



Regulation for the Protection of Whistleblowers



REGULATION FOR THE PROTECTION OF WHISTLEBLOWERS

ARETE Group

Regulation for the Protection of Whistleblowers (the "**Regulation**") of the ARETE Group ("**ARETE**") with its registered office at náměstí 14. října 642/17, Smíchov, 150 00 Praha 5, regulates the procedure for submitting and assessing reports of illegal activities through the internal whistleblowing system and other legal methods and ensuring the necessary protection of the Whistleblower.

Target

In particular, the Regulation aims to establish a secure and confidential environment for Whistleblowers to come forward with information on any misconduct without the fear of facing retaliation from management or others responsible for the wrongdoing. Whistleblower protection also seeks to promote transparency, ethical behaviour, and fairness.

Reports under this Regulation may be submitted via:

- a) internal reporting system (available 24 hours 7 days a week):
oznameni@arete.eu
- b) external reporting system:
 - Ministry of Justice, Vyšehradská 16, 128 10 Prague 2
 - oznamovatel@msp.justice.cz
 - tel.: 221 997 840
 - via the form of the Ministry of Justice I want to submit a Report - public - Whistleblower (justice.cz)

Effectiveness

The regulation is effective from 1 January 2023, in the current version as of 30 May 2025.

PART ONE
INTRODUCTORY PROVISIONS

Article 1

Subject of Regulation

This regulation governs

- a) the jurisdiction, status, powers, and duties of the person designated in ARETE to receive and handle reports of potential illegal activities under the Whistleblower Protection Act ("**Designated Person**"),
- b) the rights and responsibilities of the person who is subject of a report regarding a potential illegal activity under the Whistleblower Protection Act ("**Report**") is directed ("**Affected Person**"); and
- c) the duties of the statutory bodies, supervisors, and other individuals designated and/or present when receiving and handling Reports ("**Person Involved in the Investigation**").

Article 2

Jurisdiction and Competence

- (1) The Designated Person shall receive, and handle reports submitted by a person in ARETE ("**Whistleblower**").
- (2) The Report contains information about a possible illegal activity that has occurred or is about to occur in ARETE (or in any entity within the Group) or in a person with whom the Whistleblower has been or is in contact in connection with the provision of services, employment or other forms of cooperation, and which
 - a) has the elements of a crime,
 - b) has the characteristics of a misdemeanour for which the law sets a fine of at least CZK 100,000,
 - c) violates the Whistleblower Protection Act or
 - d) infringes another legal regulation or regulation of the European Union in the field of
 - 1. financial services, due diligence and other assurance services, financial products, and financial markets,
 - 2. corporate income tax,
 - 3. prevention of money laundering and terrorist financing,
 - 4. consumer protection,
 - 5. compliance with product requirements, including product safety,
 - 6. safety of transport, transportation, and traffic on roads,
 - 7. environmental protection,
 - 8. food and feed safety and animal health,
 - 9. radiation protection and nuclear safety,
 - 10. competition, public auctions, and public procurement,
 - 11. protection of internal order and security, life and health,
 - 12. protection of personal data, privacy, and security of electronic communications networks and information systems,
 - 13. protection of the financial interests of the European Union¹⁾, or

¹⁾ Article 325 of the Treaty on the Functioning of the European Union.

14. the functioning of the internal market²⁾, including the protection of competition and state aid under European Union law.
- (3) The Report shall contain the name, surname, and date of birth or other information that can identify the Whistleblower; the information concerning the identity of the Whistleblower shall be presumed to be true. The Report need not contain the particulars referred to in the first sentence if it is made by a person whose identity is known to the Designated Person.
- (4) A Report under paragraph 1 shall not be deemed to be a part of a Report containing:
- a) information that, if disclosed, could pose an immediate threat to
 - 1. the sovereignty, territorial integrity and democratic foundations of the Czech Republic,
 - 2. internal order and security,
 - 3. the lives and health of persons on a larger scale,
 - 4. the protection of information on public contracts related to defence or security, unless the award of such contracts is governed by a European Union regulation³,
 - 5. meeting international defence commitments,
 - 6. significant security operations,
 - 7. the combat capability of the Armed Forces of the Czech Republic, or
 - b) information on the activities of the intelligence services of the Czech Republic,
 - c) the disclosure of which would constitute a breach of the duty of clerical confidentiality in connection with the exercise of confidentiality or a similar right⁴⁾.

