

# Whistleblowing and deviation policy

## Introduction

SpareBank 1 Nord-Norge's activities are subject to legislation and internal governing documents. If employees act contrary to this, commit internal fraud or act outside their powers, it could have serious consequences. SpareBank 1 Nord-Norge relies on the trust of our customers, the public authorities and society in general. Our employees must therefore act in an orderly and honest manner in accordance with the standards and rules that apply for society in general and in the Group in particular.

The SNN Code - the Ethical Guidelines - shall define our conduct and how we should behave in business settings. Each one of us shall be aware of and understand these guidelines and the values behind them.

This policy deals with the Group's preventive work against deviations, including the overall framework for handling possible deviations in guidelines, authorisations and legislation, as well as formal requirements for whistleblowing of such. The policy replaces previous governing documents (handling of violations of authorisations, legislation and guidelines, as well as the whistleblowing procedure). In addition, a description of the procedure has been prepared for employees who would like to blow the whistle.

## Purpose

The purpose of the policy is as follows:

- Create a predictable, efficient and effective process for handling deviations and whistleblowing and thereby minimising the operational risk.
- Act preventively and prevent deviations from occurring.
- Help learn from events
- Ensure that the employee's right to blow the whistle is safeguarded and that whistleblowers get the protection they are entitled to. The policy is intended to strengthen the real freedom of expression in employment and demonstrate that whistleblowing is both lawful and desirable.
- Ensure that all managers and employees know how the group handles deviations and whistleblowing, from detection/receipt until the case is closed.

# Definitions

## Deviations

A *deviation* is an undesirable act, including omission committed by employees or employee representatives in the Group and which involves a violation of legislation or governing documents.

## Blameworthy Conditions

*Deviations* could also be blameworthy conditions. If there are blameworthy conditions, the employee has the right to blow the whistle. Examples of blameworthy conditions include:

- Financial fraud such as corruption, embezzlement or other forms of internal fraud, such as financial infidelity
- Bullying, physical, verbal and sexual harassment or discrimination.
- Conflicts hazardous to health or improper conduct
- Violations of authorisations, SNN code, duty of non-disclosure, HSE regulations, security, data protection, etc.
- Money laundering or other economic crime (employment crime, social dumping, illicit work, etc.)

Lawful professional, political and moral expressions fall outside the definition of blameworthy conditions. The same applies to matters that concern a general dissatisfaction with the employment, management, etc. The figure below illustrates what is considered to be blameworthy conditions. Conditions that fall outside the definition are highlighted in grey:



## Internal Fraud

*Internal fraud* is defined in this policy as "a deliberate act committed by one or more employees, involving dishonesty in order to obtain an unfair or unlawful benefit". The word *dishonesty* includes actions that disguise, distort, or conceal the actual circumstances.

## Whistleblowing

*Whistleblowing* is defined as an employee's right to report blameworthy conditions in the workplace. Employees have the right to blow the whistle in the same way as employers have a duty to facilitate whistleblowing. This policy both whistleblowing (on behalf of others) and

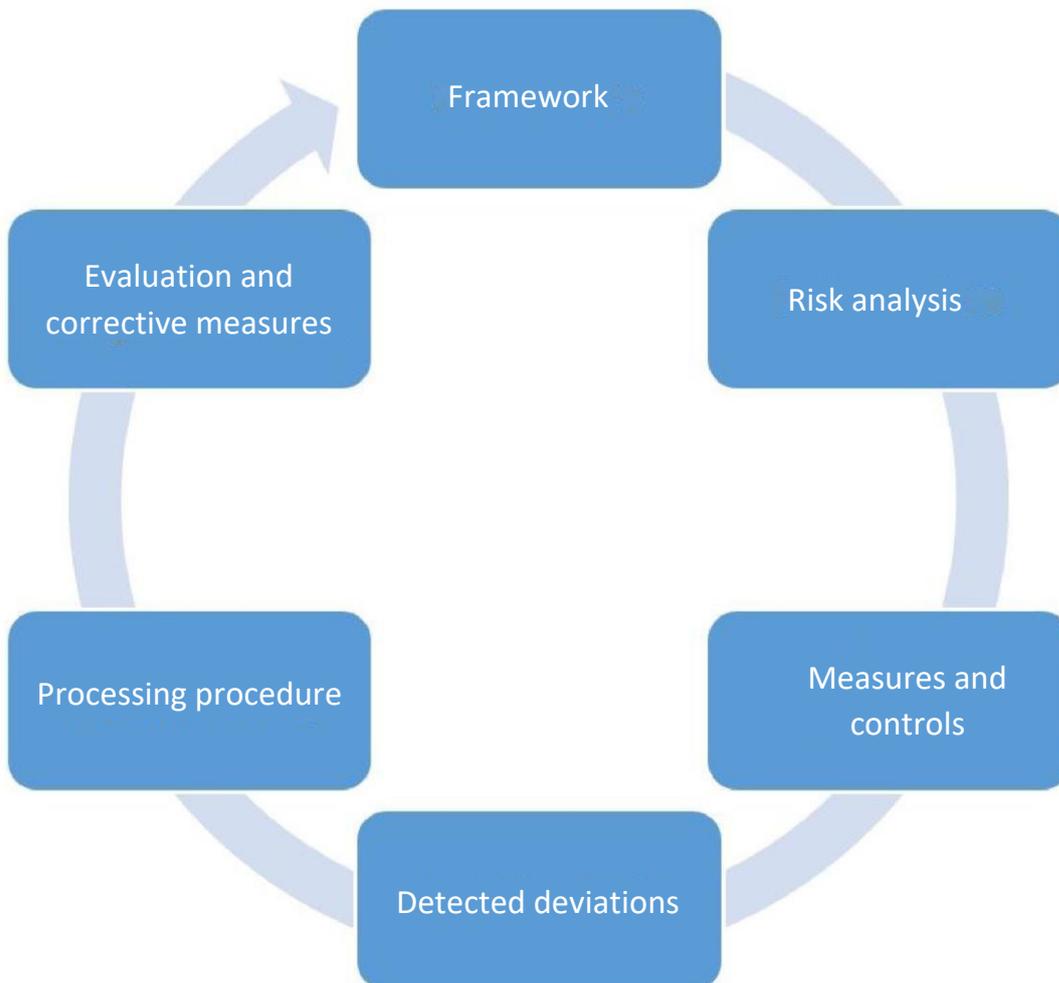
complaints (on your own behalf). The latter types of matters are handled in the same way as whistleblowing.

