



The Management Board of Atlantic Grupa d.d., Miramarska 23, Zagreb (hereinafter: the Company), has adopted the Atlantic Grupa Risk Management Framework (hereinafter also: the Framework), which was approved at the meeting of the Company's Supervisory Board on 8 December 2020, on the basis of which the following is issued:

## **Risk Management Framework Summary**

Atlantic Grupa's Risk Management Framework establishes a structured, company-wide approach to identifying, assessing, and managing risks across all markets and operations. It recognizes that risk is inherent to the company's vertically integrated business model and ensures that risks are understood, evaluated, and addressed within defined boundaries and tolerance levels set by the Management Board.

### Enterprise Risk Management (ERM)

ERM is aligned with corporate strategy, comprehensive in scope, and embedded in daily business routines. The Corporate Risk Manager coordinates a recurring process consisting of:

1. *Risk Identification* – determining potential risks relevant to the next 12–36 months and developing a Risk Catalogue.
2. *Risk Assessment* – estimating probability and impact through the Risk Priority Index (RPI) and developing action plans.
3. *Monitoring* – tracking mitigation actions.
4. *Review* – evaluating material risks and overall effectiveness.

### Risk Attributes

Each risk is described with basic information including name, meaning, and seriousness. It is classified by type and driver and linked to relevant parts of the company and stakeholders. The framework records whether the risk is managed, existing controls, and planned improvements.

### Risk Appetite

The Management Board of the Company defines the company's risk appetite to ensure it assumes only risks necessary to achieve strategic goals. High-impact risks receive dedicated Risk Management Strategies, while emergency risks are addressed immediately with special teams.

### Reporting

The Corporate Risk Manager submits to the Company's Management Board an annual report by 28 February summarizing material risks and strategies for managing them, after

which the report is submitted to the Company's Supervisory Board. The Management Board reviews the Framework annually, as necessary.

Atlantic Grupa d.d.