

WHISTLEBLOWER PROTECTION RULES

Rules for the protection of whistleblowers in the Neterra Group of companies

effective from 17.12.2023.

GENERAL

These Rules regulate the procedure for filing whistleblowers and for the protection of persons who report breaches of the legislation of the Republic of Bulgaria and the law of the European Union - whistleblowers, in the structure of Neterra EOOD and its affiliated companies. The Rules have been adopted in accordance with [Directive \(EU\) 2019/1937 of the European Parliament and of the Council of 23.10.2019 on the protection of whistleblowers](#) and in accordance with the [Whistleblower Protection Act](#) (effective from 04.05.2023).

These Rules shall be approved by the employer.

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I. Concepts and definitions

1. For the purposes of these Rules, the following definitions shall apply:

(a) 'breaches' means acts or omissions that are unlawful and/or contrary to the material scope of - Section II and relate to Bulgarian or European Union legislation in the areas of: public procurement; financial services, products and markets and the prevention of money laundering and terrorist financing; product safety and compliance; transport safety; environmental protection; radiation protection and nuclear safety; food and feed safety, animal health and welfare; public health; consumer protection; protection of privacy

(b) 'information about breaches' means information, including reasonable suspicion, about actual or potential breaches that have occurred or is likely to occur within the structure of Neterra EOOD or its affiliate in which the whistleblower works or has worked, or in any other organisation with which the whistleblower is or has been in contact in the course of his or her employment, and about attempts to conceal breach;

(c) 'report' or 'whistleblowing' means the oral or written transmission of information about

breaches, including notification in the manner properly described in these Rules, of potentially unacceptable conduct observed by a person covered by Section III of these Rules, addressed to the person competent to review it;

(d) 'internal whistleblowing' means the reporting of information, either orally or in writing, of breach within Neterra EOOD or its affiliates;

(e) 'external whistleblowing' means the communication of information about infringements to the competent authorities, either orally or in writing;

(f) 'public disclosure' or 'to be made public' means the provision of information about infringements to an unlimited number of persons;

(g) 'whistleblower' means an individual who reports or publicly discloses information about infringements received in the context of his or her work-related activities;

(h) 'assistant' means an individual who assists a whistleblower in the whistleblowing process in a work context and whose assistance should be confidential;

(i) 'work context' means current or past work activities through which, regardless of their nature, individuals receive information about infringements and in relation to which those individuals may be subject to retaliation if they submit such information;

(k) 'person concerned' means a natural or legal person who is named in the report or public disclosure as the person to whom the infringement is attributed or with whom that person is associated;

(l) 'retaliation' means any direct or indirect act or omission that occurs in a work context, is triggered by an internal or external whistleblowing or public disclosure, and that causes, or is likely to cause, adverse consequences that harm the whistleblower and/or his or her associates;

(m) 'follow-up action' means any action taken by the person receiving the report or by a competent authority for the purpose of assessing the accuracy of the allegations made in the report and, as appropriate, for the purpose of dealing with the reported breach, including through actions such as internal enquiry, investigation, prosecution, action to secure funds or closure of the proceeding;

(n) 'feedback' means the provision of information to the whistleblower about the action that is intended to be, or has already been, taken as a follow-up and the reasons for that follow-up;

(o) 'competent authority' means any national authority designated to receive reports and to provide feedback to whistleblowers and/or designated to carry out the obligations laid down in the legislation in force, in particular as regards follow-up.

(p) 'line manager' means a person hierarchically superior to an employee in a structural unit;

(q) 'misconduct' means any act or omission in the course of employment which is detrimental or likely to be detrimental to the objectives or reputation of Neterra EOOD or its affiliated company, its employee(s), including conduct which is in breach of the law, an internal act of the Company or its associated persons;

(c) 'the Act' means the Whistleblower Protection or Whistleblower Public Disclosure Act, Pub. SG 11/02/2023, in force from 4/05/2023.

