

Workplace Regulation

„SIRMA GROUP HOLDING“ JSC

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1. General provisions

Art.1. (1) The present Workplace Regulation in "Sirma Group Holding" JSC (Regulation) is issued on the basis of Art. 181 of the Labor Code. The Regulation was adopted by the Board of Directors of "Sirma Group Holding" JSC and is applicable to all subsidiaries (Sirma, the Group, the Company).

(2) The last revision of this Regulation was carried out in March 2024.

(3) The Regulation defines the rights and obligations of employees and the employer as parties to an employment relationship and regulates issues related to the organization of the labor process and the provision of safety and health at work.

Art.2 When developing the Regulation, the provisions of the following normative acts were taken into account: Labor Code; Regulation on Working Hours, Breaks, and Vacations; Ordinance No. 15 of May 31, 1999 on the conditions, order, and requirements for the development and introduction of physiological regimes of work and rest during work; Law on Health and Safety at Work.

Art.3 Every employee is obliged to familiarize himself with and apply the Regulation after starting work.

2. Internal regulations

.Art.4 (1) In addition to the Regulation, the internal order in Sirma is governed by specialized internal regulations. Such are various Regulations, Policies, Procedures, Codes, etc.

(2) A part of the internal regulatory documents is public and is accordingly available on the Sirma website, in the [corporate governance section](#).

(3) Another part of the internal documents is not public, and access to them is limited only to Sirma employees. As well as the public documents, they can be accessed on the Group's internal platform, www.staff.sirma.com.

3. Employment relationship

Art.5 (1) The basis for the creation of an employment relationship is the employment contract.

(2) To the application sent to the employer, the person wishing to start work shall attach:

1. Completed personal data form;
2. Diploma or other document certifying acquired education, specialty, qualification, legal capacity, scientific title, or scientific degree, necessary for filling the announced vacant position;
3. Employment certificate or a copy of the insurance certificate certifying the acquired experience in the specialty;
4. Document for a medical examination, in case of initial entry into work and after suspension of employment under an employment relationship for a period of more than 3 months.

Art.6 (1) The employment contract shall be concluded in writing before starting work.

(2) Upon conclusion of the employment contract, the employer familiarizes the employee with the labor obligations arising from the position held or the work performed.

Art.7 (1) The employer is obliged to provide the employee with a copy of the employment contract signed by both parties and a copy of the notification under Art.62 para. 3 of the Labor Code, certified by the territorial directorate of the NRA.

(2) The employee is obliged to start work within one week of receiving the information listed in Art. 6, point 1, documents, unless the parties have agreed on another term.

Art.8 The fulfillment of the obligations under the employment contract begins with the employee's arrival at work, which is certified in writing.

Art.9 In case of any amendment to the employment relationship, the employer is obliged to provide the employee with written information about the changes made as soon as possible, or no later than one month after the amendment enters into force.

Art.10 (1) The employer or the employee may not unilaterally change the content of the employment relationship, except in the cases and according to the procedure established in the Labor Code.

(2) It is not considered a change in the employment relationship when the employee is transferred to another workplace without changing the designated place of work, the position, or the amount of the basic salary.

Art.11 The employment relationship may be amended by a written agreement between the parties for a specified or indefinite period of time.

Art.12 (1) The employer may second the employee to perform work duties outside the place of his permanent work for no more than 30 calendar days without interruption.

(2) Secondment for a period longer than 30 calendar days is carried out with the written consent of the employee.

4. Obligations of the employer

Art.13 (1) The employer reserves the right to enter into employment contracts with a trial period of up to 6 months, when the work requires checking the employee's suitability to perform it.

(2) In the employment contract with a trial period, it is indicated in whose favor the trial period is agreed.

Art.14 The employer is obliged to provide normal conditions for the performance of work under the employment relationship by providing:

1. the work that was determined when the employment relationship arose;
2. workplace and conditions that correspond to the nature of the work;
3. health and safety working conditions;
4. job description;
5. instructions for the order and manner of performance of labor duties and the exercise of labor rights;
6. familiarization with the rules for the internal work order and other internal regulations;
7. familiarization with the rules of safety and health at work;
8. when the employer sends an employee to work abroad for more than one month, he is obliged to inform him in writing before departure about the duration of the work; the currency in which the remuneration will be paid; the additional labor remunerations, if such are provided for; conditions for return to the country.

Art. 15 The employer is obliged within the established terms:

1. to charge employees' wages for work done on payrolls;
2. to pay the agreed remuneration for the work performed;

3. to issue, upon request by the employee, an extract from the payroll for paid or unpaid wages.

