

## **Employee Protection Policy Against Retaliation for Reporting Violations of Company Policies and Legal Procedures and Internal Whistleblowing System of Cayman Pharma**

Cayman Pharma is committed to complying with legal and ethical practices in all its activities, adhering to regulatory requirements and policies to maintain high standards of business and personal ethics in all actions and responsibilities.

### **Employee Protection Policy:**

The purpose of the Employee protection policy against retaliation for reporting violations of company policies and legal procedures is to encourage employees to report any irregular activities, which may include the following: violations of law or company policies, conflicts of interest.

Where possible, employees should attempt to resolve all the above issues by reporting them directly to their managers or higher levels of management until the matter is satisfactorily resolved. Management will ensure that all reported issues are investigated and the validity of the reports verified. If for any reason an employee is unable to discuss the issue with their direct supervisor or believes the matter is not being handled appropriately, the employee may contact the HR department and submit their report there. Concerns may also be communicated in person at the HR office.

### **Internal Whistleblowing System:**

In accordance with Act No. 171/2023 Coll., on the protection of whistleblowers, as amended, which transposes Directive (EU) 2019/1937 of the European Parliament and of the Council dated October 23, 2019, on the protection of persons who report breaches of Union law (the "Directive"), Cayman Pharma has implemented an internal whistleblowing system for reporting unlawful conduct. This system enables employees and other people to safely report unlawful behaviour occurring within the company that could harm the company or third parties.

Unlawful conduct that may be reported includes conduct that:

- has the characteristics of a criminal offense; or
- has the characteristics of an administrative offense punishable by a fine with an upper limit of at least CZK 100,000; or
- violates the Whistleblower Protection Act; or
- violates another legal regulation or EU regulation.<sup>1</sup>

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<sup>1</sup>The Ministry of Justice will publish a list of relevant EU regulations in the given areas, primarily covering financial services, corporate income tax, the prevention of money laundering and terrorist financing, consumer protection, environmental protection, and others.

Key obligations under the Act include:

- establishing an internal whistleblowing system;
- appointing a designated responsible person accountable for fulfilling the obligations; and
- enabling whistleblowers to submit reports through the implemented internal system.

The system ensures the whistleblower's right to submit reports anonymously to the designated person both in writing and orally; the publication of information on reporting methods, the identity and contact details of the designated person, and confirmation that Cayman Pharma does not exclude receiving reports from certain legally permitted persons; ensuring that only the designated person has access to submitted reports and that confidentiality is maintained; assessment of the validity of reports; informing the whistleblower of receipt and results; and adopting appropriate corrective or preventive measures in response.

The designated person appointed by Cayman Pharma is the **HR Specialist**. Reports may be submitted in person, in writing by post to the designated person at Cayman Pharma, via email, or by placing a written submission into the anonymous box located next to the HR office door No. 2.08 on the 2nd floor of the main Cayman Pharma building.

The law does not exclude the designated person from being an employee of Cayman Pharma; however, to ensure proper investigation, Cayman Pharma has also appointed back-up designated person:

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Cayman Pharma commits in particular not to apply any retaliatory measures against whistleblowers, understood as any act or omission related to work or similar activities triggered by the report that may cause harm. Protection also applies to:

- people who assisted in obtaining information or preparing or assessing the report;
- people closely related to the whistleblower;
- colleagues or employees of the whistleblower;
- entities in which the whistleblower has an interest or role; or
- people for whom the whistleblower performs work.

The designated person and the back-up designated person shall handle reports by:

- receiving and assessing reports;
- proposing corrective or preventive measures;
- following instructions unless they compromise independence;
- acting impartially;
- maintaining confidentiality even after their role ends.

The designated person must not disclose the whistleblower's identity except to public authorities where legally required and must maintain electronic records of reports for 5 years.

After investigations are completed, relevant management will be informed, and Cayman Pharma will focus on preventing similar incidents in the future.