must be engaged to investigate the Suspicion of Wrongdoing or the agency that the Notifier can engage under Article 14;
3. **House for Whistleblowers:** as referred to in the House for Whistleblowers Act.
4. **Integrity Officer:** the Employee appointed to this position by the Executive Board;
5. **Integrity Advisory Board:** the Board appointed by the Executive Board to advise it on matters of integrity;

6. **Manager:** the Employee who on behalf of TNO is (i) the Notifier's immediate manager or (ii) the immediate manager of the Notifier's immediate manager or (iii) the MD;
7. **Management:** TNO's managers, Executive Board members and Supervisory Board members;
8. **MD:** Managing Director or Unit Director at TNO;
9. **Employee:** the person currently or previously employed by TNO under an employment agreement under civil law or an appointment under public law, or the person who performs or has performed work for TNO other than by way of an employment agreement or appointment (for example, external contractors, PhD candidates, interns, temporary staff);
10. **Report:** the report of the Suspicion of Wrongdoing by the Notifier;
11. **Notifier:** the Employee who reports the Suspicion of Wrongdoing in accordance with Article 4 of the Regulations;
12. **Integrity Reporting Centre:** the entity charged with the registration and processing of Reports concerning the Suspicion of Wrongdoing, as referred to in these Regulations, described in more detail in Article 13;
13. **NGWI:** Netherlands Code of Conduct for Research Integrity
14. **Investigator:** the person tasked by Management or the Integrity Reporting Centre to conduct the investigation into the Suspicion of Wrongdoing ;
15. **Recipient:** those persons who receive the Report in accordance with Article 4 paragraph 1;
16. **Instructing Party:** Recipient or the Integrity Reporting Centre (in accordance with Article 5 paragraph 3) who commissions an investigation of the facts based on a Report;
17. **Regulations:** these Regulations Governing the Suspicion of Wrongdoing TNO 2019;
18. **Executive Board:** TNO's executive board;
19. **Supervisory Board:** TNO's supervisory board;
20. **Suspicion of Wrongdoing:** a suspicion held by an Employee that within TNO, or at another organisation, provided he<sup>1</sup> has had contact with that organisation-through his work for TNO, wrongdoing is taking place insofar as:
  - (a) the suspicion is based on reasonable grounds, these arising from knowledge the Employee has learned at TNO or from knowledge the Employee has acquired through his work for TNO at another company or organisation, and
  - (b) the public interest is at stake due to:
    1. the violation of a statutory provision,
    2. a risk to public health,
    3. a risk to the safety of persons,
    4. a risk to the environment,
    5. a risk to the good operation of the public

<sup>1</sup> Wherever 'he' or 'his' occur in these Regulations, 'she' or 'her' respectively apply.

service or a business as a consequence of improper acts or omissions, or

6. the violation of ethical standards governing the conduct of science or business, as laid down in the chapter 'Doing Business' or 'Scientific Research' of the TNO code.
21. **Confidential Counsellor:** the internal trusted individual appointed by the Executive Board to act for TNO in this capacity, or the external Confidential Counsellor appointed by the Occupational Health & Safety Service used by TNO.

## 3. INFORMATION, ADVICE AND SUPPORT

1. **Employee assistance.** When reporting a Suspicion of Wrongdoing, an Employee can consult a Confidential Counsellor in confidence to gain information, advice and support; Employees can also contact the advisory department of the House for Whistleblowers as mentioned in Article 3A, 2nd paragraph of the House for Whistleblowers Act.
2. **Management assistance.** When a Report is made, Management can request information about procedures or can seek advice from the Integrity Officer or External Confidential Counsellor.

## 4. REPORTING THE SUSPICION OF WRONGDOING

1. **To whom is the report made.** An Employee with a Suspicion of Wrongdoing can report this, either personally or through the Confidential Counsellor to:
  - (a) their Manager,
  - (b) the Integrity Reporting Centre in accordance with Article 5 paragraph 3, or
  - (c) the Supervisory Board in accordance with paragraph 2.

