

WHISTLEBLOWING RULES

ALARIC SECURITIES OOD

Alaric Securities OOD (the "Investment Intermediary", "the Firm") is an obligated person within the meaning of Art. 12, paragraph 1, item 3 of the Protection of persons reporting or publicly disclosing information on breaches act (or the "**Whistleblowing Act**"). These rules are prepared in connection with the application of the law, and the scope of the envisaged violations includes: fraud, money laundering, bribery, corruption, unfair practices, insider trading and other illegal actions as well as immoral or unethical behavior.

DEFINITIONS

1. "**Violations**" are all actions or omissions which are:
 - a) illegal and relate to the Bulgarian legislation or the acts of the European Union in the areas specified in Art. 3 of the Protection of persons reporting or publicly disclosing information on breaches act, or
 - b) are in contradictory to the subject matter or purpose of the rules in the laws/acts of the European Union and the areas specified in Art. 3 of the Protection of persons reporting or publicly disclosing information on breaches act.
2. "**Employer**" is any natural person, legal entity or its affiliates, as well as any other individual organizational and economically entity which independently hires workers or employees under labor and service legal relationships, including work at home and remote work as well as commissioning workers to perform certain jobs for user enterprises.
3. "**Information on an established violation**" is information, including the availability of reasonable suspicion regarding actual or potentially possible violations which have been committed or are very likely to be committed in the organization in which the whistleblower works or has worked, or in any other organization with which he or she is or has been in contact in the course of executing official duties as well as regarding any/all attempts to cover up the perpetrated violations.
4. "**Work context**" is a term covering current or past job activities in the public or the private sector via which - and regardless of their nature - certain individuals have obtained information regarding violations as a consequence of which such individuals may be subjected to retaliatory actions in the event of deciding to file the information they possess.
5. "**Affected person**" is any natural or legal person who is identified in the filing of the report or in the public release of information as the individual to whom the violation is attributed or with whom this individual is connected.
6. "**Retaliatory actions**" are any direct or indirect actions, or omissions to undertake any action occurring in a work context and which is triggered by internal or external whistleblowing or public disclosure thus causing, or creating conditions for causing adverse consequences and damages to the whistleblower.
7. "**Follow-up actions**" are any/all actions taken by the individual receiving the report or by any competent authority in order to assess the accuracy of the statements presented in the report and, where

appropriate, in order to process the reported violation, including through actions such as an internal survey, investigation, criminal prosecution, fund securing activities or closure of the initiated proceedings.

8. "**Sufficient data**" is the collected information on the basis of which a reasonable assumption can be made regarding the violation and whether it falls within the scope of the related legislation.

9. "**Internal whistleblowing**" is a verbal or written reporting of violations within a legal entity in the private or public sector.

10. "**External reporting**" is the verbal or written information on the established violations sent to the competent authorities.

11. "**Permanent carrier**" is any carrier of information enabling the obliged subjects, as per the provisions of Art. 12, par. 1 of the Protection of persons reporting or publicly disclosing information on breaches act or of the Commission for the Protection of Personal Data, to store information which allows for its easy future use for a period corresponding to the purposes for which the information is intended and which makes possible the unchanged reproduction of the stored information.

Art. 1. (1) The present rules shall apply to a natural person reporting a violation which has become known to him/her in the capacity of:

1. "employee", "worker" or any other individual providing hired labor for the Firm;
2. an individual working without employment legal relationships and/or exercising a self-employed profession;
3. volunteer and probationer working for the employer;
4. partner, member of the management or other controlling organ of the Firm;
5. all counterparties of the Firm, including service providers;
6. individuals who have obtained the information about the established/suspected violations in the course of executing work which has been finished, or persons who are about to enter into a labour contract with the Firm and the information was received by them during the recruitment process or during other pre-contractual procedures/relationships.

(2) The identity of the reporting individual shall not be disclosed to anyone other than the competent officer having the right and being responsible for receiving and processing the reports on the violations without the express consent of the reporting individual. This condition is also applicable to any other information based on which the whistleblower's identity can be established.

(3) Exceptions to the prohibition quoted in par. 2 are permitted in the event that the exception is the result of a necessary and proportionate obligation imposed by a regulatory act in the context of investigations executed by national authorities, including with a view to protecting the rights of the person concerned.

