

How we investigate possible misconduct

Investigation protocol



Contact information

If you have general questions about the Alliander Code of Conduct
you can contact your manager or the HR Business Partner of your business unit.

If company information has been lost, stolen or destroyed
ICT Service Desk 12345

If company property has been damaged or lost
ICT Service Desk 12345

Unsafe and/or unhealthy situations, near misses and environmental incidents
should be reported to your manager; submit a report together in the AIMS incident reporting system.

In the event of undesirable behaviour at work
you can contact your manager, an Alliander confidential counsellor or the Undesirable Behaviour Complaints Committee.

In the event of domestic violence or violence on the part of customers
contact your manager or
the Sickness Absence Desk on
+31 (0)88 – 272 63 82 or at verzuimdesk.alliander@arbounie.nl

If you observe or suspect fraud or misconduct
Johan van der Werk
+31 (0)6 – 15 15 95 46, johan.vander.werk@alliander.com

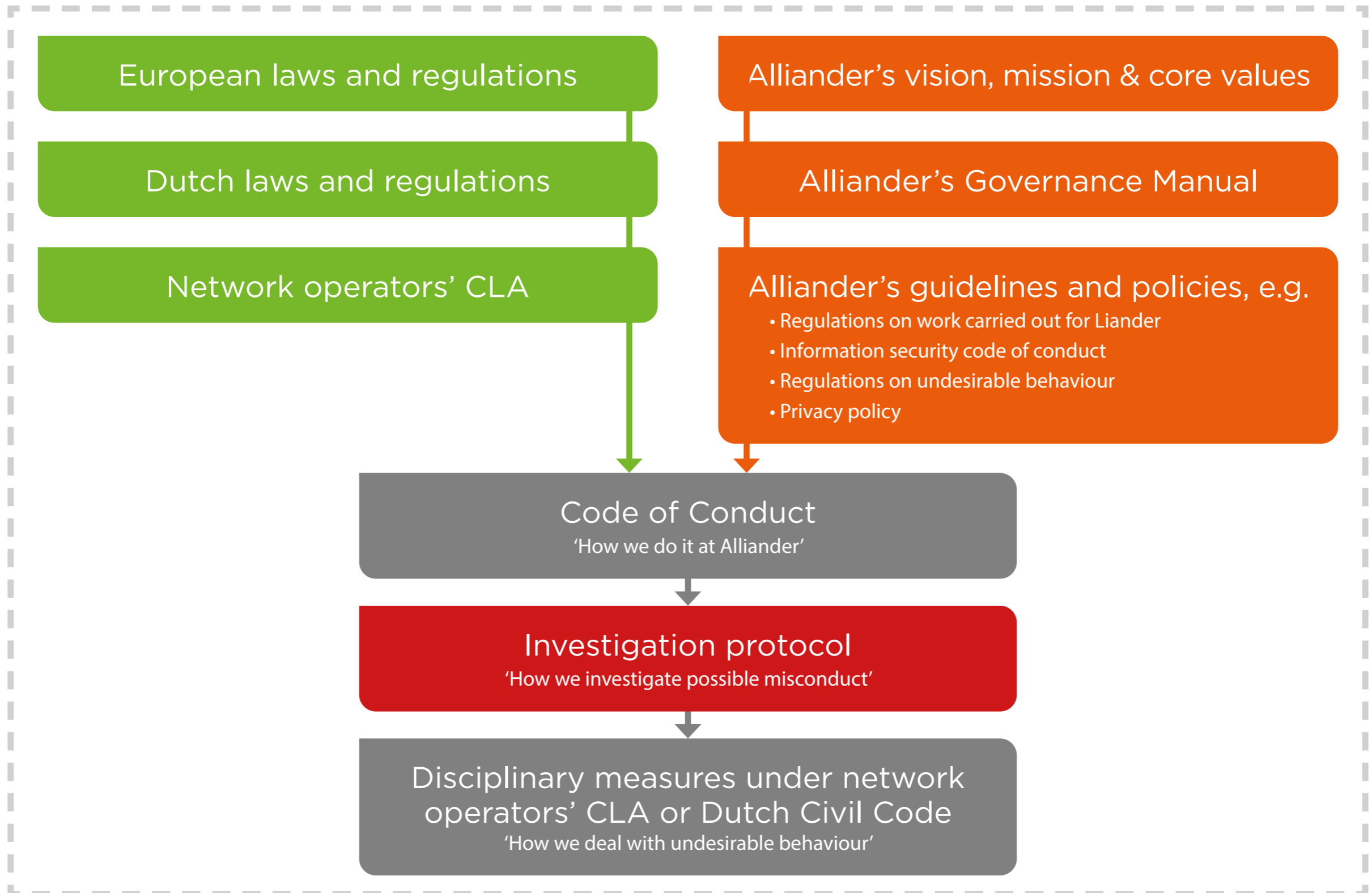
Erik Hessels
+31 (0)6 – 13 07 44 55, erik.hessels@alliander.com