II. Material scope of rights breaches

2. These rules are intended to define standards for whistleblower protection in the following

areas:

- (a) public procurements;
- (b) financial services, products and markets and the prevention of money laundering and terrorist financing;
- (c) product safety and compliance;
- (d) transport safety;
- (e) environmental protection;
- (f) radiation protection and nuclear safety;
- (g) food and feed safety, animal health and animal welfare;
- (h) public health;
- (i) consumer protection;
- (k) the protection of privacy and personal data and the security of networks and information systems;
- (l) affecting financial interests - fraud and any other illegal activity affecting a material interest;
- (m) related to the EU internal market - free movement of goods, persons, services and capital, and internal market-related infringements in relation to acts that breach corporate tax rules or arrangements intended to obtain a tax advantage contrary to the object or purpose of the applicable corporate tax law.

2.1. These rules shall not apply to reports of breaches of: the rules for the award of public contracts in the field of defence and national security, where they fall within the scope of Article 346 of the [Treaty on the Functioning of the European Union](#); the protection of classified information within the meaning of Article 1, para. 3 of the [Protection of Classified Information Act](#); which have come to the knowledge of persons exercising a legal profession and who are under a statutory obligation of professional secrecy; the confidentiality of health information within the meaning of Article 27 of the [Health Act](#); the secrecy of judicial deliberations; the rules of criminal procedure.

III. Personal scope of whistleblowers

3. These rules target and concern the following individuals:

- a) employees in the structure of Neterra EOOD and its affiliated companies;
- b) employees of Neterra EOOD or its affiliated company with terminated employment at the date of the whistleblowing - in cases where they whistleblow on breaches that became known to them before the employment relationship was terminated;
- c) employees who are about to enter into an employment relationship with Neterra EOOD or its affiliated company - in case the information they report was obtained during the recruitment process or in other pre-contractual relationships;
- d) self-employed persons who are engaged in the activities of Neterra EOOD and/or its affiliated companies;
- e) persons working under the supervision and direction of contractors, subcontractors and suppliers who are in a legal relationship with Neterra EOOD and/or its affiliated companies;

(f) persons under the Whistleblower Protection Act who report or publicly disclose information about breaches.

3.1. In addition to the persons listed in Article 3. (a) to (f) of these Rules, the protection measures set out in these Rules also apply to the following categories of persons:

(a) assistants within the meaning of Art. 1. , б. "h" of these Rules;

(b) third parties who are related to the whistleblowers and who may be subject to retaliation in a work context, such as relatives of the whistleblowers;

(c) legal entities in which the whistleblower has a shareholding, for which it works or with which it is otherwise associated in a business context.

IV. Conditions for the protection of persons

4. Whistleblowers are entitled to protection under these Rules provided that they simultaneously:

(a) had reasonable grounds to believe that the information submitted about infringements was correct at the time of submission and that such information fell within the material scope of Art. 2.

(b) have made a report in accordance with the Rules and in accordance with the procedures set out in the Rules.

V. Reporting channel

5. Whistleblowers' reporting is done through an internal channel provided by Neterra EOOD and this ability to report does not restrict reporting through any other channel under the Act.

5.1. The competent authority for dealing with external whistleblowing is the Data Protection Commission.

5.2. The whistleblowing can be done through internal or external channels or both and through public disclosure as defined under the Act.

VI. Whistleblowing and follow-up procedures

6. Any person who falls within the scope of Art. 3. of these Rules shall have the right to blow the whistle and shall be a whistleblower.

6.1. The submission of the report shall be made by sending a written message to the following e-mail address: whistleblowing@neterra.net, in writing to the following address: 9 'Vitoshki kambani' str. 1766 Sofia, Kambanite Green Offices, floor. 3, or orally - in a personal meeting with the person responsible for processing the reports and within a suitable period agreed between the parties, as well as by phone +359 886 700472.

