

Internal Regulation No. 2023/01

by which

the obliged entity PEaPE METAL, s.r.o.
with its registered office at 247 Mikulovice, postcode: 671 33
Company Reg. No.: 25580272
(hereinafter the “*Employer*”)

issues

Internal Whistleblower Protection Regulation (“*Whistleblowing*”)

I.

General provisions

- 1.1. This internal regulation establishes the conditions and procedure for receiving whistleblowing notifications of employees, the manner of handling the notifications and the manner of handling the information obtained in a manner that is in accordance with the generally binding legal regulations in force in the Czech Republic, in particular Act No. 171/2023 Coll., on the Protection of Whistleblowers, as amended (hereinafter the “*Whistleblower Protection Act*”) and Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report infringements of Union law (together, the “*legislation*”).
- 1.2. This Internal Regulation establishes an internal whistleblowing system for the Employer, i.e. the obliged entity, within the meaning of the relevant legislation.
- 1.3. The receipt of whistleblowing notifications, the manner in which whistleblowing notifications are handled and the manner in which information is handled will be carried out exclusively in accordance with the legislation, with an emphasis on confidentiality and the protection of whistleblowers and jointly protected persons.
- 1.4. The Employer hereby states that the authorised person to carry out activities within the meaning of the relevant provisions of the Whistleblower Protection Act is:
Ing. Rudolf Peřinka
tel.: +420 603 174 199
e-mail: rudolf.perinka@peape-metal.cz
Delivery address: 247 Mikulovice u Znojma, post code: 671 33
- 1.5. The Employer also establishes a physical box for the purpose of submitting written whistleblowing reports, which is located on the Employer’s premises and marked with the company logo and the name “WHISTLEBLOWING”. The box is located in the company’s canteen.

II.

Basic Definitions

- 2.1. For the purposes of this Internal Regulation, the following terms will have the meanings set out below:

- a. **“Whistleblowing notification”** – a notification by a natural person containing information about a possible illegal act that has occurred or is about to occur with a person for whom the whistleblower, even if indirectly, has performed or is performing work or other similar activity, or with a person with whom the whistleblower has been or is in contact in connection with the performance of work or other similar activity, and which has the characteristics of a criminal offence or misdemeanour, for which the law provides for a fine of at least CZK 100,000, violates the Whistleblower Protection Act or violates any other legal regulation or regulation of the European Union in the field of:
 - i. financial services, statutory audit and other assurance services, financial products and financial markets,
 - ii. corporate income tax,
 - iii. prevention of money laundering and terrorist financing,
 - iv. consumer protection,
 - v. compliance with product requirements, including product safety,
 - vi. transport, traffic and road safety,
 - vii. environmental protection,
 - viii. food and feed safety and animal health,
 - ix. radiation protection and nuclear safety,
 - x. competition, public auctions and public procurement,
 - xi. protection of internal order and security, life and health,
 - xii. protection of personal data, privacy and security of electronic communications networks and information systems,
 - xiii. protection of the financial interests of the European Union, or
 - xiv. the functioning of the internal market, including the protection of competition and state aid under European Union law,

- b. **“Work or other similar activity”** – dependent work performed in a basic employment relationship, service, self-employment, exercise of rights connected with participation in a legal person, performance of the functions of a member of a legal person’s body, performance of tasks within the scope of the legal person’s activities, in its interest, on its behalf or on its account, administration of a trust fund, volunteer activity, professional practice, internship, or exercise of rights and obligations arising from a contract the subject of which is the provision of supplies, services, construction work or other similar performance. Work or other similar activity includes applying for a work or other similar activity;

- c. **“Authorised person”** – the person designated by the Employer in Article I, paragraph 1.4. of this Internal Regulation;

- d. **“Whistleblower”** – a natural person who has reported a possible infringement;