You can also use the Alliander Whistleblower Scheme to report fraud or (suspected) misconduct.

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'Integrity regulations applicable at Alliander



Together we are Alliander

We make sure that lights come on and houses are warm – today and in the sustainable world of tomorrow. In this area we are a reliable partner for our customers and comply with rules laid down by public authorities, shareholders and other regulators.

We have also drawn up other rules and documented them in the Alliander Code of Conduct. In this we explain what we expect from each other within Alliander and how we deal with each other and our property. As a next step, this investigation protocol ensures that – should the need arise – we are able to investigate compliance with the Code of Conduct. It makes clear what steps we can take as employees and as an organisation in the event that something goes wrong.

This protocol describes the process followed to investigate (suspected) misconduct. Any suspicion of misconduct calls for careful consideration, on a case-by-case basis, of what would constitute an ‘appropriate’ and ‘proportionate’ investigation. The protocol therefore sets out the principles applied when considering this question and specifies when a case of (suspected) misconduct must be reported, to whom it must be reported and how. In this way we shed light on the clear, uniform and careful approach to investigating (alleged) misconduct that applies across the whole of Alliander. The protocol explains what Alliander can do if an investigation is launched, but also what it is not allowed to do. It therefore offers protection to both employees and the organisation.

A Whistleblower Scheme also applies alongside this investigation protocol. This tells you how you, as an employee, can safely report (suspected) misconduct within Alliander.

In this way we are working together to create a transparent and pleasant working environment in which everyone is aware of their responsibilities and what they can and cannot do.

October 2023

Maarten Otto
Walter Bien
Marlies Visser
Daan Schut
Alliander Board of Directors

1 Definitions

In this protocol, the terms below are understood as follows:

Alliander

Alliander refers to Alliander N.V. and all companies that are directly or indirectly affiliated to it and belong to the Alliander Group, whether or not they have legal personality.

Alliander employees

Alliander employees are understood to be natural persons who have an employment relationship with a legal entity within Alliander, or hired-in workers who are working within Alliander via employment agencies or in another way (e.g. via contractors, catering companies or security firms), and who carry out one or more roles within Alliander for a fixed or an indefinite period of time.

Person(s) Concerned

A natural person/natural persons and a legal entity/legal entities who is/are the subject of an Incident Investigation.

Third Party Concerned

A natural person/natural persons and/or a legal entity/legal entities, inside and outside Alliander, who is/are asked to cooperate within the context of an Incident Investigation.

Third-Party Experts

The experts engaged within the context of an Incident Investigation who are not part of the Alliander organisation.

The Fraud Reporting Point

The reporting point within the Internal Audit department to which Alliander employees and other interested parties can report suspected fraud.

Incident Investigation

An investigation during which, following incidents (potentially) involving suspected misconduct¹, Internal Audit (in particular the Fraud Reporting Point) and, if necessary, other business units within Alliander, or Third-Party Experts, collect, analyse and/or verify information and report on it as part of an instruction issued to them.

Whistleblower Scheme²

The scheme adopted by the Board of Directors and Supervisory Board on (suspected) misconduct identified by Alliander employees and/or other interested parties.

Independent External Third Party

The Independent External Third Party, as referred to in Article 5 of the 2022 Whistleblower Scheme, who has been appointed by the Board of Directors to act in this capacity for Alliander.