6.2. The report must contain at least the following information:

(a) details of the whistleblower (and/or assistant, if any) - three names, address, contact telephone number, e-mail address of the sender, if any;

(b) the date and time of the offence, where known;

(c) the date and time of knowledge of the infringement and the circumstances relating thereto;

(d) the person who has committed the offence or against whom the report is made and his place

of work, if known to the reporting person;

(e) the presence of another person as a witness or accomplice to the offence;

(f) a description of what the offence consists of - specific particulars of the offence or of a real risk of such an offence being committed, the place and period of the offence, if any, a description of the act itself or of the surroundings and other circumstances, in so far as such are known to the whistleblower;

(g) such other information and circumstances as the person lodging the report considers relevant;

(h) evidence of a real risk of an infringement;

(i) the signature and full identification of the person who submitted the report;

7. Submitting written reports

7.1. The written report shall be sent by one of the methods indicated and shall contain the information specified in the preceding Article. The report should be addressed to the employee responsible for handling reports in the structure of Neterra EOOD and must contain the information referred to in par. 6.2. .

7.1.1. The written report should be submitted using the form available on the following website can also be provided by the employee responsible for handling the reports in the structure of Neterra EOOD.

8. Oral reporting

8.1. The verbal report shall be made to. +359 886 700472. The persons reporting to the telephone number mentioned in the preceding sentence declare that they are aware of the possibility of their telephone call and conversation being recorded and logged and agree to this fact.

8.2. In addition to calling the telephone number referred to in the preceding paragraph, the whistleblower may also do so by means of a personal meeting with the employee responsible for dealing with whistleblowing, whereby the conversation, the actions taken, the evidence provided, etc., shall be recorded in a special report to be signed by the parties. Irrespective of the method of making a verbal report, the persons taking the action to initiate such a report shall be obliged to identify themselves and to provide details of the contact details.

8.3. The officer responsible for examining the reports shall draw up a report, in which he shall note precisely and specifically the information required under point. 6.2. . and shall be submitted to the whistleblower for signature. Where corrections and/or additions to the record are necessary, they shall be recorded by the employee responsible for receiving the report and signed by the parties.

8.3.1. The whistleblower must appear for the presentation and signing of the report within 7 days from the date of the report.

8.4. The whistleblower may request a face-to-face meeting with the employee responsible for handling whistleblowing. The meeting shall take place within seven (7) days of the report being submitted.

8.5. If the whistleblower does not wish to disclose his or her identity and to remain anonymous, the whistleblowing procedure shall not be initiated. In the event that a whistleblower has reported anonymously but has subsequently been identified or his or her identity has been revealed, he or she shall be entitled to protection under the Act and these Rules.

- 8.6. In the event that the whistleblower does not provide a channel or means of feedback through which to receive confirmation of the fact of receipt of the whistleblower's report and/or feedback on the ongoing investigation of the breach described by the whistleblower and the actions taken and the results thereof, the whistleblower hereby agrees not to be notified or receive subsequent feedback regarding the information described above.
- 8.7. In case the report does not meet the requirements under par. 6.2. of these Rules, the same shall be returned back to the reporting person for elimination of the gaps within 7 (seven) days from receipt of the message. If the gaps are not remedied within seven (7) days of receipt of the notification referred to in the preceding sentence of this paragraph, the report shall be returned to the signatory.
9. Reports received at the e-mail address indicated in point. 6.2. , shall be processed in a secure manner, ensuring the confidentiality of the identity of the whistleblower and of any other person named in the report, and shall be accessible only to the persons responsible for processing reports in the Neterra group of companies. The report received and any information relating to it is strictly confidential.
- 9.1. Within a period not exceeding 7 (seven) days from the date of receipt of the report to the e-mail address indicated, the whistleblower shall receive written confirmation of the fact of receipt.
10. In relation to the whistleblowing procedure and the follow-up to the whistleblowing, an impartial person has been designated as responsible for the handling of the whistleblowing, who has the right to request additional information from the whistleblower and from whom the whistleblower is entitled to receive feedback.
- 10.1. The responsible person within the meaning of the preceding paragraph of these Rules is obliged to take the appropriate follow-up action in a timely manner in relation to the received report, in the direction of its clarification and resolution, and, if necessary, to report its existence to the competent authority.
11. Within a period not exceeding three (3) months from the date of acknowledgement of receipt of the report, the whistleblower shall receive feedback on the ongoing investigation of the breach described by him and the action taken.
12. Upon completion of the inspection, the report shall be submitted to the person concerned for a written opinion within 7 days of receipt of the invitation.
13. The whistleblowing investigation shall be terminated by a written statement, which shall be sent within seven days of its ruling to the whistleblower and the person concerned, subject to the whistleblower's protection obligations.
14. In cases where the whistleblowing is against the employer, the whistleblower shall direct the whistleblower to an external whistleblowing channel.