Article 3

Status of the Designated Person

- (1) The position, knowledge, skills, abilities and qualities of the Designated Person must not give rise to any doubt that he or she is acting properly and impartially.
- (2) The Designated Person shall not receive instructions or have their activities otherwise influenced in a manner that would hinder or jeopardize their proper performance. The oversight of the Designated Person's proper performance by a superior officer or manager does not affect the requirement of impartiality and confidentiality regarding information related to the Report under this internal regulation, as stated in the first sentence.
- (3) The Designated Person shall promptly forward the Report to another Designated Person if there are reasonable doubts about their impartiality due to their relationship with the Whistleblower or the information contained in the Report.

²⁾ Article 26(1) and (2) of the Treaty on the Functioning of the European Union.

³⁾ For example, Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of certain contracts for works, supplies and services by contracting authorities or entities in the fields of defense and security and amending Directives 2004/17/EC and 2004/18/EC.

⁴⁾ § Section 7(1)(e) of Act No.3/2002 Coll., on Freedom of Religion and the Status of Churches and Religious Societies and on Amendments to Certain Acts (Churches and Religious Societies Act), as amended.

- (4) If the Report cannot be forwarded to another Designated Person for handling, the Designated Person shall inform the Whistleblower of this fact and of their right to submit the Report through the external reporting system under the Ministry of Justice.

PART TWO
RECEIVING AND HANDLING REPORTS

Article 4

Receiving Reports

The Designated Person shall receive the Report in writing, orally, by telephone, or through a voice messaging system. At the request of the Whistleblower, the Designated Person shall receive the Report in person within a reasonable period, but no later than 14 days from the date of the request. If the time limit cannot be met due to circumstances on the part of the Whistleblower, the Designated Person shall note this fact in the file.

Article 5

Handling Reports

- (1) The Designated Person shall inform the Whistleblower in writing upon receiving the Report without any delay, and no later than 7 days from the date of receipt of the Report. The first sentence shall not apply if the Designated Person is not known to the Whistleblower, and if it is clear that such action would reveal the Whistleblower's identity, or if the Whistleblower has requested not to be notified.
- (2) The Designated Person shall assess the validity of the information contained in the Report and shall inform the Whistleblower in writing of the assessment results within 30 days from the date of receipt of the Report. In cases of factual or legal complexity, this period may be extended by up to 30 days, but not more than twice. The Designated Person shall inform the Whistleblower in writing of the extension of the time limit and the reasons for it before the expiry of the time limit. The second sentence of paragraph 1 shall apply accordingly.
- (3) If the Report does not contain all the necessary information or data, the Designated Person shall invite the Whistleblower to complete it.
- (4) Suppose the assessment of reasonableness reveals any illegal activity pursuant to Article 2(2), the Designated Person shall inform the Whistleblower within the specified time limit referred to in paragraph 2 of the right to submit a Report to the Ministry of Justice and the designated public authority.
- (5) Where a possible illegal activity has been identified during the assessment of reasonableness, the Designated Person shall, as much as possible, keep the identity of the Whistleblower and other individuals confidential, as referred to in Article 8(2)(a) to (h), and without undue delay propose to the relevant entity within ARETE any measures to prevent or remedy the unlawful state.
- (6) The Designated Person shall inform the Whistleblower in writing of the outcome of each stage of the Report immediately after it has been completed, but no later than 90 days from receipt. In addition to informing about the assessment of the information's reasonableness contained in the Report, it shall inform of
- a) the protection of the Whistleblower as per the Report,
 - b) identified illegal activity,
 - c) the proposed preventive or corrective measures and the reasons for their proposal,

- d) the preventive or corrective measures taken and their justification, if such measures were taken within the time frame stipulated in this paragraph, and
 - e) any other methods for resolving the Report.
- (7) If the Report intended to be received and handled by the Designated Person is received by another person within ARETE, it must be promptly forwarded to the Designated Person in a manner that ensures the confidentiality of the Report's content and the identity of the Whistleblower. All information related to such a Report must also be erased from the document records and the file, if possible.
- (8) If the Designated Person receives a submission that they are not designated to receive, they shall immediately forward it to the designated authority in ARETE. Before forwarding the submission, the Designated Person shall inform the submitter that the submission is not a Report under the Whistleblower Protection Act and that the provisions do not apply. The Designated Person shall disqualify or otherwise conceal information and personal data from which the identity of the submitter can be inferred unless the submitter consents to the forwarding of such information and data.
- (9) This regulation does not affect the obligation under Section 8(1) of the Criminal Procedure Code and Section 73 of the Act on Liability for Offences and Proceedings Thereof⁵.