¹ This investigation protocol does not cover investigations into Undesirable Behaviour. Investigations into Undesirable Behaviour are conducted via the 'Undesirable Behaviour Complaints Procedure (2020)'.
² 2022 Whistleblower Scheme and the associated flyer



Misconduct

Within the context of this investigation protocol suspected misconduct is understood to mean: all forms of conduct by Alliander employees that are in contravention of the law, the collective labour agreement (CLA), the Corporate Principles, the Alliander Code of Conduct ‘How we do it at Alliander’ and other generally accepted standards within Dutch society.

Instructing Party

The persons and bodies referred to in Chapter 5 who issue an instruction to conduct an Incident Investigation.

Advisor

Any person in whom the Person(s) Concerned have confidence. Confidential counsellors³, members of trade unions or other external parties may act as an Advisor, whether or not subject to a confidentiality obligation.

Hearing the other side of the argument

Giving the Person(s) Concerned the opportunity to take note of and respond to the findings of the personal investigation relating to them.

³ Regulations on Confidential Counsellors (2020)

2 Introduction

Why

Like any company, Alliander comes up against incidents that (potentially) involve **(suspected) misconduct**.

Examples of misconduct include theft, misuse of Alliander company resources, forms of unacceptable conflict between private interests and Alliander's interests, manipulation or misuse of information obtained from the performance of a role within Alliander and abuse of powers or a position related to a role.

As a rule, **misconduct** harms Alliander's business interests. It can also cause financial or reputational damage.

The Code of Conduct 'How we do it at Alliander' describes what is and what is not permitted within Alliander and, as a next step, this investigation protocol ensures that – should the need arise – we are able to investigate compliance with this code.

Objective

This protocol has two practical objectives: firstly, it provides a framework within which investigators must operate when conducting an Incident Investigation into misconduct and it sets out the principles used to determine this room for manoeuvre.

Secondly, it informs all Alliander employees about (A) these principles, (B) the different types of investigation available to investigators when conducting an Incident Investigation and (C) a number of procedural matters that play a role in an Incident Investigation. The aim is to ensure that investigations within Alliander are carried out transparently, uniformly, clearly and carefully.

Scope

In principle, this protocol applies to all Incident Investigations within Alliander.

Deviation from the protocol

The Board of Directors is authorised at any time to redistribute the powers and responsibilities arising from this protocol. **However, this does not apply to the powers and responsibilities set out in the Whistleblower Scheme.**

A member of the Board of Directors may issue specific instructions for an investigation that deviate from this protocol, taking into account the 'Principles and Starting Points' described in Chapter 3.



3 Principles and starting points

The methods of investigation discussed in this protocol cannot be applied automatically by Alliander. **The freedom to carry out Incident Investigations** is limited by a number of statutory regulations. These include, in particular, regulations in the area of privacy, including the General Data Protection Regulation (GDPR). **When conducting an Incident Investigation the investigators must** respect the privacy of the Persons Concerned. The methods of investigation to be used depend on, amongst other things, (A) the degree of suspicion regarding the misconduct and (B) the nature of the misconduct. To put it simply, the more serious the suspicions about and the nature of the misconduct, the more far-reaching the methods of investigation that Alliander can apply. The starting point is that all of Alliander's information systems and (work) processes may be involved in an investigation.

When considering which method of investigation is appropriate for a particular suspicion of misconduct and how discretionary powers arising from this protocol may be employed, the following principles should be taken into account: legitimacy, proportionality and subsidiarity. Objectivity and care are also starting points that must be strictly observed. These principles and starting points are explained in more detail below.

Legitimacy

Legitimacy means that there must be a degree of suspicion before it is justified to employ methods of investigation that encroach upon personal privacy. The greater the suspicion, the sooner a method of investigation is legitimised.

Proportionality

Proportionality means that the methods of investigation employed must be in proportion to the interest served by the objective of the action to be taken (tackling (suspected) misconduct).

Subsidiarity

Subsidiarity means that, before a method of investigation is applied, it is necessary to check whether another, less far-reaching method could achieve the objective of the action to be taken.