VII. Inspection by the person responsible

15. The person carrying out the check shall take the following actions:
- 15.1. liaise with the whistleblower when it has information about his identity;
 - 15.2. may, at its discretion, request additional information on the report from the whistleblower;
 - 15.3. refer the whistleblower to the competent authorities where his or her rights are affected;

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- 15.4. take specific measures to stop or prevent the infringement, in cases where it has been detected or if there is a real risk of it being committed;
- 15.5. shall forward the report to the Commission for the Protection of Personal Data or to another authority, according to its competence;
- 15.6. in the absence of sufficient evidence of an offence or of a real risk of such an offence, terminate the investigation of the report.
16. Persons within the employer's structure, other than those responsible for handling whistleblowing, may be designated to follow up.
17. No proceedings shall be instituted if:
- 17.1. The report is anonymous;
- 17.2. The reported breach occurred more than two (2) years from the date of the report.

VIII. Privacy obligations

18. The identity of the whistleblower shall not be disclosed to anyone other than those responsible for handling the whistleblowing who are authorised to receive or follow up the whistleblowing. This rule shall also apply to any other information from which the identity of the whistleblower may be known, directly or indirectly.
19. By express declaration of intent by the whistleblower, his or her identity and any other information from which his or her identity may be directly or indirectly known may be disclosed, provided that this is a necessary and proportionate obligation imposed by EU or national law in the context of investigations by national authorities or judicial proceedings, including with a view to safeguarding the rights of the defence of the person concerned.
- 19.1. Whistleblowers shall be informed prior to the disclosure of their identity in accordance with Art. 19. of these Rules, unless such information would jeopardise the relevant investigations or legal proceedings. When informing whistleblowers, the competent authority shall send them a written explanation explaining the reasons for disclosing the confidential data concerned.
20. In the case of receipt of information containing a business secret, it shall not be used for purposes going beyond those necessary for follow-up.

IX. Processing of personal data. Technical and organisational measures

21. Any processing of personal data carried out pursuant to these Rules, including the exchange or transfer of personal data by competent authorities, shall be carried out in accordance with [Regulation \(EU\) 2016/679](#) and [Directive \(EU\) 2016/680](#) and, where the transfer involves institutions, bodies, offices or agencies of the European Union, in accordance with [Regulation \(EU\) 2018/1725](#), as well as the [Personal Data Protection Act](#).
- 21.1. Personal data which are clearly not relevant to the examination of a specific report shall not be collected and, if collected by accident, shall be deleted without undue delay.
- 21.2. No personal data shall be collected which has been unlawfully obtained or is no longer necessary.
- 21.3. Access to the personal data of the persons involved in the report shall be limited to the persons responsible for processing the reports. Access to personal data by third parties shall

only be on a lawful basis, in accordance with confidentiality obligations.

21.4. No personal data that is not relevant to the report is processed. The person responsible for processing reports, together with the data protection officer in the structure of Neterra EOOD assess which information is necessary for the processing of the report, after which the procedure for investigating the report is initiated.