Article 6

Recording and Storage of Reports

- (1) The Designated Person shall keep an electronic record of the following information on Reports received, to the extent of
- a) date of receipt of the Report,
 - b) name, surname, date of birth, and contact address of the Whistleblower, or other information that may reveal the Whistleblower's identity if known to the Whistleblower,
 - c) summary of the Report's content and identification of the Affected Person, if known,
 - d) date of completion of the assessment of the Report's validity by the Designated Person and its outcome,
 - e) preventive or corrective measures proposed and implemented.
- (2) The Designated Person shall retain the Report and the related documents for 5 years from the date of receipt of the Report.
- (3) Only the Designated Person shall have access to the records referred to in paragraph 1 and to the Reports and documents kept pursuant to paragraph 2.

⁵ Act No. 250/2016 Coll., on Liability for Offences and Proceedings Thereof, as amended.

Article 7

Processing of Personal Data

- (1) The obligation to conduct a data protection impact assessment does not apply to the processing of personal data in connection with a Report.
- (2) Personal data concerning the Report is processed based on Article 6(1)(c) of the General Data Protection Regulation⁶ ("GDPR").
- (3) Special categories of personal data as outlined in Article 9(1) of the GDPR may be processed along with the Report based on Article 9(2)(e), (f), or (g) of the GDPR.
- (4) The information obligation under Articles 13 and 14 of the GDPR must be fulfilled while maintaining confidentiality under this Internal Regulation.
- (5) The exercise of the right of access to personal data under Article 15 of the GDPR may be granted to the data subject in accordance with Article 23 of the GDPR only on the condition that the confidentiality of the Whistleblower's identity and other individuals mentioned in the Report is preserved.
- (6) A request for access to personal data related to the Report shall be forwarded by the person responsible for handling data protection matters to the Designated Person for processing.
- (7) If the Designated Person determines that no information is held in connection with the Report or that an exemption from the obligation to provide such information applies, the request shall be deferred without further action.
- (8) The obligation to notify a personal data breach to the data subject, while maintaining confidentiality under this Internal Regulation, shall also apply to the Designated Person.

PART THREE

PROTECTION FROM RETALIATORY MEASURES AND THE RIGHTS AND OBLIGATIONS OF DESIGNATED PERSON AND OTHER PERSONS

Article 8

Protection of the Whistleblower and Other Persons

- (1) A retaliatory measure refers to an act or omission related to the work or other similar activities of a Whistleblower as described in sections 2(3) and (4) of the Whistleblower Protection Act, which was triggered by the filing of a Report and is likely to cause harm to the Whistleblower or to a person referred to in paragraph 2(a) to (h); where these conditions are met, a retaliatory measure is in particular
 - a) termination of the employment contract or non-renewal of a fixed-term employment contract,
 - b) termination of a legal relationship established by an agreement for work performance or an agreement on work activities,
 - c) removal from the post of senior staff member,
 - d) a reduction in salary, wages or remuneration or the non-award of a personal allowance,
 - e) transfer or reassignment,
 - f) work report,

⁶ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

- g) not allowing professional development,
- h) change of working hours,
- i) requiring a medical report or an occupational health examination,
- j) notice or withdrawal from the contract, or
- k) interference with the right to protection of personality.

(2) Neither the Whistleblower nor the following persons shall be subject to a retaliatory measure

- a) a person who has provided assistance in obtaining the information contained in the Report, filing the Report or assessing its validity,
- b) a close relative to the Whistleblower,
- c) an employee or colleague of the Whistleblower,
- d) a person controlled by the Whistleblower,
- e) a legal person in which the Whistleblower has an interest, a controlling person of that person, a controlled person, or a person who is controlled by the same controlling person as that legal person,
- f) 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,
- g) the person for whom the Whistleblower performs work or other similar activities pursuant to Section 2(3) and (4) of the Whistleblower Protection Act, or
- h) a trust fund of which the Whistleblower or a legal entity under points e) or f) is a founder or beneficiary, or concerning which the Whistleblower or a legal entity under points e) or f) is a person who significantly increases the assets of the trust fund through a contract or a disposition in case of death.

(3) Where the Whistleblower had reasonable grounds to believe that the Report is necessary to detect a breach pursuant to Article 2(2), the Report shall not be deemed to be a breach of banking secrecy, the contractual duty of confidentiality, the duty of confidentiality under the Tax Code or the duty of confidentiality under the legislation governing employment or other similar activities, except for the duty

- a) ensure the protection of classified information⁷ and information whose disclosure could jeopardize ongoing criminal proceedings or the protection of special information under the law governing crisis management⁸,
- b) confidentiality is required in the performance of the activities of a notary, notary candidate, and trainee notary, public prosecutor, assistant and legal examiner, advocate and junior lawyer, bailiff, bailiff candidate and trainee, judge, judge of the Constitutional Court, assistant judge, judicial candidate, and an employee of a notary, a bailiff, an advocate and an employee of a company through which an advocate practises law as a partner under the law regulating the practice of law, or of a similar foreign company, or of other person who participates in the provision of legal services within such a company,
- c) confidentiality when providing legal assistance in proceedings before a court or other public authority, or
- d) confidentiality in the provision of health services⁹.