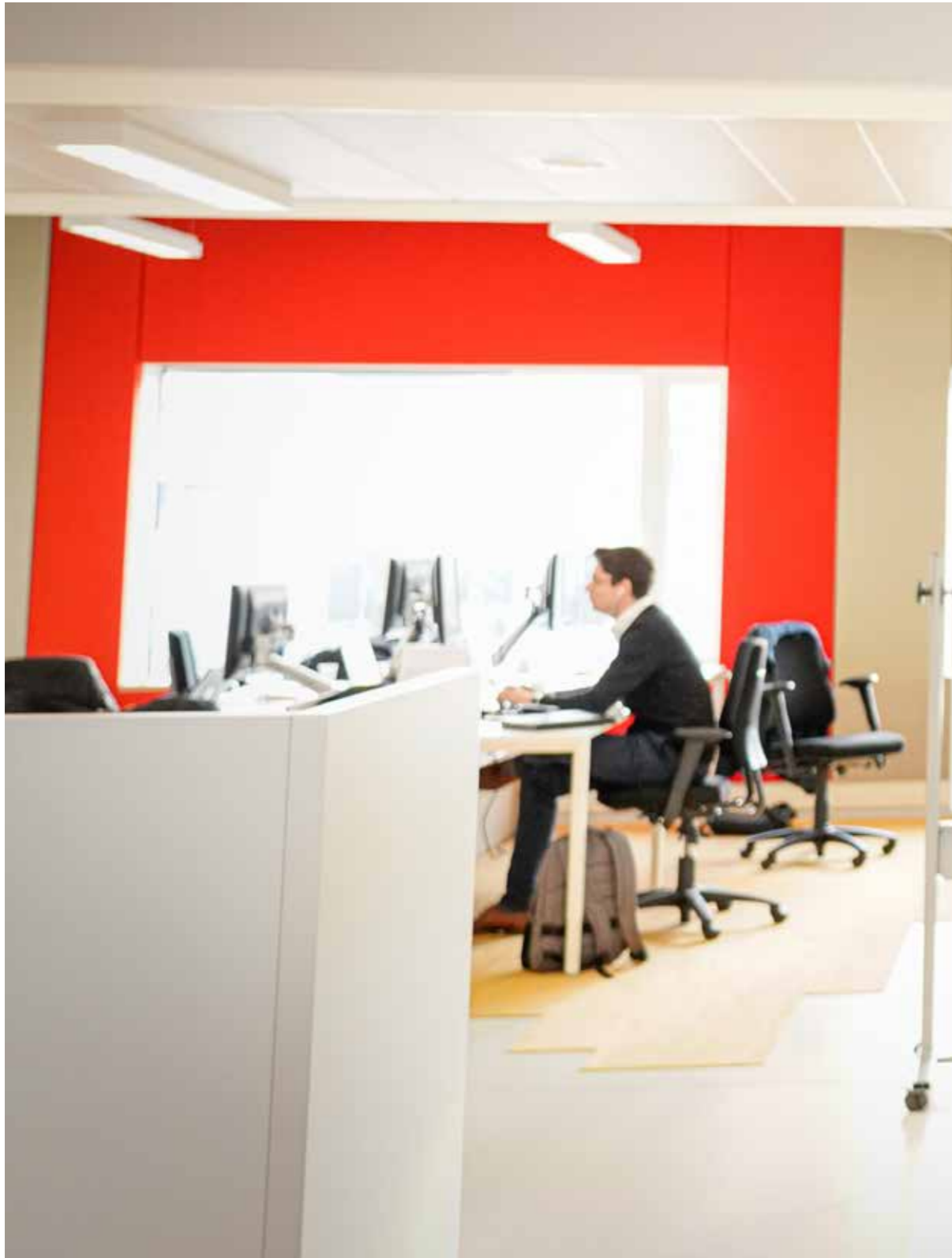
Objectivity

Conclusions of investigations must be based on factual findings. Factual findings are findings whose accuracy is supported by evidence. Generally speaking, a reasonable person taking the same evidence as a basis would arrive at the same factual findings.

Care

When considering which method of investigation to employ, and when actually putting this method into practice, relevant interests must be handled carefully. Confidentiality is also an important element of this, as are the quality requirements that apply to reporting factual findings.