22. Categories of personal data processed in relation to whistleblowing and personal data carriers:

- (a) Details of the whistleblower: given name, patronymic name (if any) and surname;
- (b) Contact details of the whistleblower: address, telephone number, e-mail;
- (c) The name of the person/s against whom the report is lodged and his place of work.
- (d) Other data collected and necessary in connection with the investigation of the report.

23. The data processed by the person responsible for receiving reports is processed in accordance with [Regulation \(EU\) 2016/679](#) on a lawful basis.

24. The processed personal data is stored electronically and/or on paper, depending on how the report was submitted.

24.1. Paper media of personal data shall be stored in a separate archive, with restricted access only to the staff responsible for processing reports, and shall be locked with a lock with key access only to the persons responsible for processing reports.

24.2. A separate file shall be created for each case, which shall be placed in a file cabinet and the file cabinet shall be collected by the employee responsible for processing reports in the archive referred to in point (a). 24.1. .

25. The employee responsible for the processing of reports is obliged not to disseminate or share information that has become known to him/her during and on the occasion of the processing of reports. Any information relating to reports shall be considered strictly confidential and shall be handled only by the person responsible for handling reports.

25.1. The person responsible for handling reports shall not leave unattended at his/her workplace documents and information media related to the reports. All information media in the person's workplace shall be placed in such a way as to ensure that other persons cannot obtain information from the information media.

25.2. Data on electronic media shall be processed by the officer responsible for processing reports only on his official computer. The employee may not use technical means other than those provided by his/her office.

25.3. The employee shall create an electronic file in an electronic folder to which only the employee has access. The electronic folder shall be protected by a password created by the employee. The password is for the employee's use only and may not be shared.

25.4. The report handler's office computer shall be automatically locked in case it is not in use by the employee. The computer is protected by an individual password which is subject to change at intervals determined by the employer. The employee is prohibited from sharing passwords. In any case, when the employee gets up from his/her workplace he/she is obliged to lock his/her computer.

26. The employer's internal electronic system uses high levels of electronic security and data

encryption.

27. In the case of a face-to-face meeting with the whistleblower, meetings shall only take place in the presence of the whistleblower and the person responsible for handling whistleblowing. The meetings shall be individual and no third parties shall be allowed to be present. This shall apply to all face-to-face meetings held by the whistleblower in relation to whistleblowing.

28. The reports and the data processed in connection with them shall be kept for a period of 5 years , starting from the date of the opinion on the measures taken and/or starting from the date of the conclusion of administrative proceedings or judicial proceedings or for a period longer than this, where a Law or other regulatory act of Bulgarian legislation so requires. In the event that the report does not comply with the requirements laid down by the Act and its deficiencies are not remedied within the time limit, and where the report does not contain evidence of infringements, the data shall be deleted immediately after the opinion of the person responsible for handling reports.

29. After the expiry of the retention period, the data shall be destroyed by the person responsible for processing the reports by permanent destruction with the impossibility of recovery.

X. Keeping a register of reports and storing reports

30. Every report received shall be entered in a register on receipt in accordance with the requirements and conditions of Section VI.

31. The register is kept in electronic form and is not public. Access to it is locked with a password known only to the persons responsible for handling reports.

32. The rules in Section IX of these Rules shall apply to the maintenance and storage of the register.

33. The person responsible for keeping the register shall be the person responsible for handling reports.

34. The register shall contain at least the following information:

- (a) the person who received the report;
- (b) the date of the report;
- (c) the person concerned, if such information is contained in the report;
- (d) summary particulars of the alleged infringement, such as the place and period of the infringement, a description of the act and other circumstances in which it was committed;
- (e) the relationship of the report to other reports after it has been established in the report processing;
- (f) the information provided as feedback to the whistleblower and the date on which it was provided;
- (g) the follow-up action taken;
- (h) the results of the verification of the report;
- (i) the report retention period;

(k) the own accession number from the document management information system of Neterra EOOD;

(l) the unique identification number.

