



## Investment policy for partners of KPMG (the Netherlands)

### 1 Policy Framework

The policy on investments is documented in:

- The Global Quality & Risk Management Manual (further GQRMM) – issued by KPMG International
- The KPMG Professional Code – Dutch specific document in which the relevant rules of the GQRMM, the US/SEC independence rules and the Dutch independence rules are collected
- Quick reference card personal independence
- Training independence – based on the international IESBA and US/SEC regulations and the Dutch independence rules

All KPMG Firms worldwide must at least apply the rules laid down in the GQRMM: “the baseline”. Local regulations may require to apply stricter rules than described in the GQRMM.

The policy applies at both the audit firm KPMG Accountants N.V. as its Dutch network components, including KPMG Advisory N.V. (further KPMG the Netherlands). The policy of KPMG Meijburg & Co is in line with the policy formulated for the audit firm.

### 2 Scope

Unless otherwise stated in the remainder of this document, the term partner includes:

- equity partners (P2)
- non-equity partners (P1)
- directors<sup>1</sup>
- Board of management (executive board)

The rules also apply to the "immediate family members" (US/SEC independence rules) and close financial relations (Dutch independence rules – Verordening inzake onafhankelijkheid) of these professionals.

### 3 Policy

The KPMG Professional Code is written in Dutch. Where references are made to the Professional Code the quotes are translated from Dutch. In case of discordancy between the KPMG Professional Code and the investment policy, the KPMG Professional Code is leading.

#### 3.1 Insider trading

Section 2.2.3 of the KPMG Professional Code states the following: "Objectivity and independence are the basis of the audit profession. Professionals do not succumb to the pressure of clients or third parties. They keep their back straight and maintain their objectivity. Because professional integrity largely depends on the individual to comply with independence standards, every professional should be familiar with the independence rules for KPMG and to comply to these rules. The rules include topics such as investing, insider trading, additional positions and

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<sup>1</sup> The basic principle is that directors with authority to sign on behalf of KPMG Accountants N.V. and KPMG Advisory N.V. are covered by this policy.



providing services. Independence is not just a matter of perception, characterized by professional integrity and impartiality, but also a requirement based on the law and professional standards."

### ***3.2 Investments in audit clients worldwide***

Overarching principle in the investment policy for KPMG-partners is that it is not allowed to hold stocks and bonds (see definitions) in audit clients of any KPMG member firm. In addition, KPMG the Netherlands' partners cannot hold stocks and bonds in assurance clients of KPMG the Netherlands.

These rules also apply to stocks (and bonds) linked to loans or insurance products.

### ***3.3 Covered persons (see definitions)***

In addition to the generic prohibition of investing in stocks and bonds of audit clients of any KPMG member firm and assurance clients of KPMG the Netherlands, the covered person<sup>2</sup> approach must be applied while investing in investment funds and maintaining bank accounts.

Whether a partner qualifies as a covered person is detailed in the definitions in this policy (appendix).

#### ***3.3.1 Investment funds***

It is not allowed for covered persons to invest in investment funds that are audited by KPMG the Netherlands (overarching principle), or that are part of the investment company complex of a SEC audit client and affiliates (specific addition from the US/SEC independence rules) and affiliates, of any KPMG member firm.

For a partner who is not a covered person, it is allowed to hold investments in Dutch assurance client investment funds, provided that the partner has had no contact with the assurance team about the investment fund about the interest the partner holds in that fund.

These rules also apply to investment funds linked to loans or insurance products.

#### ***3.3.2 Bank accounts***

A partner who is a covered person can hold bank deposits up to the limit of the deposit guarantee scheme ("depositgarantiestelsel") of EUR 100,000 per accountholder at an SEC audit client (including affiliates).

A partner who is a covered person can hold bank deposits in a non-SEC audit client or assurance client (in both cases related entities included) as long as these products have been agreed upon at business conditions.

## **4 Partners co-investing as a group**

### ***4.1 Investment pools, mutual funds, real estate funds loans and other financial commitments***

#### ***4.1.1 Prohibited unless approved***

Partners shall not enter in or agree on a transaction as described below, together with one or more partners of KPMG in the Netherlands or another KPMG member firm, with the objective of jointly investing, unless prior written approval is obtained from the Ethics & Independence Partner and the Senior Partner:

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<sup>2</sup> See the appendix for the covered definition

- Pooling of funds, shared borrowings or other financial commitments;
- Investment ventures for which investors are responsible for paying their share of the investment over time, are liable under letters of credit or guarantees, are liable for severable or non-severable portions of the venture's debts, or are liable for capital calls;
- Investments in real estate funds that are licensed under the law of Financial Supervision (“Wet financieel toezicht”) or have a license from a foreign regulator or are listed;
- Investments in real estate funds in which the majority of the other participants are not employed by KPMG and the participants who work at KPMG together (may) have no decisive say on this fund, respectively these funds.