4 Reporting (suspected) misconduct



Procedure for reporting (suspected) misconduct

All persons must report cases of **misconduct** or suspected misconduct to their line manager. If, in view of the circumstances, it is not possible or desirable to report the matter to the line manager, **misconduct** may be reported to the Director of the business unit, the Fraud Reporting Point or the Internal Audit Manager. All cases of (potential) misconduct must be brought to the attention of the Internal Audit Manager. The Internal Audit Manager immediately informs the Board of Directors and the chair of the Audit Committee if he observes or suspects material misconduct or a material irregularity while carrying out his duties. If the (suspicion of) material misconduct or a material irregularity relates to the actions of one or more directors, the Internal Audit Manager reports this to the chair of the Supervisory Board.

In accordance with the Dutch Corporate Governance Code, Alliander has implemented a **Whistleblower Scheme**.

The **Whistleblower Scheme** lays down a procedure for reporting (suspected) misconduct (relating to the company and in cases where a public interest is at stake), including breaches of the rules of conduct applicable within the company. Under the **Whistleblower Scheme** misconduct can be reported to the persons referred to in the scheme, in accordance with the procedure set out therein.

5 Responsibilities for Incident Investigation

Responsible for Incident Investigation

The Fraud Reporting Point (Internal Audit) is responsible for coordinating every Incident Investigation. Before the investigation is carried out an assessment takes place to determine whether the Fraud Reporting Point (Internal Audit) has the necessary expertise. **If it does not**, Third-Party Experts may be engaged, without affecting the ultimate responsibility of the Fraud Reporting Point (Internal Audit).

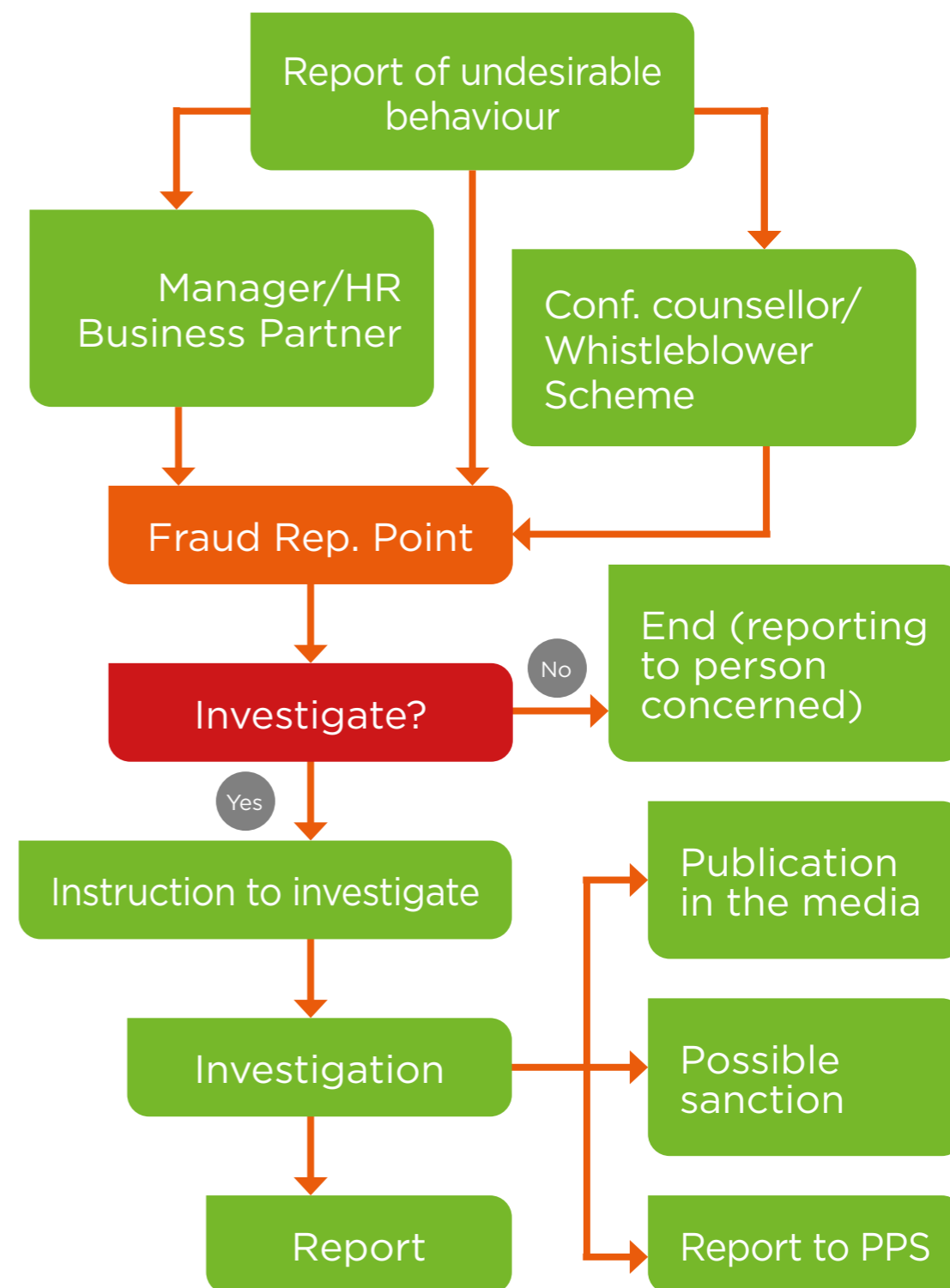
Instruction to conduct an Incident Investigation