The Report is always made in writing and the matter is sufficiently described. If the Notifier has first raised the Suspicion of Wrongdoing verbally, he subsequently provides a written description so that the matter can be actioned in accordance with these Regulations. If the Report is made by a Confidential Counsellor, the Notifier can forbid the Confidential Counsellor from disclosing the Notifier's identity, provided this is in accordance with the practices of the Confidential Counsellors.

2. **Involvement of Executive Board member.** If an Executive Board member is involved in a Suspicion of Wrongdoing, the Report should be made through the Integrity Reporting Centre to the Supervisory Board.
3. **Former employees.** A former Employee can make a Report within six months of his dismissal or redundancy or the termination or conclusion of his work for TNO and can invoke these Regulations.
4. **Duty of information.** A Manager to whom a Report is made immediately informs the Integrity Reporting Centre. The Integrity Reporting Centre advises the Manager how to handle the matter and informs the MD and the Executive Board of its advice (unless the MD or the Executive Board (member) is himself the Defendant). The Executive Board immediately informs the Supervisory Board when indications of a Suspicion of Wrongdoing arise.
5. **Recording the Report.** The Recipient of the Report records in writing the date on which the Report is received and confirms receipt immediately or at the latest within three working days to the Notifier. This communication includes a summary of the reported Suspicion of Wrongdoing and the time of receipt of the Report.
6. **Urgency.** The Recipient of the Report assesses whether urgency is involved. If so, the necessary measures are taken and the Executive Board and the Supervisory Board are informed. For urgent matters, the decision of the Executive Board about the matter is taken in partnership with the Supervisory Board.

## 5. HANDLING THE REPORT

1. **Position.** Based on the Report, the Recipient adopts a provisional or final position within five working days regarding the Report and confirms this in writing to the Notifier.
2. **Assistance in the event of no position.** If the Notifier has received no confirmation of receipt within three working days and/or within five working days has received no position (provisional or otherwise), the Notifier can request the Integrity Reporting Centre to assist the Recipient in adopting a position.
3. **Escalation to the Integrity Reporting Centre.** An objection to the Report can be submitted to the Integrity Reporting Centre via [meldpuntintegriteit@tno.nl](mailto:meldpuntintegriteit@tno.nl) where the Manager:
  - a) is not adopting a position on the Report;
  - b) is adopting a position that the Notifier disagrees with;
  - c) is not handling the Report in a proper manner, or
  - d) is an party involved in the Suspicion of Wrongdoing.
4. **Handling by the Integrity Reporting Centre.** In the event that a Report is made to the Integrity Reporting

Centre, or an objection is lodged with the Centre, the Centre performs an admissibility test.

The admissibility of the Report is determined by reference to:

- a) The definitions of the Suspicion of Wrongdoing and a former Employee;
- b) A previous or current investigation into the same matter;
- c) The knowledge that appropriate measures have already been taken;
- d) Consideration of whether the conduct has been notified in good time and did not take place too long ago;
- e) The facts that are known with reasonable certainty;
- f) Consideration of whether the Notifier has followed these Regulations; and
- g) Consideration of whether the Suspicion of the Wrongdoing is sufficiently serious.

If a decision of 'inadmissible' is taken, the Notifier and possibly the Recipient are advised of other steps that may be taken. If there is a Report of which the Reporting Centre, on the basis of its admissibility check, is of the opinion that there is no question of a social interest (and for this reason declares it inadmissible), but does see an organisational interest in tackling the issue, the Reporting Centre will then decide how to deal with this. The same legal protection of the Notifier applies in that case. In the case of Research integrity issues, the NGWI will be observed.

5. **Where the Manager does not act properly.** If the Integrity Reporting Centre is of the opinion that a Report made to a Manager has not been handled properly by that Manager, the Centre advises the MD or Executive Board about the actions to be taken.
6. **Disagreement with the admissibility assessment.** If the Notifier does not agree with the assessment of the Report as inadmissible issued by the Integrity Reporting Centre, he can ask the Executive Board through its secretary whether the Executive Board upholds the inadmissibility or whether the Executive Board may decide that the Report should nonetheless be considered admissible.
7. **Investigation or evaluation by Supervisory Board.** The Supervisory Board acting as Recipient or as handler of the Report in accordance with Article 9 conducts its investigation or evaluation in accordance with the law and the provisions of these Regulations, which help ensure due care in the handling of the Report and the protection of the Notifier.

