

Company
SAB servis s.r.o.
Title of the Internal Regulation
Whistleblower Protection

Code of the Internal Regulation	VP 17	Classification of the Internal Regulation	Internal Regulation
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The Internal Regulation is binding for:
For all workers of SAB servis s.r.o. and persons with a contractual relationship with SAB servis s.r.o. on the basis of which they provide or participate in the provision of services of SAB servis s.r.o.

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Position of the Owner of the Internal Regulation		Owner of the Internal Regulation			
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Compliance					

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1. Part – Introduction

1.1 Purpose and objective of the Internal Regulation

This Internal Regulation governs the SAB internal reporting system that enables employees and other cooperating persons to anonymously report possible illegal conduct within the meaning of Section 21(6)(b) of Act No. 253/2008 Coll., on certain measures against the legalization of proceeds from criminal activity and the financing of terrorism, and Act No. 171/2023 Coll., on the protection of whistleblowers.

1.2 Explanation of terms and list of abbreviations used

1. **SAB** – SAB servis s.r.o.
2. **AML Act** – Act No. 253/2008 Coll., on certain measures against the legalization of proceeds from criminal activity and the financing of terrorism
3. **Anonymous report** – a report that does not contain the name, surname, date of birth or other information from which the identity of the reporting person can be deduced
4. **Supervisory authority** – pursuant to the AML Act, the Czech National Bank and the Financial Analytical Office, and pursuant to the ZOO, the Ministry of Justice, if the ZOO applies
5. **Report** – a report pursuant to Section 2 of the ZOO and Section 21(6)(b) of the AML Act (as amended in this internal regulation in Section [2.3 below](#))
6. **Reporting person** – a person who submits a report within the meaning of this Internal Regulation; this is a worker
7. **Worker** – an employee, member of a statutory body or proxy, as well as a member of a committee or other person who is elected, appointed or otherwise called to a position in the company;
for the purposes of this Internal Regulation only, the following are also referred to as workers:
 - Advisors (i.e., both SAB workers providing financial services to customers and natural persons who are VZ, VZ workers or members of the statutory body of VZ, if VZ is a legal entity);
 - Persons exercising rights associated with participation as a legal entity (stockholders/shareholders);
 - Persons performing professional internships or volunteer work;
 - Job applicants;
 - Other persons who perform activities in the interest, on behalf or for the account of the company; and
 - Contractual external SAB service providers
8. **Competent person** – a person within the meaning of Section 10 of the ZOO (defined in this Internal Regulation in Section [2.2 below](#))
9. **Bound representative - VZ** – a person who can act on behalf of customers and is registered in the SAB VZ register
10. **VP** – Internal Regulation
11. **ZOO** – Act No. 171/2023 Coll., on the protection of whistleblowers

1.3 Related internal regulations

VP 01 Organizational Rules

2. Part – Implementation Section

2.1 Internal reporting system

2.1.1 Basic principles

SAB has established an internal reporting system that allows whistleblowers to anonymously report possible illegal conduct through this system. SAB has therefore appointed a competent person to receive and handle such reports. The competent person shall be provided with all necessary resources to receive such reports and to assess and evaluate them independently and objectively. It is guaranteed that the competent person will be independent in order to assess and evaluate reports objectively and that whistleblowers will be protected in accordance with this internal regulation.

The competent person shall notify the whistleblower of the receipt of the report, investigate the matter, and impartially assess the validity of the report. The competent person shall then inform the whistleblower of the results of the assessment of the validity of the report and of the appropriate measures taken to remedy or prevent the unlawful situation in connection with the report. However, the competent person shall not contact the reporting person if the circumstances specified in Section [2.4 below](#) apply.

SAB shall ensure that appropriate measures are taken to remedy or prevent the unlawful situation in connection with the report.

2.1.2 Information on the existence of an internal reporting system

SAB shall make the following information available electronically on the Internet to all persons who are authorized to submit reports:

- a. The possibility of reporting possible illegal conduct;
- b. The methods of submitting reports (including the possibility of anonymous reporting);
- c. The person responsible for receiving and evaluating reports, including their contact details:
 - o Telephone number,
 - o Email address,
 - o Postal address for the delivery of written documents;
- d. Information on the rights and obligations of reporting persons, including the nature of their protection;
- e. The procedure to be followed after a report is made.

2.1.3 Prohibition on disclosure of information

SAB shall ensure that only the relevant person may access the reports submitted. The competent person shall not disclose any information that could frustrate or jeopardize the purpose of the report.

Information about the identity of the reporting person may only be disclosed with their prior express written consent and after they have been informed of the consequences of giving their consent, unless the competent person is required to disclose such information to public authorities under applicable law.

If the competent person provides information about the identity of the whistleblower to a public authority, they shall inform the whistleblower in advance. In this notification, they shall state the reasons for the obligation to provide the identity information and allow the whistleblower to comment on the provision of the information.