(4) The Report and the actions of the Whistleblower or the person referred to in paragraph 2(a) to (h) relating to the discovery of information which subsequently becomes the subject of the Report shall not be considered a breach of a contractual or legal obligation, unless the conduct in connection to the discovery of such information constitutes a criminal offence; this shall not apply unless the Whistleblower or the

⁷ Act No. 412/2005 Coll., on the Protection of Classified Information and Security Clearance, as amended.

⁸ Act No. 240/2000 Coll., on Crisis Management and on Amendments to Certain Acts (Crisis Act), as amended.

⁹ Act No. 372/2011 Coll., on health services and conditions of their provision (Health Services Act), as amended.

person mentioned in paragraph 2(a) to (h) had reasonable grounds for believing that the Report was necessary to disclose the breach referred to in Article 2(2). This is without prejudice to paragraph 3.

Article 9

Authorisation of the Designated Person

- (1) In assessing the accuracy of the Report, the Designated Person shall be entitled to
 - a) require proof of the identity of the Affected Person or the Person Involved in the Investigation,
 - b) require the disclosure of data and the production or access to documents, audiovisual and digital recordings, and other items that may be relevant to the Report,
 - c) create electronic images, extracts, copies or copies of documents produced or made available,
 - d) make copies of audiovisual and digital recordings submitted or made available,
 - e) to make an audio or visual recording of their oral speech with the consent of the Affected Person or a Person Involved in the Investigation,
 - f) enter any premises in ARETE that may be related to the Report.
- (2) In the course of the investigation, the Designated Person is further entitled to request an oral explanation from the Affected Person or from the Person Involved in the Investigation, which they may refuse to give; the Designated Person shall inform them of this fact. The Designated Person shall create a written record of the explanation or make an audio or visual recording. The Designated Person and the person in charge of explaining shall sign the record. This does not affect the obligation to maintain confidentiality under this internal regulation.
- (3) The Designated Person shall furthermore be entitled to request that the staff of any entity within ARETE provide a written professional opinion on the factual and legal issues related to the Report within a reasonable time; this does not affect the obligation of confidentiality under this internal regulation.

Article 10

Duties of the Designated Person

- (1) The Designated Person shall carry out his/her activities in person.
- (2) The Designated Person shall act impartially in the exercise of his/her activities.
- (3) The Designated Person shall maintain the confidentiality of the identity of the Whistleblower and of the person referred to in Article 8(2)(a) to (h), as well as of any information that could lead to the disclosure of their identity; this shall not apply if the Whistleblower or the person referred to in Article 8(2)(a) to (h) gives his or her written consent to a procedure that could jeopardise confidentiality. This does not affect Article 5(4).
- (4) The Designated Person may disclose the identity of the Affected Person to a wide range of other persons when it is necessary to properly investigate the information in the Report or to design and implement preventive or remedial action.
- (5) The Designated Person shall also maintain the confidentiality of information if its disclosure could frustrate or jeopardise the purpose of the reporting process, particularly the proper investigation of the information mentioned in the Report, and the prevention or rectification of illegal activities.

- (6) Information and personal data for which confidentiality is maintained is not provided by the Designated Person, even upon request under the Freedom of Information Act¹⁰.
- (7) The Designated Person shall submit a written report on their activities for the preceding calendar year to their immediate superior or immediate senior manager by 1 March of the following calendar year. Unless such a procedure would breach confidentiality, under this internal regulation, the report shall at least indicate
- a) the total number of Reports,
 - b) the number of Reports that have been forwarded to another Designated Person for investigation, including the reasons,
 - c) the number of Reports that have been forwarded to the designated public authority,
 - d) the number of ongoing investigations,
 - e) the number of completed investigations,
 - f) the number of Reports for which the information contained therein could not be investigated, including the reasons,
 - g) the number of Reports falling within the material scope of Article 2(2),
 - h) the number of Reports falling within the personal scope of Article 2(2) and
 - i) the deficiencies identified, the preventive or corrective measures proposed, and the preventive or corrective measures taken.

Article 11

Obligations of Other Persons

- (1) The Affected Person and the Person Involved in the Investigation shall be obliged to allow the Designated Person to exercise their authority, unless otherwise provided for in this Regulation.
- (2) Any person who gains access to protected information or personal data shall maintain confidentiality following this internal regulation.
- (3) The person who is directly superior to the relevant person shall publish the report according to Article 10(7) in a manner that allows remote access within 15 days from the date of its submission by the relevant Designated Person.

¹⁰ Act No. 106/1999 Coll., on free access to information, as amended.