Art.16 (1) At the written request of the employee, the employer is obliged to issue and provide the necessary documents certifying facts related to the employment relationship within 14 days from the day of submission of the request.

(2) upon termination of the employment relationship, the employer is obliged to issue a dismissal order or other document certifying the termination of the employment relationship.

Art.17 The employer is obliged to insure the employee for all social insurance risks, according to the conditions and procedure defined in the law and by-laws.

5. Obligations of the employee

Art.18 The employee is obliged to perform the work for which he has agreed and to observe the established labor discipline.

Art.19 The employee must perform his work duties accurately and conscientiously.

Art.20 When performing the work for which he has agreed, the employee is obliged to:

1. to report to work on time and to be at his workplace until the end of working hours;
2. to report to work in a condition that allows him to perform assigned tasks;
3. not to use alcohol or other intoxicants during working hours;
4. to use the entire working time to perform the assigned work;
5. to perform the assigned work in the required quantity and quality;
6. to comply with technical and technological rules;
7. to comply with the rules of safety and health at work;
8. to carry out the legal orders of the employer;
9. to carefully guard the property entrusted to him and to which he has access when performing the assigned work;
10. to conserve the raw materials, energy, money, and other resources that are provided to him for the performance of work duties;
11. to be loyal to the employer by not abusing his trust, protecting the good name of the company, and not disseminating confidential information;
12. to comply with internal regulations;
13. not to prevent other employees from performing their work duties;
14. coordinate his work with the other employees and provide them with assistance in accordance with the employer's instructions;

15. to fulfill all other obligations arising from a legal act, from the employment contract, and from the nature of the work.

6. Working hours, breaks, and vacations

Art.21 This Regulation establishes the distribution of working hours, the time for mandatory presence in Sirma's offices, as well as breaks and vacations.

Art.22 (1) The working week is five days, with a standard duration of 40 working hours per week.

(2) The normal length of working hours during the day is 8 hours.

(3) Working hours cannot start later than 10.00 and end earlier than 17.00 o'clock.

(4) Outside the time for mandatory attendance under para. 3, each employee determines the start of his working time himself and agrees with his direct supervisor and the executive director.

(5) Every employee is given at least half-an-hour lunch break.

(6) The lunch break is not included in the working hours.

(7) If any circumstances require deviations from the agreed working hours, such as delays or early departure from the office, the employee shall notify his direct supervisor, agree with him on the changes.

Art.23 The employees of Sirma have the right to a continuous break between days, in the amount of not less than 12 hours.

Art.24 The employees of Sirma have the right to a weekly rest, in the amount of two consecutive calendar days: Saturday and Sunday.

Art.25 Night work is not performed in Sirma.

Art.26 The employer undertakes to observe the public holidays of the country, where his offices are located.

Art. 27 (1) Paid annual leave is in the amount of 20 working days for the relevant calendar year.

(2) When entering work for the first time, the employee may use his paid annual leave when he has acquired at least 8 months of work experience.

(3) The use of unpaid annual leave is permitted after the annual paid leave has been exhausted.

7. Remote work

Art.28 The employee can work under the conditions of remote work according to Art. 107h of the Labor Code and according to the rules of this Section 7.

Art.29 For the purposes of Art. 107h, para. 6, item 1 of the Labor Code, it will be considered that in the case of a mixed mode of work (on the Employer's premises and remotely), both modes will be applied as follows:

(1) The main mode of work of the Employee is work at the Employer's premises, and the options for remote work under Section 7 are an expression of the Employer's unilateral social policy, which the Employer may amend (including suspend) unilaterally at any time.

(2) The employee may switch to remote work mode by making a request to the Employer, indicating the period during which he wishes to work remotely, the time of day he wishes to work, and the place from which he will work from a distance. The employer can allow the switch to remote working mode within 3 working days. If the Employer does not approve the Employee's request within this period, it is considered that the Employer does not allow the Employee to switch to remote work mode.

(3) The employee switches from working remotely to working on the Employer's premises:

- a) upon the expiration of the period for which the Employer has permitted remote work according to item (2), in this case the Employee should report to work at the Employer's premises without the need for separate statements from either party;
- b) if, at the discretion of the Employer, the remote work of the Employee is not effective; in such a case, the Employer shall, by a separate statement, terminate the remote work of the Employee until the end of the period for which the remote work was permitted;
- c) if, at the Employer's discretion, the Employee's presence in the office is necessary within a specific day (e.g. due to an emergency, meeting, urgent engagement, etc.); in such a case, the Employer, with a separate statement, terminates the Employee's remote work for the relevant working day or part of a working day;
- d) in the cases under Article 29; in these cases, the Employee should notify the Employer in advance of returning to work on the Employer's premises.