## Principles and Primary Measures

- Employees and managers shall be distinguished by high ethical standards and shall be familiar with the ethical guidelines
- The work to prevent deviations shall be based on a risk-based approach. A risk assessment shall be prepared on an annual basis and measures implemented in line with this
- The Group's activities shall be organised so that there is little risk of conflicts of interest, including ensuring that employees or those close to them do not have a personal interest in the assessments made
- The process for dealing with deviations, including whistleblowing, shall be marked by predictability and equal treatment. The parties' legal protection, including the right of contradiction, confidentiality and protection against self-incrimination, shall be looked after
- The Group shall facilitate for employees to blow the whistle on blameworthy conditions and ensure that whistleblowers receive the protection they are entitled to
- Employees who suspect deviations have a duty to report this to their immediate manager or in accordance with the Group's whistleblowing procedures
- The employer has a duty of care for all employees and shall look after both parties in a whistleblowing case in a good way
- The Group shall secure documentation in the event of suspected deviations and when processing whistleblowing matters and has a duty to implement measures against deviations
- Retaliation against an employee who blows the whistle is unlawful. The employer may become objectively responsible for any retaliation to which a whistleblower may be subjected. More details about the provision can be found [here](#).

## General Process Description

In general, Sparebank 1 Nord-Norge works according to the following process in order to prevent deviations:



In the processing procedure for handling deviations and whistleblowing, there is a more detailed flow chart with descriptions of roles, responsibilities and duties related to the various process steps in the processing of deviations – including whistleblowing.

## Roles and Responsibilities

Below follows a general overview of roles and responsibilities:

- The Group CEO is the person with the ultimate responsibility
- The Department of Risk Management is responsible for managing and controlling the operational risk in the Group. This includes frameworks, continuous monitoring and reporting and recommending measures related to operational risk management.
- The Compliance Department shall advise and monitor that the Group complies with the at any given time applicable external and internal regulations. This involves annual risk assessments concerning compliance risk, pointing out the need for measures as part of the risk management, as well as checking the actual compliance in areas with a high compliance risk
- The HR Manager as well as the Head of Compliance are whistleblowing recipients. The HR Manager is responsible for the processing procedure, including involving the relevant specialist environments and persons in the processing. In the event of disqualification, the Group CEO shall appoint an Group Director to handle the matter.
- Other specialist environments are responsible for investigations in accordance with their areas of responsibilities
- HR follows the manager responsible and advises on the working environment – and/or the protection of employees' rights from the time when a possible deviation has been detected.
- The immediate manager or other appointed person, shall look after the affected parties (duty of care and follow-up care)
- Legal provides legal assistance on the process, including labour law assessments and preparation of governing documents
- The safety representative has a see-to-it role in matters affecting the work environment and the management

## Labour Law Responses

If, through the investigations, deviations are found, the responsible manager in the Group must decide on a labour law response. Depending on the seriousness of the case and whether the deviation is recurring, the response will be anything from a conversation between the immediate manager and the employee to a possible dismissal and reporting to the police. Each individual case must be assessed individually, but at the same time be compared with similar cases. For serious violations it should be considered whether they should be reported to the police.

From level 2 - 6, HR and Legal should always be involved.

- Level 1: Conversations and follow-up
- Level 2: Oral warning and possible administrative responses
- Level 3: Written warning and possible administrative responses
- Level 4: Discussion meeting
- Level 5: Termination/report
- Level 6: Dismissal/report

The processing procedure contains additional descriptions and information.

## Documentation and Archiving

All matters handled in accordance with this procedure shall be registered in the Group's event database, Betr. No personal data shall be registered.

All documentation for this type of matters shall be processed in accordance with the data protection policy for employees and the Group's standards for processing information