- e. **“Jointly protected person”** – means a person who, together with a whistleblower, may not be subjected to retaliation, and means:
 - i. a person who has provided assistance in ascertaining the information contained in the whistleblowing notification, filing the notification or assessing its validity,
 - ii. a person who is close to the whistleblower,
 - iii. a person who is an employee or colleague of the whistleblower,
 - iv. a person controlled by the whistleblower,

- v. a legal person in which the whistleblower has an interest, a person controlling it, a person controlled by it or a person controlled by the same controlling person as the legal person,
 - vi. a legal person of which the whistleblower is a member of an elected body, a controlling person, a controlled person or a person controlled by the same controlling person,
 - vii. a person for whom the whistleblower performs work or other similar activity, or
 - viii. a trust of which the whistleblower or a legal person referred to in (v) or (vi) is a settlor or a defendant or in relation to which the whistleblower or a legal person referred to in (v) or (vi) is a person who substantially increases the assets of the trust by contract or by acquisition in the event of death;
- f. **“Retaliation”** – an act or omission in connection with the whistleblower’s work or other similar activity that is triggered by the making of a whistleblowing notification and that may cause harm to the whistleblower or a jointly protected person; where these conditions are met, retaliation includes, but is not limited to
- i. termination of employment relationship or non-renewal of fixed-term employment relationship,
 - ii. exemption from service, out-of-service assignment or termination of service,
 - iii. termination of a legal relationship based on an agreement to perform work or an agreement to work,
 - iv. removal from the position of senior staff member or from a superior position,
 - v. imposition of a disciplinary measure or disciplinary penalty,
 - vi. a reduction in salary, wages or remuneration or non-award of a personal allowance,
 - vii. transfer or reassignment to another job or job position,
 - viii. service appraisal or performance review,
 - ix. not allowing professional development,
 - x. change of working or service hours,
 - xi. requiring a medical report or an occupational health examination,
 - xii. notice or withdrawal from a contract, or
 - xiii. interference with the right to protection of personal rights;
- g. **“Ministry”** – Ministry of Justice, Reg. No.: 000 25 429, with its registered office at Vyšehradská 427/16, 120 00 Prague 2.

III.

Whistleblowing Notification and Following Procedure

III.1. Method of Submitting and Receiving Whistleblowing Notifications

- 3.1. A whistleblower is entitled to submit a whistleblowing notification to the Ministry and/or to the relevant person orally or in writing via the internal notification system set up by the Employer. If a whistleblower so requests, the authorised person is required to receive the notification personally within a reasonable time, but no later than 14 days from the date on which the whistleblower so requests.
- 3.2. A whistleblower who submits a whistleblowing notification in writing may do so:
- by sending it through the postal service provider to the address for delivery to the authorised person,

- by electronic communication (e-mail), or
- by dropping it in a box set up by the Employer.

3.3. Whistleblowers may publish the information that constitutes the content of the whistleblowing notification if:

- they have submitted their notification through the internal notification system and to the Ministry or directly to the Ministry and no appropriate action has been taken within the specified time limits, in particular, the authorised person has not assessed the validity of the notification, the obliged entity has not taken other appropriate action to prevent or remedy the unlawful condition, or an employee of the Ministry has not assessed the notification,
- they have reasonable grounds to believe that the infringement referred to in the notification may lead to an imminent or obvious threat to internal order or security, life or health, the environment or other public interest, or to irreparable harm; or
- they have reasonable cause to believe that, if a notification is made to the Ministry, there is an increased risk, given the circumstances of the case, that they or a jointly protected person will be subject to retaliation or that the Ministry's authority is at risk.

3.4. The authorised person will notify a whistleblower in writing of the receipt of a whistleblowing notification under this Internal Regulation within 7 days of its receipt, unless:

- the whistleblower expressly requests the authorised person not to notify him/her of the receipt of the notification, or
- it is clear that the notification of the receipt of the whistleblowing notification would reveal the identity of the whistleblower to another person.

