



Whistleblowing procedure at SpareBank 1 SMN

1 Purpose

The whistleblowing procedure is designed to safeguard employees' right to report censurable conditions at the employer's undertaking. Employees' right to 'blow the whistle' is regulated in the Working Environment Act, chapter 2 A. A hired-in employee also has the right to report censurable conditions at the hirer's undertaking.

2 What are censurable conditions?

'Censurable conditions' are conditions in breach of law, of written ethical guidelines of the undertaking or of ethical norms that enjoy broad support in the population, for instance conditions that may entail

- danger to life or health
- danger to the climate or environment
- corruption or other financial crime
- abuse of authority
- an unsatisfactory working environment
- harassment, discrimination
- breach of personal data security
- significant breaches of the bank's governance and control procedures
- poor compliance with the group's policies and guidelines

Raising concern about conditions that only apply to the employee's own employment relationship is not regarded as whistleblowing in the present context unless the wrongdoing is covered by the above list.

3 Right and obligation to 'blow the whistle'

Employees have the right to report censurable conditions at the undertaking. It is important that employees make use of this right.

In some cases, the employee has a duty to speak up. The employee is required, as soon as he or she becomes aware of a wrongdoing, to report to the employer and safety representative any

- error or irregularity that may endanger life or health
- harassment or discrimination
- injury and/or illness which may be a consequence of the work itself or of conditions at the workplace.

4 To whom disclosures can be made

4.1 In-house disclosures

The group's primary whistleblowing route is through official channels.

Alternatively, concern may be raised with other contact persons at the undertaking who are in a position to exert influence, make decisions or take responsibility in relation to the matter at hand.

Where a perceived wrongdoing refers to an employee or manager, the alternatives are:

- The whistleblower's immediate superior
- The director of legal services
- The head of human resources
- The safety representative/employee representative

However, please note that reporting to a safety representative or employee representative only triggers employer obligations in cases where the safety representative or employee representative opts to pass the disclosure on to representatives of the employer.

Where a disclosure concerns the group CEO or a member of the board of directors, the report can be made to the chair of the board of directors. Where the disclosure concerns the chair of the board of directors, the report can be made to the chair of the supervisory board.

An employee can also report to SpareBank 1 SMN's external whistleblowing service at [KPMG](#). The bank's contact persons for KPMG are the legal services director and the head of human resources. Employees may choose to raise concerns anonymously, i.e. without revealing their name to the bank. The bank's contact persons will in such case not be informed of the identity of the whistleblower. Employees can also choose to remain anonymous to both the bank and KPMG. Anonymous disclosures to KPMG may be made using the web service, by telephone or by letter. Employees who make disclosures by e-mail will not remain anonymous to KPMG but may as mentioned request anonymity as regards the bank.

4.2 External disclosures

An employee has the right to voice a concern to supervisory authorities or other public authorities. Examples of such authorities are the Labour Inspection, the Norwegian National Authority for Investigation and Prosecution of Economic and Environmental Crime (Økokrim), the Competition Authority, the Norwegian Data Protection Authority, the Norwegian Board of Health Supervision et al.

4.3 Disclosures to the general public

The likelihood of inflicting harm on the undertaking and/or employees is usually far greater where disclosures are made to the general public. For that reason, the threshold for whistleblowing to the general public is higher than in the case of internal or external disclosures.

The employee should consider the following three factors particularly closely before making a disclosure to the general public:

- Is there reason to believe that censurable conditions are actually present? Investigate the actual circumstances as fully as possible
- Consider whether any internal report, disclosure to a superior authority or disclosure to a public supervisory or control authority has been made
- Consider whether other persons outside the undertaking have a justifiable (public) interest in learning of the suspected wrongdoing

5 How should censurable conditions be reported?

5.1 Procedure

A report may be made orally or in writing. The report should be objective and balanced in form. Any available documentation should accompany the report.