Art. 2. (1) With an internal act of its managing organ the Firm shall designate an employee who shall be responsible for the assessment of the submitted reports as per the present rules and a member of the managing organ bearing the responsibility for this aspect of the Firm's activities.

(2) If and when necessary the official, designated under par. 1, may be replaced in the conformity with the same procedure with which he/she was commissioned on the post.

(3) The official designated as per par. 1, must be independent in his/her activities from the other employees in the Firm in order to avoid situations in which conflicts of interest may arise and in order to guarantee the confidentiality of the whistleblower's identity.

(4) In the event that a conflict of interest arises in connection with a specific report, the employee responsible for assessing the reports shall recuse him/herself, and the report shall be sent for consideration to the responsible member of the management organ.

Art. 3. Signals under the present rules can be submitted via the following internal channels:

1. in writing - to the Firm correspondence address: "Alaric Securities" OOD: Sofia, Vazrazhdane district, 20 "Todor Aleksandrov" Blvd. or through a specially created internal channel under Art. 4 of these Rules;
2. orally - by phone to the employee responsible for reviewing the reports under these Rules or through other voice message systems or personally - at the request of the reporting person through a personal meeting in a time agreed between the parties at a time suitable for them.

Art. 4. (1) Together with these rules an e-mail is being registered: compliance@alaricsecurities.com. It will serve as an internal channel for reporting violations within the Firm.

(2) All internal channels allow for the storage of information recorded on a durable medium for the needs of the investigation of the signal and for any further investigations.

(3) The internal reporting channels are managed by the employee responsible for handling the reports, who should ensure the confidentiality of the identity of the reporting individual and any third party submitting a report; that employee will also limit any access to it by unauthorized company employees.

Art. 5. (1) Reports are submitted by filling in a blank form according to the sample which can be found on the official site of the Commission for the Protection of Personal Data (CPDP) https://www.cpdp.bg/index.php?p=sub_rubric&aid=282 and, as a minimum, it should contain the following data:

1. the sender's three names, address and phone number, as well as an email address (if any);
2. the names of the individual against whom the report is filed and his/her workplace, if the report is filed against specific individuals and they are known;
3. specific details of the violation or of the real possibility that it will be perpetrated; the place and period of the violation, if already made; a description of the act or the situation and any other circumstances to the extent to which these are known to the reporting employee;
4. date of submission of the signal;
5. signature, electronic signature or other identification of the sender.

(2) The oral report is documented by filling in the form entered in par. 1 by the officer in charge of processing the reports, who will offer to the whistleblower to sign it if he/she wishes so and notes his/her agreement or refusal in the appropriate place on the form.

(3) Any/all kinds of sources of information supporting the statements made in it and/or reference to documents, including specifying data on the individuals who could confirm the reported data or provide additional information, may be also be attached to the submitted report.

Art. 6. (1) The officer in charge of processing the signals shall confirm to have received the signal within 7 days of its date of submission by sending a written confirmation to the electronic or correspondence address specified in the form.

(2) If the signal does not meet the requirements listed in Art. 5, par. 1, the whistleblower shall receive a message with instructions to correct the established irregularities within 7 days of receiving the signal. If the irregularities are not corrected within this period, the report - together with the attachments to it – shall be returned to the reporting individual.

Art. 7. (1) The officer in charge of investigating the reports may terminate the investigation in the event that:

1. he has been able to determine that the reported violation is a minor case and does not require any further follow-up action;
2. in the event of repeated alerts, no new information is contained in connection with an already terminated inspection for a violation, unless new circumstances and facts require the undertaking of follow-up actions;
3. when evidence of a perpetrated crime is brought forward. In such cases the report and the materials attached to it shall be immediately sent to the prosecutor's office.

(2) The reporting individual shall be notified of the decision to terminate the proceedings and the reasons for the termination.

(3) In cases where the inspection is terminated on the basis of par. 1, letters "a" and "b", the whistleblower may submit a report to the national body for external whistleblowing Commission for the Protection of Personal Data.

Art. 8. The employee in charge of processing the reports is under the obligation to:

1. ensure that the identity of the reporting individual and any other person named in the report will be properly protected and that all necessary measures have been taken to limit all access to the report by any unauthorized persons;
2. maintain contact with the reporting individual, request additional information from him/her and from any third parties (if necessary);
3. provide feedback to the sender of the signal about the actions taken within a period of no longer than three months after the confirmation of receipt of the signal;
4. provide individuals wishing to file a report with clear and easily accessible information on the procedures for the external submission of reports to the competent national authority - the Commission for the Protection of Personal Data - and when appropriate to the institutions, organs, services and agencies of the European Union;
5. provide an opportunity for the affected person to present and indicate to any new evidence which needs to be collected in the course of the inspection.