The following bodies are authorised to instruct the Fraud Reporting Point to conduct an Incident Investigation after receiving a report: (A) the Board of Directors, (B) the Director of a business unit or staff department and the Undesirable Behaviour Complaints Committee. The Fraud Reporting Point (Internal Audit) may also launch an Incident Investigation on its own initiative, whether or not as a confidential counsellor for whistleblowers.

Conducting an Incident Investigation

To conduct an Incident Investigation, Internal Audit has access, via the Fraud Reporting Point, to its own qualified investigators (auditors). Internal Audit may also involve other specialist internal departments in the process. **These can be not only other business units**, such as the Field Service department's Fraud team within the Small Consumer unit, but also (external) Third-Party Experts. **The engagement of Third-Party Experts** takes place in consultation with the Instructing Party. **In principle, the costs of engaging Third-Party Experts and any technical resources required are borne by the Instructing Party or the business unit where the investigation is being carried out.** Incident Investigations relating to members of Alliander's Board of Directors are conducted exclusively by Third-Party Experts on the instruction of the Supervisory Board.

Fraud investigation process diagram



6 Investigation process

Methods of investigation

Based on the principles of legitimacy, proportionality and subsidiarity, the Fraud Reporting Point (Internal Audit) must carefully consider the methods of investigation that are appropriate for each Incident Investigation. Depending on the conclusions drawn from these considerations, the action taken may involve interviews, an administrative investigation, an investigation of the use of ICT equipment, an observational investigation (whether or not using visible or hidden cameras), phone tapping, the use of GPS equipment or appropriate software, or an investigation at the workplace, for example⁴. We wish to make clear that this is not an exhaustive list of methods of investigation.

Duty to inform

Taking the importance and nature of a person-specific investigation into account, the investigators will inform the Person(s) Concerned and the Third Party(-ies) Concerned who is/are involved in an Incident Investigation about the person-specific investigation that will be carried out and its purpose. The provision of this information may be delayed if there are reasonable grounds for suspecting that it would (seriously) disrupt the Incident Investigation.

Employees are entitled to inspect the information about them that is stored in the investigation file. Access to personal and confidential notes, records and/or e-mails of others does not have to be granted. Employees also have the right to have the information stored about them corrected or deleted if there are factual inaccuracies or information is incomplete or not (or no longer) relevant.

⁴ Investigations outsourced to Third-Party Experts must always comply with the provisions of the Private Security Organisations and Detective Agencies Act (Wpbr), the Private Security Organisations and Detective Agencies Regulations (RPBR) and the 'Rules of Conduct for Person-specific Audits' ('Gedragsrichtlijn inzake Persoonsgerichte Accountantsonderzoeken').

Such requests must be submitted by e-mail to the Fraud Reporting Point (Internal Audit) and include a description of the action that is being requested. The Fraud Reporting Point (Internal Audit) will make sure that the requestor is also the person about whom information is being requested. **Whether the request for information, or to change or delete information, should be granted** will then be checked: the Fraud Reporting Point (Internal Audit) and Legal Affairs department will assess the request, where necessary in consultation with the HR privacy officer. A response to the request will be given within 4 weeks. If the request to inspect information is granted, the information will be provided in a structured and legible format. If an Alliander employee makes excessive requests, it will no longer be necessary to comply with them.