3.5. The whistleblower is entitled to submit a notification anonymously.

III.2. Assessment of Validity of Whistleblowing Notification

3.6. The authorised person will assess the validity of a whistleblowing notification and inform a whistleblower in writing of the results of the assessment within 30 days of receipt of the notification. In factually or legally complex cases, this period may be extended by up to 30 days, but not more than twice. The authorised person is required to inform a whistleblower in writing of an extension of the deadline and the reasons for it before its expiry, unless:

- the whistleblower expressly requests the authorised person not to notify him/her of the receipt of the notification, or
- it is clear that the notification of receipt of the whistleblowing notification would reveal the identity of the whistleblower.

3.7. If the authorised person finds that the whistleblowing notification:

- **is justified**, he/she will propose to the Employer measures to prevent or remedy the infringement,
- **is unjustified**, he/she will without undue delay inform the whistleblower in writing that, on the basis of the facts set out in the notification and all the circumstances known to it, he/she does not suspect that an infringement has been committed, or that the notification is based on false information. He/she will then inform the whistleblower of the right to lodge a complaint with a public authority; or
- **is not a whistleblowing notification** under the legislation, he/she will inform the whistleblower in writing without undue delay.

III.3. Taking Appropriate Measures

- 3.8. If a whistleblowing notification is found to be justified, the authorised person will propose appropriate measures to the Employer to prevent or remedy an infringement, which the Employer will adopt or take other appropriate measures.
- 3.9. The Employer will immediately inform the authorised person of the measures taken, and the authorised person will inform the whistleblower about them in writing without undue delay, unless:
- the whistleblower expressly requests the authorised person not to notify him/her of the receipt of the notification, or
 - it is clear that the notification of receipt of the whistleblowing notification would reveal the identity of the whistleblower.

III.4. Rules for Provision of Data

- 3.10. The authorised person will not be entitled to provide information that could defeat or undermine the purpose of the whistleblowing notification.
- 3.11. Information on the whistleblower's identity and the jointly protected person may be provided only with their written consent, unless the authorised person is required to provide such information to the authorised public authorities under other legislation. This also applies to information about the identity of any person named in the notification.

IV.

Recording, Record Keeping and Retention of Notifications

IV.1. Recording of Oral Notifications

- 4.1. In the case of an oral whistleblowing notification, an audio recording (if the whistleblower agrees) or a transcript will be made. The authorised person will give the whistleblower the opportunity to comment on the transcript. The whistleblower's comment will be attached to the transcript.
- 4.2. Unless the whistleblower consents to the making of the audio recording or transcript, the authorised person may not make it. In such a case, the authorised person will draw up a record that faithfully captures the substance of the oral notification. The authorised person will give the whistleblower the opportunity to comment on the record. The whistleblower's comment will be attached to the record. A similar procedure will be followed if it is not technically possible to make an audio recording of the oral notification.

IV.2. Record Keeping and Retention of Notifications

- 4.3. The authorised person will keep an electronic record of the data on the whistleblowing notifications received, in the following extent:
- date of receipt of the whistleblowing notification,

- name, surname, date of birth and contact address of the whistleblower, or other information from which the identity of the whistleblower can be inferred, if such information is known to the whistleblower,
 - summary of the contents of the whistleblowing notification and identification of the person against whom the notification was directed, if known, and
 - date of completion of the assessment of the justification of the notification and the outcome.
- 4.4. Whistleblowing notifications to the above extent, together with the related documents, will be recorded for a period of 5 years from the date of their receipt, with access to this record only by the authorised person.

V.

Whistleblower Offences

- 5.1. For a knowingly false whistleblowing notification, the whistleblower can be fined up to CZK 50,000.

VI.

Final Provisions

- 6.1. This Internal Regulation is issued for an indefinite period of time and takes effect on 1 December 2023.
- 6.2. This Internal Regulation may be amended by the Employer at any time by issuing a new complete version at least 1 calendar week before the amendment takes effect.
- 6.3. All employees of the Employer will be familiar with this regulation and properly trained on its principles and application.
- 6.4. This Internal Regulation is also published in the Employer's usual system for internal regulations.

In Mikulovice on 30/11/2023