Art. 9. (1) The officer in charge of examining and processing the reports shall check, within the scope of his/her competences, its credibility and if it contains obviously false or misleading presentations of “facts”, to return it with an instruction to the sender to correct the statements with a warning of the responsibility the respective individual bears according to the provisions of Art. 286 of the Penal Code for presenting false information.

(2) Proceedings shall not be instituted for violations which are anonymous, which were committed more than two years ago or which do not fall within the scope of the Act on the Protection of Persons Reporting or Publicly Disclosing Information on Violations.

Art. 10. (1) The officer in charge of processing the reports may request additional information from the reporting individual and from any third parties to clarify the factual situation presented in the submitted report.

(2) In the course of the inspection, verbal or written explanations shall also be obtained from the person against whom the report is filed and additional evidence shall be collected in the event that the individual demands to present such.

Art. 11. (1) In the event that the facts, presented in the report, are confirmed as a result of the completed inspection and on the basis of the collected and assessed evidence, the officer responsible for examining THE reports shall:

1. organize the performance of follow-up actions in relation to the report, and to this end he/she may require the assistance of other employees or departments in the Firm;
2. propose to the Firm to take specific measures with the task of stopping or preventing the perpetration of the violation in the cases when it has been established without doubt or when there is a real danger of its imminent perpetration;
3. direct the whistleblower to the competent authorities in cases when the rights of the individual have been violated;
4. forward the signal to the external whistle-blowing organ – the KZLD - if it is found necessary that further action should be taken; the whistle-blower shall be notified in advance of this procedure;

(2) In the event that the report is filed against the Firm in its capacity of an employer, the employee responsible for processing the report shall direct the person to simultaneously report the case to the external whistle-blowing authority.

Art. 12. As a result of the investigation, the employee responsible for investigating and processing the reports prepares an individual report in which he/she shall briefly describe the information contained therein, the subsequent actions taken, the final results of the investigation which - together with the reasons – shall be communicated to the reporting individual and the affected person in full compliance with the obligation of confidentiality.

Art. 13. (1) The reports submitted are entered by the responsible employee in a Register of violation reports, as per the provisions of the present rules, which register shall not be publicly accessible and which shall include the following information:

1. the person who received the signal;
2. the date of submission of the signal and/or unique identification number (UIN);
3. the affected person, if such information is contained in the report;
4. summary data on the alleged violation, such as place and period of commission of the violation, description of the act and other circumstances under which it was committed;
5. the connection of the transmitted signal with other signals after the establishment and in the process of processing the signal;
6. information provided as feedback to the person who filed the report and the date of its provision;
7. the follow-up actions taken;

8. the results of the check on the signal;
9. the signal storage period.

(2) The information entered in the register is stored in a way that guarantees its confidentiality and security.

(3) The person responsible for receiving and considering signals in the Firm registers the received signal in the CPLD in order to obtain a UIN.

Art. 14. (1) Any processing of personal data carried out under these Rules, including exchange or transmission of personal data, is carried out in accordance with Regulation (EU) 2016/679 (GDPR) and national legislation and internal policies of the Firm.

(2) Personal data which is not necessary for conducting a check on a given signal are not subject to processing and are to be deleted promptly.

Art. 15. The Firm stores the received reports of violations in accordance with the requirements of the applicable legislation, but not longer than 5 years after the completion of the check on a given report and the sending of the result to the whistleblower.

Art. 16. These rules do not cancel already established and effective ones for action in the event of detected violations within the Firm with a specialized scope (Rules under Law on Measures Against Money Laundering, Markets in Financial Instruments Act).

Art. 17. (1) The employee responsible for handling reports shall acquaint the employees in the Firm with these Rules.

(2) The rules are published on the official website of the Firm.

Art. 18. The Firm shall review the present Whistleblowing Rules and their practical application at least once every three years and, if necessary, shall update them.

Art. 19. The present Rules for submitting internal reports have been approved by a decision of the managers dated 05.04.2023.