Confidentiality

Given the nature of an Incident Investigation, and with the GDPR in mind, appropriate confidentiality must be observed with regard to the identity of the reporting person and the information arising from an Incident Investigation. The Fraud Reporting Point (Internal Audit) will not make any further or other use of the confidential information and will not disclose this information for any further or other purposes than those necessary to carry out the instruction or as required by law. The confidentiality obligation to which the Fraud Reporting Point (Internal Audit) is subject will cease to apply if any statutory provision requires this.

If, in his opinion, circumstances so require, the Internal Audit Manager will be authorised to demand that investigators, Alliander employees and Third Parties Concerned who are involved in an Incident Investigation sign a confidentiality declaration.

Cooperation with an investigation

A Person Concerned who is employed by Alliander and who refuses to cooperate with a reasonable and carefully justified demand as part of an Incident Investigation may, where appropriate, be subject to a disciplinary measure for breaching his/her obligations.

The Third Party(-ies) Concerned who is/are involved in an Incident Investigation is/are not obliged to cooperate in the requested manner with the Incident Investigation, unless required to do so by law, an agreement or a court judgment.

A breach of obligations may also be deemed to apply if the Person Concerned who is employed by Alliander deliberately provides inaccurate information or intentionally withholds relevant information.

In the event that a breach of obligations, as referred to in this section, applies or appears to apply, the Fraud Reporting Point (Internal Audit) will consult on this matter with the line manager and Director responsible for the Person Concerned who is employed by Alliander. The purpose of such consultation will be to decide how to deal with the breach of obligations.

Company resources

In the interests of the investigation it may be necessary for company resources of the Person Concerned to be confiscated (e.g. company clothing, access passes, company cars, computers and telephones). If the Person Concerned is suspended during the investigation, all of his/her company resources will be confiscated, with the exception of his/her mobile phone or SIM card.

Data minimisation

Only personal data that is needed for the described purposes may be processed. Data processing should be based on the principle of 'need to know' rather than 'nice to know'.



Restriction on storage

The personal data collected during an Incident Investigation may not be stored for any longer than is necessary for the described purpose. In principle, personal data will be retained for no longer than 7 years. The personal data arising from an Incident Investigation will be stored with the utmost care. Only authorised employees from the Fraud Reporting Point (Internal Audit) will have access to this data.

7 Care taken to protect Person Concerned

Care

If an Incident Investigation focuses in particular on an Alliander employee, acting with due care implies that, when the principles of legitimacy, proportionality and subsidiarity are applied, particular attention must be paid to the legitimate interests of the Person Concerned. **These include, for example, the risk of reputational damage being caused to the Person Concerned if no misconduct is discovered.**

Hearing the other side of the argument

If an Incident Investigation has focused (in part) on a Person Concerned and it is obvious that serious conclusions will be drawn, during the interview to hear the other side of the argument the Person Concerned will be given the opportunity to take note of the (draft) results of the Incident Investigation.

Interviews held to hear the other side of the argument will always be conducted by two Alliander employees, one of whom works at the Fraud Reporting Point (Internal Audit). **The Person Concerned will be invited in writing and informed in advance about the nature of the investigation. The Person Concerned may be accompanied by a Confidential Counsellor or Advisor. In the event of conflicts of interest, a Confidential Counsellor or Advisor may be refused by the Fraud Reporting Point (Internal Audit). The final opinion on this matter will be given by the manager of the Person Concerned or the Internal Audit Manager.**

Prior to the interview the Confidential Counsellor or Advisor will be informed about the procedure and each person's role.

During the interview the Person Concerned will be asked to give his/her opinion on the results and a record will be drawn up of this. The opinion of the Person Concerned may lead to the amendment of any report that has been written.

During the interview to hear the other side of the argument the Confidential Counsellor or Advisor may not act as a spokesperson on behalf of the Person Concerned. The role of the Confidential Counsellor or Advisor is limited to: (i) attending and observing the interview and (ii) making reasonable requests to interrupt the interview to allow consultation with the Person Concerned and (iii) monitoring the general wellbeing of the Person Concerned.