5.2 What the report should include

- Whistleblower's full name (may be anonymous)
- Whistleblower's place of employment (may be anonymous)
- Date of reporting
- Period and, if available, date and time of the observation
- Specifically, what was observed
- Location
- Other witnesses
- Documentation, if any
- Knowledge of any previous wrongdoings

5.3 Relationship to the duty of confidentiality etc. - restrictions on whistleblowing

Rules regulating whistleblowing, defamation etc. in other legislation may restrict an employee's freedom of expression. Such rules apply irrespective of the right to report censurable conditions under section 2 A-1 of Norway's Working Environment Act.

5.4 Protection against retaliation

Section 2 A-4 of the Working Environment Act protects employees against any unfavourable treatment, practice or omission that is a consequence of or a reaction to the fact that an employee has made a disclosure. This means that an employer cannot respond to a whistleblower's disclosure by way of dismissal, summary discharge, suspension, disciplinary action, threats, harassment, social exclusion, change of duties, arbitrary discrimination, relocation or other negative reactions which are akin to punishment or sanctions, if the procedure employed by the whistleblower was in line with

section 2 A-1 of the Working Environment Act and with this document. However, the employee must tolerate objective counterarguments or counterevidence relating to the alleged wrongdoing.

A whistleblower acting in line with section 2 A-1 of the Working Environment Act and these guidelines shall be protected against any unfavourable treatment ('retaliation') in response to the whistleblower's disclosure.

6 Handling of whistleblowers' reports

6.1 Principles for handling reports

- All disclosures shall be dealt with within a reasonable period
- Anonymity is possible
- The various whistleblowing methods shall be on a par
- Disclosures shall be confidential
- Employees shall be able to use the whistleblowing system without fear of consequences
- The whistleblower shall receive feedback within a reasonable period

6.2 Confidentiality requirement

Any whistleblower wishing to do so can report anonymously, in writing or orally. Where the whistleblower reveals their identity, then their identity and the information disclosed will be shared on a need-to-know basis with those responsible for resolving the issue and with no-one else. The whistleblower will receive feedback on how the disclosure has been followed up provided their identity is known and provided such feedback is not in breach of applicable rules (for example the Personal Data Protection Act).

6.3 Follow up/handling of reports

Anyone receiving a report from a whistleblower shall in all cases inform the head of human resources and the **legal services director** of the matter. Together they will clarify how the matter is to be followed up.

An assessment will be made as to who should be involved in the further processing of the case and what steps are to be taken, all according to the nature of the case and the individual targeted by the disclosure.

A person with relevant expertise and objectivity will be assigned to investigate the case.

The facts of the case will be established by review of the documentation and/or interviews.

Where a whistleblower's report addresses a certain person's acts or omissions, that person shall in principle be informed of the report and of the information disclosed. This is to enable the individual concerned to give their version of the matter and to ensure that the case is elucidated as fully as possible.

The employer shall ensure that the whistleblower has a fully satisfactory work environment. If necessary, the employer will see to measures to discourage retaliation.

Follow up of the whistleblower's disclosure will be documented in writing up to the point where a conclusion is drawn.

6.4 Finalisation/closing of whistleblower cases

Where a whistleblower's report is directed at a particular individual's actions or omissions, and the case has been finalised, the individual about whom the disclosure was made shall be promptly informed.

The whistleblower shall receive feedback on the outcome of the case provided the disclosure was not made anonymously and provided that such feedback is not in breach of applicable rules (for example the Personal Data Protection Act).

Documentation and personal data shall be handled in accordance with the conclusion drawn in the case:

- If investigations show that no wrongdoing or malpractice has taken place, or that it has not been possible to draw a conclusion, only anonymised documentation of the case shall be retained for statistical purposes.
- If investigations show that wrongdoing or malpractice has taken place, relevant parts of the documentation shall be retained. Retained documentation shall as far as possible not include personal data.
- If the disclosure is directed at a particular person's acts or omissions, and investigations fail to clarify the facts of the case, relevant documentation of the case shall be retained for up to one year.
- If the disclosure leads to the imposition of a sanction against an employee, relevant documentation to that effect shall be retained in the personnel archives for up to 5 years. However, the seriousness of the wrongdoing shall be assessed in each individual case.
- If the disclosure leads to the matter being reported to the police, such report shall be filed by the legal services director who will ensure that the police receive relevant information on the matter. Documentation of the in-house process shall be retained until a judicial decision has been rendered.

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