2.1.4 Records and storing reports

The competent person has to keep an electronic record of the reports they get, including:

- a. The date the report was received;
- b. The first name, last name, date of birth, and contact address of the reporting person, or other information from which the identity of the reporting person can be deduced, if such information is known (however, the report may be anonymous – in which case the competent person shall indicate this in the records);
- c. A summary of the content of the report and the identity of the person against whom the report was made, if known;
- d. The date of completion of the assessment of the merits of the report by the competent person and the outcome of the assessment.

Only the competent person shall have access to this record, the reports and related documentation.

The competent person shall be obliged to keep reports submitted through the internal reporting system and documents related to the report for a minimum of 10 years from the date of receipt of the report.

2.2 Competent person

2.2.1 Who can be a competent person

A competent person can only be a natural person who is a worker, has a clean criminal record, is of legal age, and has full legal capacity.

A person is considered to have a clean criminal record if they have not been:

- a. Convicted of an intentional criminal offense for which the Criminal Code provides for a prison sentence of more than two years, or for a criminal offense committed in connection with the performance of work or other similar activities, unless their conviction for these criminal offenses has been expunged or they are considered for other reasons as if they had not been convicted;

Proof:

Proof shall be provided by an extract from the Criminal Register, which must not be older than 3 months.

A person who is not a citizen of the Czech Republic shall prove their integrity by a similar document certifying their integrity, which must not be older than 3 months. This document must be issued by the country of which the person is a citizen or by the country where the person has resided continuously for more than 6 months in the last 3 years.

If this country does not issue such a document, integrity shall be proven by a written affidavit.

- b. In the last 5 years, they have been found guilty of an offense under Section 24(1) of the ZOO (i.e., breach of the obligations of the competent person).

Proof:

This shall be certified by an affidavit, which shall form part of the document authorizing and instructing the competent person pursuant to Article [2.2.2](#) below.

If the competent person ceases to meet the integrity requirement specified above, they shall notify SAB immediately (i.e., no later than 10 days from the date on which this occurred).

If SAB becomes aware that the competent person no longer meets the integrity requirement, it shall revoke the authorization of that person without undue delay. If, as a result, SAB has no other competent person, it shall designate another competent person at the same time.

SAB is responsible for ensuring that the competent person meets the requirements set out in this Internal Regulation.

2.2.2 Appointment of the competent person

SAB appointed the competent person designated by the Organisational Rules.

SAB is responsible for appointing a suitable person who meets the requirements set out in Article [2.2.1](#) above.

Upon appointment, the competent person shall sign a statement on the rights and obligations arising for them from this Internal Regulation, or from the ZOO and AML Act.

2.2.3 Activity of the competent person

The competent person:

- a. Receives and assesses the validity of reports submitted through the internal reporting system;
- b. Proposes measures to remedy or prevent the unlawful situation in response to the report, unless this would result in the disclosure of the identity of the reporting person;
- c. Follows instructions, unless they jeopardize or frustrate the performance of their duties under this Internal Regulation;
- d. Acts impartially in the performance of their duties under this Internal Regulation;
- e. Maintains confidentiality regarding facts that come to their knowledge in the performance of their duties under this Internal Regulation, even after the termination of their duties.

The competent person shall not be penalized for the proper performance of their activities under this Internal Regulation.

2.3 Reports

2.3.1 Form of reports

Reports may be submitted:

- a. In writing (electronically or to the company's registered office);
- b. Verbally; or

- c. At the request of the reporting person, in person.

Reports may be anonymous. If the reporting person so decides, they may provide information from which their identity can be inferred, but they are not obliged to do so.

At the request of the reporting person, the competent person is obliged to accept the report in person no later than 14 days from the date on which the reporting person requested this.

An audio recording or transcript that faithfully captures the essence of the oral report shall be made of the oral report. An audio recording of an oral report may only be made with the consent of the reporting person. The competent person shall allow the reporting person to comment on this recording or transcript of the audio recording. The reporting person's comments shall be attached to the recording or transcript.

2.3.2 Unlawful conduct

The report contains information about possible unlawful conduct that has occurred or is about to occur on the part of a person for whom the reporting person, even indirectly, has performed or is performing work or other similar activities, or on the part of a person with whom the reporting person has been or is in contact in connection with the performance of work or other similar activities, and which

- a. Has the characteristics of a criminal offence;
- b. Has the characteristics of an offence for which the maximum fine is at least CZK 100,000;
- c. Violates the ZOO or AML Act; or
- d. Violates another legal regulation or European Union regulation in the area of:
 - o Financial services, statutory audit and other assurance services, financial products and financial markets;
 - o Corporate income tax;
 - o AML (prevention of money laundering and terrorist financing);
 - o Consumer protection;
 - o Compliance with product requirements, including safety;
 - o Safety of transport, transport operations and road traffic;
 - o Environmental protection;
 - o Food and feed safety and animal health and welfare;
 - o Radiation protection and nuclear safety;
 - o Competition, public auctions and public procurement;
 - o Protection of internal order and security, life and health;
 - o Protection of personal data, privacy and security of electronic communications networks and information systems;
 - o Protection of the financial interests of the European Union; or
 - o The functioning of the internal market, including the protection of competition and state aid in accordance with European Union law.