XI. Feedback

35. At the end of the inspection, a statement shall be drawn up which must be submitted to the manager of Neterra EOOD.

36. The report should contain the following information:

(a) summarise the results of the investigation and the evidence;

(b) infer and indicate the extent of the misconduct in light of the requirements of law and the rules of Neterra EOOD;

(c) make recommendations and suggestions for action to remedy the misconduct in order to prevent its recurrence in the future;

(d) contain information as to whether there are grounds for imposing a disciplinary sanction on the person who has misconducted and the extent and nature of the sanction, where such is the case.

XII. Protection of whistleblowers and protection of persons concerned

37. When whistleblowers report information about breaches, they do not breach any restriction on disclosure of information and are not liable in any way for such reporting or public disclosure, provided that they have reasonable grounds to believe that the reporting was necessary to disclose the breach.

38. Whistleblowers shall not be held liable in respect of the acquisition of, or access to, the information reported, provided that such acquisition or access does not in itself constitute a criminal offence.

39. Whistleblowers within the meaning of this Procedure are protected with respect to unlawful dismissal, disciplinary action and penalties, wrongful assignment to work outside of formal employment; loss of opportunity for education, training or professional development; loss of opportunity for promotion in the workplace, loss of job title; impaired working conditions; early termination of contract, reduction in salary and other forms of compensation; assignment to additional duties or transfer to other positions

40. Whistleblowers cannot be discriminated against as a result of a report made in good faith.

41. The person responsible for conducting the investigation must take all necessary steps and actions to ensure that the investigation is fair and unbiased. In this regard, persons who may be affected by the investigation should be made aware of the allegations and evidence against them and be given the opportunity to provide a statement on the case.

42. Any form of retaliatory harmful action against whistleblowers, as well as threats or attempts to do so, including in the form of:

(a) suspension, dismissal or other grounds for termination of the employment relationship under which a person is employed;

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- (b) demotion or delay in promotion;
 - (c) a change in the location or nature of the work, the duration of working hours and a reduction in remuneration;
 - (d) refusal to provide training to maintain and improve the professional qualifications of employees;
 - (e) a negative job evaluation, including in a recommendation for employment with another employer;
 - (f) the application of pecuniary and/or disciplinary sanctions, including the imposition of disciplinary penalties;
 - (g) rejection, threat of reprisal or actions, whether physical, verbal or otherwise, intended to undermine the dignity of the person and create a hostile professional environment;
 - (h) direct or indirect discrimination, unequal or unfavourable treatment;
 - (i) withdrawal of the possibility of moving from a fixed-term contract to a contract of indefinite duration where the employee had a reasonable expectation of being offered permanent employment;
 - (k) early termination of a fixed-term contract of employment or refusal to re-enter into a fixed-term contract of employment where such is permissible by law;
 - (l) damage, including to the person's reputation, in particular on social networks, or financial loss, including loss of business and loss of income;
 - (m) inclusion on a list drawn up on the basis of a formal or informal agreement in a sector or industry which may result in the person being unable to take up employment or being unable to supply a good or service in that sector or industry (blacklisting);
 - (n) early termination or cancellation of a contract for the supply of goods or services;
43. Persons against whom a report has been made or information about a breach has been made public shall enjoy the full rights of defence and due process, as well as the presumption of innocence, including the right to be heard, and the right of access to documents relating to them.
44. The person concerned shall be entitled to compensation for all pecuniary and non-pecuniary damage where it is established that the whistleblower knowingly did so by misrepresenting or making public false information.

XIII. Final provisions

45. These Rules are approved by order of the representative of Neterra EOOD.
46. Amendments and supplements to these Rules shall be made only in writing in the order of their adoption.
47. These Rules shall come into force on 17.12.2023.
48. By the expiry of a maximum of 3 years from the date of adoption of these Rules, these Rules shall be reviewed, for which purpose a practice analysis shall be prepared and, if necessary, they shall be updated.

49. Annexed to these rules are: a model register for the recording of reports submitted and a model form for submitting an external report (download here: [Form](#)).

CEO:

/Neven Dilkov/