(4) The Employer's powers under Article 28 are exercised by the Employee's immediate supervisor.

Art.30 The employee cannot work remotely and is obliged to report to work at the Employer's premises where he works:

- (1) when the Employee cannot ensure the conditions for working remotely, specified in Art. 33 below.

- (2) regardless of the Employer's consent, where, under the circumstances, the Employee knows or may reasonably assume that working from a workplace other than the Employee's workplace on the Employer's premises would not allow him to effectively perform his employment duties.

Art. 31 The employer may, at any time, unilaterally:

- (1) with an internal act to determine rules by which a specific procedure for assigning and accounting for remote work is determined, as well as the content, volume, results achieved, and other characteristics of the work that are relevant for accounting for the work done.
- (2) to introduce restrictions on the possibility of remote work, to change the procedure for notification and coordination of remote work, as well as to completely suspend the possibility of remote work according to these Regulations.

Art.32 This Section 7 does not affect the Employer's right to oblige the Employee to work remotely according to Art. 120b of the Labor Code or in the cases and under the conditions of another applicable normative act, general or individual administrative act.

Art.33 When working remotely, the employee should:

- (1) to provide, in his home or in the place from which he works, a designated space for a workplace;
- (2) to maintain his workplace in accordance with the requirements for health and safety at work as stipulated by law, the Employer's requirements, and the Employer's policy on work organization and occupational safety and health, as well as his prescribed rules and norms for health and safety working conditions;
- (3) to use only the technical equipment (computer, mobile device) and software provided by the Employer in order to work on the Employer's premises;
- (4) to provide and maintain secure and reliable Internet connectivity with the Employer, necessary for the normal performance of his work duties when performing remote work in compliance with the requirements of this Annex and the internal acts of the Employer;
- (5) not to use public (accessible to an unlimited or wide range of users) and open (non-password protected) networks to access the Internet and connect with the Employer;
- (6) keep business data and information separate from personal data and information, comply with the requirements, and implement the data protection systems prescribed by the Employer;
- (7) exercise good stewardship of the Employer's equipment and software and use them only for business purposes;
- (8) to immediately notify the Employer in the event of damage to and/or theft of the equipment or a breakdown in the information and/or communication systems used with the Employer or in case of doubts about the sufficient reliability and protection of the equipment and Internet connectivity with the Employer;

(9) within working hours, maintain a constant communication link with and be available to the Employer and his other employees by e-mail, through the platforms in which the Employee should log in for the purpose of correspondence, reporting of time, problem solving (ticketing system), etc., by telephone or other means of communication at the discretion of the Employer.

Art.34 During remote work, the Employee:

- (1) organizes his own working hours so that he is available and works during the time when the employer and his commercial partners are in communication, in all cases in compliance with the terms of his Employment Contract and this Regulation;
- (2) determines the breaks in his working time himself in accordance with the provisions of his Employment Contract, the Rules for the Internal Labor Order, and the applicable regulatory requirements.

Art.35 The Employer informs the Employee about the requirements for the organization of the work and about the safe and healthy working conditions in accordance with the normative acts and the internal rules and policies of the Employer on safety and health at work.

Art.36 The Employer may at any time ask the Employee to return or provide access to his official equipment and software in order to carry out technical checks.

Art.37 When working remotely, the electricity supply, lighting, heating and air conditioning of the Employee's workplace will be at his own expense. The Employer can provide at its own expense Internet connectivity at the Employee's workplace only if this workplace is at the Employee's home and the the Employee does not use the Internet for personal needs, as well as when the speed of the Internet connection that the Employee uses for personal needs is not sufficient for its use for the purposes of the Employee's official duties.

Art.38 Within the framework of the work process, the Employer may at any time entrust the Employee with the performance of work duties through the established means of communication, set requirements regarding the performance of the tasks, the volume of work, and the results achieved.

Art.39 The employee is obliged at the end of each working day to report the work done during the day in the relevant time reporting system. Regardless, the Employer has the right at any time to demand a report from the Employee on the performance of work duties and assigned tasks - in a form and with content determined by the Employer. The employee is responsible for the reliability and accuracy of the data and information he provides to the Employer.

8. Disciplinary responsibility

Art.40 Culpable non-fulfillment of labor obligations is a violation of labor discipline.

