Risk management policy

I. INTRODUCTION

Article 1

Risk management constitutes an integral part of corporate governance and a key element of sustainable and responsible business operations.

The Company recognizes that risks are an inseperable part of business activities and approaches their management through a structured and proactive framework that encompasses all organizational levels and business processes.

II. PURPOSE AND OBJECTIVES OF THE RISK MANAGEMENT POLICY

Article 2

The Risk Management Policy is adopted with the aim of identifying the nature and extent of the risks that the Company must and is willing to assume in order to achieve all objectives set out in the Company's strategy.

The Policy represents a set of rules by which the Company establishes mechanisms and measures for the effective management of its risks.

The objectives of this Policy are as follows:

1. to ensure systematically and consistently risk management at the level of the entire Company,
2. to increase transparency and awareness of risks,
3. to reduce negative implications of risks on business,
4. to enable timely business decision-making based on risk assessment,
5. to protect asset, reputation and suistainability of the Company's business.

III. RISK COMMITTEE

Article 3

Within the framework of managing the Company's operations, a Risk Committee has been established as the body responsible for the risk management system.

The Risk Committee is responsible for establishing and maintaining an effective risk management system, managing crisis situations and scenario analysis, as well as reporting on risks.

The Risk Committee reviews the Company's key risks, monitors exposure to such risks, and provides recommendations to the Management Board, the Audit Committee, and the Supervisory Board in relation to the risk management, level of the acceptable risk (risk appetite) and risk tolerance level (risk tolerance).

The Risk Manager leads the work of the Risk Committee and performs a control function over the risk management system. The Risk Manager is responsible for coordination of risk management activities, supervision upon the implementation of the policies and procedures of the risk management in the Company and for the timely reporting on risk exposure and the effectiveness of the risk management system to the Management Board, Supervisory Board and the Audit Committee.

The Risk Committee coordinates and supervises the implementation of risk management activities across all departments and divisions of the Company, and ensures that risks are assessed, documented and incorporated into the comprehensive risk matrix.

The Risk Committee must hold meetings at least twice a year, as well as upon request of the Risk Manager of the Company's Management Board.

IV. RISKS OF THE COMPANY

Article 4

The Company faces the following business risks:

1. Financial risks (currency, interest rate, credit, price, liquidity risks and equity risks) - are related to financial variables and may cause difficulties in settling the Company's financial obligations, liquidity, debt management, etc.
2. Operational risks - can arise from inadequate use of information, omissions in operational management, non-compliance with internal procedures, human factor, IT systems (for example, threats to information security and competitors with new business models), financial reporting and related risk, etc.
3. Strategic risks – related to the corporate conduct, industrial changes, macroeconomic and market trends, acquisitions, business development, communication and investor relations, as well as natural disasters and catastrophe, pandemics, food shortages, civil riots, war, etc.; above mentioned risks are specific to the Company's business, over which Company has limited influence, as well as risks the Company can neither control nor influence.
4. Regulatory and legal risks - may occur due to non-compliance with legal regulations issued by the state and local self-government or due to changes in tax and other regulations.
5. ESG and reputation risks – related to the Company's impact on the environment, society and governance, as well as potential negative impact on the Company's reputation.
6. Risks related to the information technologies and cyber security – includes threats such as unauthorized access to data, loss of information and attacks on information system.

V. RISK MANAGEMENT MEASURES

Article 5

The Company applies an integrated approach to risk management, systematically analysing their interdependencies and potential combined impact on the achievement of objectives and the implementation of strategic plans, while ensuring full alignment of risk management with the Company's strategy.

The Company manages risk through the "three line defence" model, as follows:

1. The first line of defence consists of risk owners and those responsible for implementing risk management measures, respectively individual division and departments within the Company
2. The second line of defence consists of Risk Manager and the Risk Committee as a control function whose tasks include risk management, coordination of the first line of defence, and reporting to the Management Board, Supervisory Board and Audit Committee
3. The third line of defence consists of Internal Audit, which continuously monitors the activites of the first and second lines of defence and provides an independent opinion based on an assessment of the effectiveness of risk management

The lines of defence operate in a coordinated manner to ensure the integrity and effectiveness of the risk management system.

Article 6

Each sector respectively department of the Company is required to actively participate in the risk management system, in accordance with its responsibilities and scope of work.

Considering the above, each department or sector of the Company is required to undertake the following activities:

1. Identify and recognize risks arising from its operational, financial, technical, or managerial activities;
2. Assess and analyze identified risks with respect to their probability and potential impact on the Company's operations;
3. Propose and implement measures to prevent, mitigate, or eliminate identified risks within its area of responsibility;
4. Report in a timely manner to the Risk Management Committee on all identified risks, events, or changes that may affect the Company's overall risk level;
5. Cooperate with the Risk Management Committee in the process of risk assessment and monitoring, and provide all necessary data and documentation;
6. Update internal procedures and controls in accordance with the recommendations of the Management Board, Supervisory Board, Audit Committee, and Risk Management Committee;
7. Improve awareness of the importance of systematic risk management within their sector respectively department through training and internal communication.

Sectors and departments are required to maintain records of identified risks and to document the measures taken and the result of their monitoring.

Article 7

The Company throughout Risk Management Committee actively monitors types as well as risk levels and takes timely risk management steps.

Each risk is valued in such a way that the probability of occurrence of a certain event as well as its impact on the business is estimated, taking into account the Company's risk appetite.

Article 8

The risk management process consists of the following steps:

1) Identification of potential risks in business including the possible consequences of such risks,
2) Risk analysis and assessment
3) Defining activities and assigning responsibilities to enable effective contribution to risk management,
4) Implementation of the defined measures
5) Monitoring and reporting on risks
6) Regular review and updating of the corporate risk matrix.

Article 9

Internal Audit shall review the effectiveness of the risk management system and make recommendations to the Risk Management Committee, Management Board, Supervisory Board and Audit Committee of the Company once a year.

The Risk Management Committee shall cooperate with the Internal Audit in a manner that enables open, constructive and effective exchange of information and opinions, in order to ensure timely and high-quality decision-making in the area of risk management.

VI. FINAL PROVISIONS

Article 10

The effectiveness of this Policy shall be assessed annually by the Risk Committee.

Determined by the Management Board (June 8, 2026) and the Supervisory Board (June 16, 2026)