#### *4.1.2 Always prohibited*

Partners shall not participate, together with one or more partners of KPMG in the Netherlands or another KPMG member firm, in an investment pool or a mutual fund in which the majority of the participants work for KPMG or whose participants work for KPMG, jointly (can) exercise control on such a fund or pool.

#### **4.2 Development of and investments in real estate**

For partners it is prohibited to invest, together with one or more individuals employed by KPMG in the Netherlands or another KPMG member firm, directly or indirectly in real estate (or development thereof) except for:

- Real estate that is clearly held for private use (for the relevant partners/employees);
- Investments in real estate funds that are licensed under the law of Financial Supervision (“Wet financieel toezicht”) or have a license from a foreign regulator or are listed, provided that prior written approval from the Ethics & Independence Partner and the Senior Partner is obtained;
- Investments in real estate funds in which the majority of the other participants are not employed by KPMG and the participants who work at KPMG together (may) have no decisive say on this fund, respectively these funds, provided that prior written approval from the Ethics & Independence Partner and the Senior Partner is obtained.

## Appendix - Definitions

<p>Close financial relation</p>	<p>A close personal relation:</p> <ol style="list-style-type: none"> <li>a) That is financially dependent of the professional accountant or with whom the professional accountant has a joint household;</li> <li>b) To which the financial position of the professional accountant directly or indirectly is related;</li> <li>c) For which the professional accountant has financial control or to which he provides financial advice.</li> </ol>
<p>Covered Person</p>	<p>A distinction is made between the concept of a covered person at assurance clients and the concept of a covered person at audit clients.</p> <p><b>Covered person at assurance clients</b>  With assurance clients (including affiliates) the following professionals are considered to be a covered person:</p> <ol style="list-style-type: none"> <li>1 Members of the assurance team. These are: <ul style="list-style-type: none"> <li>• All professionals involved with the performance of an assurance engagement.</li> <li>• All other professionals within KPMG that could affect the outcome of the assurance engagement. These are:</li> <li>• All professionals who support the assurance team with technical questions (QRMG professionals, DPP, FS STARS) and at Lines of Business (LOB) specific issues. <ul style="list-style-type: none"> <li>• All professionals who perform quality reviews on the assurance engagement, called Engagement Quality Control Review Partners (EQCRP) and the Limited Scope Quality Control Review Partner (LSQCRP).</li> <li>• All professionals within the network who can influence the outcome of the assurance engagement directly (e.g. professionals from KPMG Meijburg).</li> <li>• All professionals who are involved in the internal periodical quality review (QPR included) on the assurance engagement.</li> <li>• All members of the Chain of Command.</li> </ul> </li> </ul> </li> <li>2 The close financial relations of the covered persons, mentioned above.</li> </ol>

	<p><b>Covered person at audit clients</b>  For audit clients (including affiliates) the following professionals are considered to be a covered person:</p> <ol style="list-style-type: none"> <li>1 Members of the audit/ assurance-team. These are: <ul style="list-style-type: none"> <li>• All professionals that are involved with the performance of an audit/ assurance engagement</li> <li>• All other professionals within KPMG that could affect the outcome of the audit/ assurance-engagement. These are: <ul style="list-style-type: none"> <li>• All professionals who support the audit/ assurance team with technical questions (QRMG professionals, DPP, FS STARS) and with Lines of Business (LOB) specific issues.</li> <li>• All professionals who perform quality control on the audit/assurance engagement, called Engagement Quality Control Review Partners (EQCRP) and the Limited Scope Quality Control Review Partner (LSQCRP).</li> <li>• All professionals within the network who directly can influence the outcome of the audit/assurance engagement (e.g. KPMG Meijburg).</li> <li>• All professionals who are involved in the internal periodical quality review (QPR) on the audit/assurance engagement.</li> <li>• All members of the Chain of Command.</li> </ul> </li> </ul> </li> <li>2 All partners and directors, who work in the office from which the Lead Audit Engagement Partner performs the audit engagement</li> <li>3 Partners or other professionals who provide more than 10 hours of other services for audit clients</li> </ol> <p>The close financial relations of the covered persons, mentioned above.</p>
<p>Immediate family member</p>	<p>Immediate family comprises a person's spouse (or equivalent) and dependents.</p>
<p>KPMG Independence Compliance System (KICS)</p>	<p>System in which the stocks and bonds in listed companies and investment funds of partners, directors and managers (including their close financial relations) are recorded and in which continuously potential conflicts regarding restricted investments are identified.</p>