## 6. OPENING THE INVESTIGATION AND DISCLOSING ITS FINDINGS

1. **Investigation.** The Recipient can follow up a provisional position with further investigation in order to arrive at a final position.
2. **Complex issues.** When the issue is complex, the supervision of the investigation prompted by the Report be taken over, at the request of the Manager, by the Integrity Reporting Centre. The Notifier and the Defendant are informed of this. The Integrity Reporting Centre informs the Manager of the findings of the investigation so that in accordance with his responsibility, he can adopt a position.
3. **Independence of Investigators.** If an investigation is opened, this is conducted by Investigators, persons who are sufficiently independent and impartial. In any event, this means that they are in no way involved in the Suspicion of Wrongdoing.
4. **Duty of information.** In the event that an investigation is opened, the Notifier and Defendant are notified when the findings are expected and, if already known, by whom the investigation will be conducted.
5. **Copy of instruction to investigate.** Unless there are grave objections to this happening, the Notifier and Defendant receive from the Instructing Party a copy of the instruction to investigate.
6. **Classified information.** If it is considered likely that the Investigators will deal with classified (confidential Defence) documents, this is taken into account when selecting the Investigators.
7. **Engaging an External Agency, the Executive Board or Supervisory Board.** The Executive Board or Supervisory Board can decide to inform an External Agency about the Report or the underlying facts and circumstances. In that case, the Executive Board or Supervisory Board will inform the Notifier and Defendant, unless grave objections concerning the interests of the investigation or enforcement prevent this.

## 7. CONDUCTING THE INVESTIGATION

1. **Hearing.** The Investigators give the Notifier and Defendant the opportunity to be heard. The Investigators ensure the interview is recorded in writing. The Notifier receives a copy for approval.
2. **Availability of Employees to be heard.** The Investigators can hear Employees of TNO whom they consider relevant to the investigation. The Investigators ensure the interview is recorded in writing. The person being heard is heard by at least two Investigators and not in the presence of the Notifier or Defendant. The person being heard is expected to cooperate and answer the Investigators' questions in good faith. Where an Employee believes he has a substantial interest in not cooperating in the hearing, he reports this in writing to the Integrity Reporting Centre. The Integrity Reporting Centre will assess the request not to be heard and advise the Investigators. The person being heard receives a copy of the interview for approval. If persons external to TNO must be heard, advice is sought from the Integrity Reporting Centre and the Executive Board is informed.
3. **Examination of relevant documents.** The Investigators may examine and request any documents at TNO they may reasonably consider relevant to conducting the investigation. Employees may provide the Investigators with all documents they may reasonably consider it necessary for the Investigators to see.
4. **Use of investigative resources.** Investigators may use investigative resources such as cameras, within the limits of the law and with due observance of proportionality and subsidiarity.
5. **Hearing both sides of the argument.** The Investigators compile a draft investigative report and give the Notifier and Defendant and any other persons implicated in the Report the opportunity to put their side of the argument concerning the section on the factual findings.
6. **Draft report.** The Investigators then finalise the draft investigative report and share it with the Integrity Reporting Centre and with the Instructing Party. Following the opportunity to add to or clarify the report as necessary in response to the instruction to investigate, the report in its final form is submitted to the Instructing Party and the Integrity Reporting Centre.
7. **Copy of final report.** The Instructing Party sends the Notifier and Defendant a copy of the final report or, if the investigation is broader than the Report, a copy of the part pertaining to the Report, unless there are grave objections to this.

8. **Term.** The Investigators aim to complete the investigation within eight weeks of the making of the Report. If it is clear that the investigation cannot be completed within these eight weeks, the Notifier and possibly the Defendant are informed of this in writing. They are also informed of the term within which they may expect to receive the draft report. In principle the eight-week term may be extended by four weeks. A longer extension by the Instructing Party is only possible if proper reasons are given, as is customary in administrative law.
9. **When it looks likely that the term will be exceeded.** When the term for the investigation is exceeded due to the behaviour of the Notifier or Defendant or sickness on their part, or due to the complexity of the investigation, the Instructing Party sets a term in which the investigative report will be delivered.