Art.41 Violations of labor discipline are:

1. being late, leaving work prematurely, not showing up for work, or not observing working hours;
2. the employee appearing at work in a condition that does not allow him to perform the assigned tasks;
3. failure to perform the assigned work; non-compliance with technical and technological rules;
4. producing low-quality products;
5. non-compliance with safety and health rules at work;
6. failure to comply with the legal orders of the employer;
7. abuse of trust and damage to the good name of the company;
8. dissemination of confidential information and information;
9. damage to the employer's property; waste of materials, raw materials, energy, and other means;
10. non-fulfillment of other labor obligations arising from legal acts, the rules for the internal labor procedure, the employment contract, or these determined at the origin of the employment relationship.

Art.42 Disciplinary punishments are:

1. remark;
2. notice of dismissal;
3. dismissal.

Art.43 (1) When determining the disciplinary punishment, the severity of the violation is taken into account; the circumstances under which it was committed; the employee's behavior.

(2) Only one disciplinary penalty may be imposed for the same violation of labor discipline.

Art.44 (1) Control of compliance with labor discipline is carried out by Sirma's HR director.

(2) Sirma's HR director notifies the company's CEO in writing about the detected violations.

(3) Disciplinary punishments are imposed on employees with a reasoned order issued by Sirma's HR director, which necessarily contains the name of the offender, the type of violation, the time of its commission, and the reason for imposing the disciplinary penalty.

Art.45. (1) When determining the type of disciplinary punishment, the severity of the violation, the circumstances in which it was committed, and the behavior of the offender are taken into account.

Art.46 The employer is obliged to listen to the employee, accept his written explanations, and collect and evaluate the said evidence before imposing a disciplinary penalty.

9. Property liability

Art. 47 The employee is financially responsible for the damage he causes to the employer through negligence during or in connection with the performance of his work duties.

Art. 48 The employee is not financially responsible for the damage that is the result of a normal production and business risk.

10. Compensations

Art.49 Upon secondment, the employee has the right to receive, in addition to his gross remuneration, travel, per diem, and accommodation allowances under the conditions and amounts determined by the normative acts.

Art.50 (1) Upon termination of the employment relationship, the employee has the right to monetary compensation for the unused paid annual leave for the current calendar year in proportion to the time that is recognized as work experience, and for the unused leave postponed in accordance with Art. 176 of the Labor Code, the right for which has not been extinguished by statute of limitations.

(2) The compensation under the previous paragraph is calculated according to the order of Art. 177 of the Labor Code as of the day of termination of the employment relationship.

(3) The paid leave for training of students and doctoral students without interruption from production and for an entrance exam in an educational institution, if not used, is not compensated monetarily.

11. Healthy and safe work environment

Art.51 The employer is obliged to ensure healthy and safe working conditions, so that the dangers to the life and health of the employee are removed, limited, or reduced.

Art.52 The employer approves rules for ensuring healthy and safe working conditions, which are announced in an appropriate manner at the workplaces.

Art.53 (1) All employees are instructed and trained in safe work methods according to the order defined in the normative acts.

(2) The workers and employees whose work is related to the use, service, and maintenance of machines and other technical equipment, as well as the workers and employees engaged in activities that create a danger to their health and lives, must be instructed, trained, and pass an exam on the rules for ensuring health and safety at work.

(3) Persons without the necessary knowledge and skills regarding the rules for ensuring healthy and safe working conditions are not allowed to work.

Art.54 (1) All workers are subject to mandatory periodical medical examinations.

(2) The medical examinations under para.1 are at the expense of the employer.

(3) The employer and the officials in the enterprise are obliged to keep secret the data regarding the health status of the employees and the information from and about the relevant medical examinations.

Art.55 The employer is obliged to take measures to prevent and reduce work accidents, general illnesses, and occupational diseases.

12. Access regime

Art. 56 (1) Every employee in Sirma has the right to free access to his workplace within the established working hours.

(2) Every employee has the right to access his workplace during non-working hours, with the permission of his immediate supervisor or the employee replacing him.

(3) With the termination of the employment relationship with the employee, he acquires the status of an external person and has the right of access to Sirma's office. in compliance with the access regime established for outsiders.

Art.57 Control over compliance with the transit regime is carried out by a specialized security company..

Art.58 The employer reserves the right to approve detailed rules for access to certain work premises by order.

13. Final provisions

Art.59 The provisions of the current labor legislation and the internal regulations approved by the employer shall apply to the issues not settled by this Regulation.

Art.60 This Regulation shall enter into force on the day of their approval by the employer and may be amended, supplemented, or updated in accordance with the order of their adoption or when changes in the normative acts require this.

Art.61 A printed copy of the Regulations is available in the "Administration" department at the disposal of all employees, as well as on Sirma's internal platform, www.staff.sirma.com, along with all other internal documents.

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