Record

During the interview to hear the other side of the argument a record of the interview will be drawn up. **After the interview this will be presented to the Person Concerned for signing. The Person Concerned may make changes to the text of this record if it does not sufficiently reflect what has been discussed. After the record has been signed by the Person Concerned and the interviewer on behalf of the Fraud Reporting Point (Internal Audit) the Person Concerned will receive a copy of it.**

If, for reasons of his/her own, the Person Concerned does not wish to sign the document, he/she must indicate this, stating his/her reasons, on the last page of the record. If necessary, the Person Concerned may also be invited to write a declaration him/herself.

8 Results of Incident Investigation

Report

The **Fraud Reporting Point** (Internal Audit) will decide how an Incident Investigation will be reported on. In its report it will limit itself to the facts that have been established and, for purposes of interpreting them, to relevant circumstances and regulations, as well as related findings. A report may also consist of a record of the interview held to hear the other side of the argument, incorporating the findings of the investigation. If the report is in written form, it will be 'strictly confidential'. **If required, a copy of a written report will be made available to the Instructing Party and, where necessary, to the Board of Directors. Based on the report supplied, and following consultation with HR Legal, the Instructing Party will decide on any sanctions that will be imposed.**

In principle, all parts of the investigation file may be used in civil proceedings and/or as a basis for reporting a crime to the police.

Disclosing the findings of an investigation

After the written report of the Incident Investigation has been handed over to the Instructing Party, the latter is responsible for possibly passing it on to third parties. However, it is only permitted to do so if the Fraud Reporting Point (Internal Audit) has given its consent to this.

If, during the Incident Investigation, it is established or suspected that criminal acts have been committed, the Instructing Party and HRM Director will each be authorised to pass on findings of their choice resulting from the investigation to the Public Prosecution Service (PPS). In such cases the Fraud Reporting Point (Internal Audit) may act as the party who reports the criminal acts in question to the Public Prosecution Service on behalf of Alliander. **The decision to take such action may be made during or after the Incident Investigation.**

Publicity

Alliander is entitled to publicise (internally and externally), in anonymised form, the outcomes or repercussions of an Incident Investigation and the measures taken in response to it, if the Board of Directors or its authorised representative considers this to be justified. **When doing so it must carefully weigh up the interests of Alliander, on the one hand, and those of the Person(s) Concerned, on the other.**

Both internal and external publicity will be the responsibility of Alliander's Communication department.



9 Alliander Whistleblower Scheme

Objective

All Alliander employees, hired-in workers, suppliers and other interested parties are encouraged to immediately report any misconduct or suspected misconduct where a public interest is at stake. Such reporting is often referred to as ‘whistleblowing’. Whistleblowing can be described as the reporting by an employee (the whistleblower) of serious suspicions of illegal or immoral practices that are being carried out under the employer’s responsibility and where a (substantial) public interest is at stake. The report is submitted to persons who may be able to take action to counter such practices. Alliander’s whistleblowing policy and procedure are described in a separate document: the **‘2022 Whistleblower Scheme’**.

To summarise, this scheme allows suspicions to be reported to the Whistleblower Scheme Officer, possibly after the (suspected) misconduct has been discussed with a confidential counsellor. The officer informs the Board of Directors of the report (if he/she considers this to be necessary) and of the approach that will be taken during the further investigation. The ‘2022 Whistleblower Scheme’ includes a flyer on which the contact details of the Whistleblower Scheme Officer and the Independent External Third Parties can be found.

Dutch Whistleblowers Authority

If the report of misconduct within the Alliander organisation is inconclusive and notification is given that the report has been dealt with, since 1 July 2016 it has been possible to submit a report to the Dutch Whistleblowers Authority. The Dutch Whistleblowers Authority will investigate the report independently and report to the Board of Directors and the reporting person. Reports issued by the Dutch Whistleblowers Authority are public.

Exclusions from the ‘2022 Whistleblower Scheme’

The ‘2022 Whistleblower Scheme’ is not intended for personal complaints. It is also not intended for employees who are out for personal gain or otherwise not acting in good faith. For example, it is not acceptable to Alliander for an Alliander employee to intentionally submit a report, either individually or successively, to the chair of the Board of Directors, the confidential counsellor, the Supervisory Board or the Independent External Third Party if he/she can reasonably be expected to know that this report is untrue.