## 8. POSITION REGARDING A FINAL REPORT

1. **Position in response to investigation.** Once the Investigators have delivered their report, the Instructing Party adopts a position in response to the investigation and informs the Notifier and possibly the Defendant and, in broad outline, the MD to whom they report. This occurs within ten working days of the receipt of the investigative report.
2. **Reaction of Notifier and Defendant to report and position.** The Instructing Party gives the Notifier and Defendant the opportunity to respond to the investigative report and the Instructing Party's position within a reasonable period of time.
3. **Dissatisfaction with investigative procedure or factual inaccuracies.** If in response to the investigative report or the Instructing Party's position, the Notifier presents a reasoned argument claiming that the Suspicion of Wrongdoing has not in fact been investigated or has not been properly investigated, or that the investigative report or the Instructing Party's position include significant inaccuracies, this is responded to at least once. If necessary, a new or additional investigation is opened by the Instructing Party.
4. **Copy of message to External Agency forwarded to Notifier and Defendant.** If in response to the investigative report, the Instructing Party informs an External Agency, the Instructing Party then discusses this action as necessary with the Executive Board and sends the Notifier and Defendant a copy of the message to the External Agency, unless there are grave objections to this.

## 9. APPEAL TO THE EXECUTIVE BOARD/SUPERVISORY BOARD

1. **Appeal to Executive Board.** The Notifier can submit an appeal to the Executive Board within ten working days if he does not agree with:
  - a) the final position adopted by the Manager,
  - b) the assessment of inadmissibility issued by the Integrity Reporting Centre, or
  - c) the position of the Integrity Reporting Centre as Recipient or in accordance with Article 5 paragraph 3.
2. **Appeal to Supervisory Board.** The Notifier can submit an appeal to the Supervisory Board if the Executive Board:
  - a) does not adopt a position on the Report within a period of 12 weeks, unless the overrunning of this term is attributable to the behaviour of the Notifier or Defendant or sickness on their part; or
  - b) adopts a position that the Notifier disagrees with. In principle, the Supervisory Board determines its position on the basis of a marginal test.
3. **Term of position in appeal.** Under paragraph 1 or 2 of this Article 9, the Executive Board or Supervisory Board respectively has eight weeks to establish its own position regarding the appeal, with an extension of four weeks if necessary. The term starts from the date of the written confirmation to the Notifier of
  - a) the position or
  - b) the assessment of inadmissibility. A longer extension is only possible if proper reasons are given.
4. **Confirmation of appeal.** In the case of an appeal to the Executive Board or Supervisory Board, the appropriate Board secretary immediately confirms receipt of the appeal to the Notifier and informs the Integrity Reporting Centre. The Integrity Reporting Centre informs the Defendant.
5. **Disagreement with position in appeal.** When the Notifier disagrees with the position of the Supervisory Board, he can submit the Report to the House for Whistleblowers. This organisation will then follow its own procedures to determine whether it will open an investigation.

# 10. PROTECTING THE NOTIFIER FROM DETRIMENT

1. **No detrimental consequences for legal status.**

The Notifier who makes a Report in good faith and in the proper manner, must suffer no detrimental consequences to his legal status as a result. Detrimental consequences are taken to mean the adoption of a detrimental measure, including:

  - a. dismissal, other than at the Notifier's own request or with mutual agreement;
  - b. the premature termination of a temporary employment or its not being extended where it would otherwise have been extended, other than at the Notifier's own request;
  - c. the failure to convert a temporary employment to a permanent employment where this had already been announced in writing, other than at the Notifier's own request;
  - d. the taking of a disciplinary measure (due to the Report);
  - e. the extension or restriction of tasks, other than at the Notifier's own request or due to the impossibility of performing these tasks due to sickness;
  - f. placement or transfer, other than at the Notifier's own request or with mutual agreement;
  - g. a change of workplace/operational base or the refusal of a request for such a change where in view of the work this is reasonably possible, other than at the Notifier's own request or with mutual agreement;
  - h. the withholding of salary increase, incidental remuneration, bonus or allocation of compensations that have already been offered in writing;
  - i. the withdrawal or withholding of promotional opportunities that demonstrably exist;
  - j. not accepting a report of being sick, or getting the Notifier registered as sick when the Notifier is able to resume work;
  - k. the rejection of a reasonable request for leave;
  - l. the granting of leave, other than at the Notifier's own request.
2. **Role of Confidential Counsellor in preventing detriment.** In order to prevent detriment occurring, before making a report, the Notifier can turn to a Confidential Counsellor and discuss the present risks of detriment and how these risks can be reduced. The Confidential Counsellor ensures a written record of this is made.

