

# IMCD Internal Alert Procedure

Version November 2016

IMCD N.V.

The internal alert procedure of IMCD (hereinafter the “Internal Alert Procedure”) meets the requirements of the Dutch Corporate Governance Code of having a whistleblower policy for all persons working, under a contract of employment or otherwise, for IMCD (the “IMCD employees”). The Internal Alert Procedure is embedded in IMCD’s internal compliance system and is set out below.

## 1. Reporting irregularities

### *Type of irregularities*

Any IMCD employee must always report irregularities relating to IMCD through the Internal Alert Procedure. The irregularities can relate to serious matters regarding, actual or potential, (i) breaches of IMCD’s Business Principles, or other internal policies or procedures, (ii) criminal offences, (iii) environmental damage, (iv) dishonesty or unethical behaviour, or (v) any other legal, operational or other issues that concern IMCD as a whole, the respective local IMCD subsidiary or IMCD employees in person.

### *Internal consulting and support*

In case of any concerns regarding a potential irregularity, the IMCD employee may first consult with IMCD’s Corporate Counsel in confidence, if desired anonymously, via:

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### *Reporting an irregularity internally*

The IMCD employee can report any irregularities by using the following procedure:

1. report to its direct manager; or
2. if contact with its direct manager is not an option, report to local management of the company where the IMCD employee is employed; or
3. if contact with local management is not an option, report to IMCD group management.
4. if contact with IMCD group management is not an option, report to the chairman of the Supervisory Board of IMCD. A similar procedure applies if reporting to IMCD group management under section 2 is not an option.

Contact with the respective level of management is not an option, when this level of management is subject of or contributes to the irregularity, or if after various consultations on the subject matter, this level of management does not address the issue adequately.

In all events the IMCD employee also has the option to report the irregularity to IMCD's Corporate Counsel.

#### *Reporting an irregularity externally*

IMCD expects all IMCD employees to report any irregularities in accordance with the Internal Alert Procedure. External reporting is only appropriate if an internal report was not adequately followed by IMCD in accordance with this Internal Alert Procedure or if the IMCD employee cannot reasonably be required to follow this procedure, for instance because of a statutory obligation, a legitimate fear for retaliation, or an imminent danger resulting in an important and urgent public interest. External reporting should always be suitable and proportionate and must be immediately notified to the Corporate Counsel.

Considering the possible severe consequences of external reporting, IMCD employees are encouraged to seek advice before reporting any concern outside IMCD. Consultation with the Corporate Counsel is recommended for this purpose to receive adequate support.<sup>1</sup>

## **2. Further procedure**

The reported irregularity will be recorded by the person receiving the report. Any irregularity raised in good faith will be investigated. The investigation will be conducted by the most suitable internal or external person. The reporting IMCD employee will be involved in the investigation and informed about the outcome. Furthermore, any reported irregularity shall be dealt with objectively and swiftly in line with the following procedure:

1. When an irregularity is reported internally, the issue is discussed between the reporting IMCD employee and the consulted level of management.
2. If the consulted level of management finds it necessary to do so, it informs IMCD group management of the report.
3. The consulted level of management must inform IMCD group management in case the irregularity concerns an issue, which is not limited to the local IMCD subsidiary.
4. Acts of bribery or suspicion of acts of bribery must be reported immediately by the consulted level of management to IMCD group management at all times.

Reporting to IMCD group management is not an option, when IMCD group management is subject of or contributes to the irregularity.

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<sup>1</sup> In the Netherlands, if contacting the Corporate Counsel is not possible, the IMCD employee can consult with the advisory department of the Institute for Whistleblowers to verify if an external disclosure is allowed.



### 3. Confidentiality and protection

All reports will be treated confidentially, in order to support the quality of the investigation and to comply with applicable privacy laws. The identity of the IMCD employee reporting in good faith shall also be kept confidential in accordance with this Internal Alert Procedure. The reporting IMCD employee has the possibility to indicate that his or her identity may only be communicated upon the employee's prior written consent, unless IMCD is required to comply with a legal or regulatory obligation. The IMCD employee reporting the irregularity must respect the confidential nature of the report in a similar manner as IMCD.

No IMCD employee who reported an irregularity in good faith shall be treated unfairly by IMCD as a result of the report. The IMCD employee experiencing any such unfair treatment after raising an irregularity can notify this to the Corporate Counsel who will subsequently take appropriate action.

Notwithstanding the foregoing, any disciplinary actions against the reporting IMCD employee may be taken, in case the report of an irregularity was made in bad faith, for instance because false accusations have been made knowingly, improperly, maliciously, or for personal gain.

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