2.3.3 Information not considered part of the report

The following information is not considered part of the report:

- a. Information of which disclosure could directly threaten the essential security interests of the Czech Republic;
- b. On the activities of the intelligence services of the Czech Republic; or
- c. Of which disclosure would constitute a breach of the duty of confidentiality of clergy in connection with the exercise of the seal of confession or a right similar to the seal of confession.

2.4 Procedure after the report

The competent person shall inform the reporting person in writing (electronically) of the receipt of the report within 7 days of its receipt.

The competent person shall assess the merits of the report and inform the reporting person in writing (electronically) of the results of the assessment within 30 days of the date of receipt of the report. In factually or legally complex cases, this period may be extended by up to 30 days, but no more than twice. The competent person is obliged to inform the reporting person in writing of the extension and the reasons for it before its expiry.

The reporting person is not informed of the receipt of the report and/or the results of its assessment if:

- a. The reporting person has expressly requested the competent person not to inform them of the receipt of the report; or
- b. It is clear that informing the reporting person of the receipt of the report would reveal their identity to another person.

If, when assessing the merits of the report, the competent person finds that the report does not fall within the scope of this Internal Regulation, they shall inform the reporting person in writing without undue delay.

If the report is assessed as justified, the competent person shall propose to SAB measures to prevent or remedy the unlawful situation. If the report is submitted to a SAB competent person for whom the reporting person does not perform work or other similar activities, the competent person shall propose corrective measures to the person for whom the reporting person performs work or other similar activities, unless the nature of the matter precludes this. If the measures proposed by the competent person are not accepted by SAB, other appropriate measures shall be taken to prevent or remedy the unlawful situation. This shall not apply if the measures are proposed to a person other than SAB that designated this person. SAB shall immediately notify the competent person of the measure taken, who shall inform the reporting person in writing without undue delay (unless circumstances prevent the reporting person from being informed as specified above).

If the report is not assessed as justified, the competent person shall, without undue delay, inform the reporting person in writing (electronically) that, based on the facts stated in the report and the circumstances known to them, they have not found any suspicion of unlawful conduct; or that it has found that the report is based on false information, and shall inform the reporting person of their right to file a report with a public authority.

2.5 Protection of the whistleblower

A reporting person is entitled to protection if:

- a. They have submitted the report through the internal reporting system (or to a supervisory authority); and
- b. They have reasonable grounds to believe that the unlawful conduct reported may lead to an immediate or apparent threat to internal order, safety, life, health, the environment or other public interests and/or to irreparable damage.

This is known as a **justified report**, which guarantees the whistleblower anonymity and protection against retaliation.

However, the whistleblower is not entitled to protection (i.e., anonymity and protection against retaliation) if they have made a **knowingly false report**. A knowingly false report is a report where the whistleblower had no legitimate reason to believe that their report was based on true information.

2.5.1 Retaliatory measures

Retaliatory measures are actions (or omissions) in connection with the work or other activities of the whistleblower that were triggered by the submission of a report and that may cause harm to the whistleblower.

Retaliatory measures include, in particular:

- a. Termination of employment or non-renewal of a fixed-term employment contract;
- b. Termination of a legal relationship established by an agreement on the performance of work or an agreement on work activity;
- c. Dismissal from a managerial position;
- d. Imposition of a disciplinary measure or disciplinary punishment;
- e. Reduction of wages, salary, remuneration or non-granting of personal allowances or bonuses;
- f. Transfer or reassignment to other work;
- g. Work assessment or evaluation;
- h. Denial of professional development;
- i. Change in working hours;
- j. Requirement of a medical examination or occupational health examination;
- k. Termination or withdrawal from the contract; or
- l. Interference with the right to protection of personality.

The whistleblower or the following persons may not be subject to retaliatory measures:

- a. A person who provided assistance in obtaining information contained in the report, in submitting the report, or in assessing its merits;
- b. A person who is close to the whistleblower;
- c. A person who is an employee or colleague of the whistleblower;
- d. A person controlled by the whistleblower;
- e. A legal entity 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 that legal entity;
- f. A legal entity of which the reporting person is a member of the elected body, a controlling person, a controlled person or a person controlled by the same controlling person;
- g. A person for whom the reporting person performs work or other similar activities; or

- h. A trust of which the reporting person or a legal entity under letter e) or f) above is the founder or beneficiary, or in relation to which the reporting person or a legal entity under letter e) or f) is a person who will significantly increase the assets of the trust by contract or by disposition in the event of death.

In the case of anonymous reports, the whistleblower and the persons mentioned above shall be protected from the moment their identity becomes known to anyone who could expose them to retaliation. The person for whom the whistleblower performs work or other similar activities shall not allow the whistleblower or the persons mentioned above to be exposed to retaliation.

A person who may not be subjected to retaliatory measures is entitled to adequate satisfaction if the retaliatory measures caused them non-pecuniary damage.

The right to protection against retaliatory measures cannot be waived.

3. Part – Final provisions

This Internal Regulation is adopted with validity from 01.08.2023 and enters into force on 01.08.2023.