The Notifier receives a copy of this for approval. At the Notifier's written request, the Confidential Counsellor sends this document to the Recipient.

3. **Assessment of risks of detriment.** The Recipient assesses the risks of detriment and the requested measures and, following consultation with the Integrity Reporting Centre, takes appropriate measures.
4. **Reasons if detrimental measure is taken.** If within a foreseeable time after a Report is made, during an investigation into a Report, or afterwards, TNO is nonetheless compelled to take a measure detrimental to the Notifier, as referred to in paragraph 1, TNO explicitly explains the reason(s) why it considers this measure necessary and that this measure is not related to the reporting in good faith and in the proper manner of the Suspicion of Wrongdoing.
5. **Disagreement with protective measures taken.** When the Notifier disagrees with the protective measures taken, he can turn to the Integrity Reporting Centre. The Integrity Reporting Centre informs the Executive Board of such a complaint. The Integrity Reporting Centre evaluates the complaint and proposes a way of handling the complaint to the Notifier. If the Notifier disagrees with this proposal, the Integrity Reporting Centre will have the protective measures evaluated by an independent external lawyer. This lawyer will then advise the Executive Board of any changes or additions that can be made to the measures taken. No appeal can be made against the Executive Board's decision. The Notifier can, however, turn to the House for Whistleblowers or to the courts. If the Report concerns the Suspicion of Wrongdoing by (a member of) the Executive Board, it is the task of the Supervisory Board to take protective measures, at the minimum those required by these Regulations, and to inform the Notifier accordingly.
6. **Inappropriate conduct by the Notifier.** When (there are indications that) the Notifier has not complied with these Regulations or there are indications that the Notifier has not complied with standards under the TNO code prior to or while following these Regulations, this conduct can become the subject of investigation. Investigation of this matter cannot start, however, without the advice of the Integrity Reporting Centre and a decision by the Executive Board (with the exception of decisions taken by the Supervisory Board).
7. **Legal measures if Notifier not in good faith.** If it becomes evident that the Notifier has not acted in good faith, TNO retains the right to take legal measures against the Notifier.



## 11. PROTECTING THE DEFENDANT

1. **Presumption of innocence.** TNO applies the presumption of innocence, which means that the Defendant is considered innocent until proper evidence is found of his guilt.
2. **Confidential Counsellor for Defendant.** The Defendant can also use a Confidential Counsellor in the matter relating to the Report.
3. **Request by Defendant for investigation.** Prompted by the Report, the Defendant can submit his own request for an investigation. Whether this is granted is the decision of the Recipient. Any decline of a request is supported with reasons.
4. **Negligent treatment.** If the Defendant feels he has been treated negligently, he can turn to the Integrity Reporting Centre and may lodge a complaint (possibly through a Confidential Counsellor). The Integrity Reporting Centre will then advise the Executive Board or Supervisory Board in handling this complaint.

## 12. CONFIDENTIAL HANDLING OF REPORT

1. **Handling information with due care.** TNO ensures that the information about the Report is saved in such a way that it is physically and digitally accessible only to those involved in settling the matter of the Report. TNO takes account of prevailing laws and regulations concerning privacy.
2. **Confidentiality by Notifier.** The Notifier and Defendant observe due care and confidentiality concerning the Report, the procedure concerning the Report and matters arising from the Report (See also Article 14 below).
3. **Confidentiality by those involved.** All those involved in the submission and handling of the Report do not disclose the identities of the Notifier and Defendant, except to persons to whom this knowledge is essential, and they observe confidentiality when handling information about the Report.
4. **When Notifier's identity is not disclosed.** If the Suspicion of Wrongdoing is reported via the Confidential Counsellor and the Notifier forbids the Confidential Counsellor from disclosing his identity, all correspondence about the Report that is intended for the Notifier, is sent by the Recipient to the Confidential Counsellor and the Confidential Counsellor sends it on to the Notifier.

5. **Revoking non-disclosure of identity.** Throughout the handling of the Report, the Notifier can revoke his request for his identity not to be disclosed.

## 13. INTEGRITY REPORTING CENTRE

1. **Composition of Integrity Reporting Centre.** The Integrity Reporting Centre consists of at least an external chairperson, an external deputy and two members. The Integrity Reporting Centre is assisted by the Integrity Officer. The regular chairperson is an external expert and is appointed by the Executive Board with the approval of the Works Council.
2. **Investigation at request of Management.** At the request of Management, the Integrity Reporting Centre can also supervise an investigation (i.e. an investigation without prior Report being made to the Integrity Reporting Centre). Management always informs the Executive Board in advance, and the Executive Board then confirms this instruction in writing.

## 14 REPORT TO EXTERNAL AGENCY

1. **When Report is made to External Agency.** After the making of an internal Report of a Suspicion of Wrongdoing, a Report can be made to an External Agency if the Notifier:
  - a. is of the opinion that – after the completion of the internal procedure described in the Regulations – the Suspicion of Wrongdoing has been wrongfully set aside wholly or in part or has been wrongfully dismissed as (partially) unfounded by the Supervisory Board;
  - b. has not received the position of the Supervisory Board within the term as referred to in Article 9 paragraph 2 or 3 (unless this deadline has been postponed due to conduct by the Notifier).
2. **When Report is made directly to External Agency.** The Notifier can make a Report of the Suspicion of Wrongdoing directly to an External Agency, if first making an internal Report or reporting the matter following TNO procedures for such situations cannot reasonably be asked of him. This is appropriate in any event if this arises from any statutory provision or any of the following are in evidence:

- a. acute danger, where an important and urgent public interest necessitates immediate external reporting;
  - b. a reasonable suspicion that (members of) the Executive Board and Supervisory Board (in cohort) are involved in the suspected wrongdoing;
  - c. a clearly demonstrable threat of the concealment or destruction of evidence by the actions of (members of the) Executive Board and Supervisory Board;
3. **Which External Agency is eligible for Report under which circumstances**
- a. A Report can be made to the External Agency that in the reasonable opinion of the Notifier is the most suitable. External Agency is taken to mean:
    - a body charged with the investigation of criminal offences;
    - a body charged with supervising the compliance with provisions under or arising from any statutory provision;
    - another authorised body to which the Suspicion of Wrongdoing can be reported;
    - the House for Whistleblowers insofar as the person involved is an Employee and the Report meets the admissibility requirements adhered to by the House for Whistleblowers.
  - b. When an external Report is made, the Notifier takes into consideration, on the one hand, the effectiveness with which this third party can intervene based on its authority and, on the other, the interests of TNO in minimising the damage resulting from that intervention, insofar as the damage does not necessarily ensue from the action taken against the wrongdoing.
  - c. When a Report is made to an External Agency, the Notifier should observe an appropriate form of due care and confidentiality.
  - d. As the likelihood of damage to TNO as a result of the Report being made to an External Agency increases, the Suspicion of Wrongdoing held by the Notifier must also gain in strength.

## 15. ANNUAL REPORT

In the annual report of the year in which the Report took place, the Regulations require the following to be reported:

- a) The number and the nature of the Reports of the suspected wrongdoings;
- b) The number of Reports declared inadmissible by the Integrity Reporting Centre;
- c) The number of investigations led by the Integrity Reporting Centre;
- d) The number of appeal procedures commenced.

Dutch law applies to these Regulations. If these Regulations give rise to a dispute that TNO and the Employee cannot resolve between them, this dispute will be submitted – by the Employee or by TNO – only to the competent Court in The Hague.

In case of a conflict on the texts of this Regulation the Dutch version prevails.

May 2019

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› TNO CONNECTS PEOPLE AND KNOWLEDGE TO CREATE INNOVATIONS THAT SUSTAINABLY BOOST THE COMPETITIVE STRENGTH OF INDUSTRY AND WELL-BEING OF SOCIETY.