Pursuant to the Corporate Governance Code of the Croatian Financial Services Supervisory Agency and Zagrebačka burza d.d. which came into force on 1 January 2025, based on prior agreement of the Supervisory Board of 15 April 2026, the Management Board of Dalekovod d.d. (hereinafter: The Company), at its session held on 17 April 2026, adopted the Risk Management Policy of the Dalekovod Company and Group, which reads as follows:

RISK MANAGEMENT POLICY

I INTRODUCTION

Point 1

Legal entities of all types and sizes face internal and external factors and impacts that can bring uncertainty to their business operations.

Managing risks means foreseeing adverse events that might jeopardize the achievement of goals in business operations and minimising the extent of uncertainty that could pose a threat to the business performance of the Dalekovod Company and Group.

Risk management is an integral part of the management process which consists of precisely defined steps that, undertaken in the right order, enhance support to decision making, thus contributing to a better insight into risks and their consequences.

The risk management system encompasses strategies, processes and procedures necessary to identify, measure and monitor risks, select the optimum risk treatment method and report on risks that the Dalekovod Company and Group are exposed to. Sustainable development and responsible business are integral parts of the risk management system. This means that environmental, social and governance (“ESG”) factors that can affect the business and value creation in the long term are taken into consideration in risk assessment.

The system is subject to regular internal review.

II GOAL AND TERMINOLOGY

Point 2

The Company established the risk management policy applicable to the Dalekovod Company and Group to adequately cope with the risks arising during business operations and increase the probability of achieving its strategic and operative goals.

Before any major decision, risks arising from that decision need to be identified and assessed.

Risk is defined as the impact of uncertainty on the organisation’s objectives. Such uncertainty can result in positive or negative deviations from the expected results, and it is expressed as the ratio of possible events and their consequences.

The purpose of risk identification is identifying, recognising and describing risks that might help or prevent the organisation from achieving its goals. Relevant, adequate and updated data are important in recognising risks.

III BASIC PRINCIPLES

Point 3

To manage risks effectively, Dalekovod Company and Group are guided by the principles prescribed by the HRN ISO 31000 standard:

- Risk management is embedded in and an integral part of all the organisation's activities.
- Risk management is structured and comprehensive, contributing to consistent and comparable results.
- Risk management is adjusted to and compliant with the organisation's external and internal context and objectives.
- Risk management is inclusive, which implies timely inclusion of stakeholders and makes it possible to discuss and take into consideration their views, knowledge, assessments and observations.
- Risk management is dynamic. Risk may appear, change or disappear depending on the changes in the organisation's external and internal context. Risk management foresees, discloses, confirms and responds to those events and changes in an appropriate and timely manner.
- Risk management is based on the best available information. Data for risk management are based on historical and current knowledge, as well as future expectations. Risk management takes into consideration all the limitations and uncertainties related to such information and expectations. Information must be timely, clear and available to relevant stakeholders.
- Risk management takes into consideration human and culturological factors. Human behaviour and culture have a significant impact on all the aspects of risk management at all levels and stages.
- Risk management is based on continuous improvement through learning and acquiring knowledge.

IV SCOPE

Point 4

The Company's Management Board and the management boards of the Company's subsidiaries identify and evaluate risks that can significantly affect the Company's business operations and establish control mechanisms to mitigate the identified risks. These activities support the achievement of the strategic goals of the Dalekovod Company and Group, ensuring their financial stability and protecting the reputation of the Dalekovod Company and Group and the interests of all the stakeholders involved in the operations of the Dalekovod Company and Group.

Risk management is applied at different levels (strategic, operational, programme, project) and activities important for business operations and the achievement of set objectives.

Within the framework of risk management, the risk assumption tendency must be defined, representing the nature and scope of risk that the Dalekovod Company and Group must and are willing to assume to achieve all the long-term strategic goals. The risk assumption tendency includes the identification of the intention to assume risk as well as the determination of tolerance to risk in the sense of determining the level of risk considered acceptable by Dalekovod Company and Group.

Determining the risk assumption tendency arises from the nature of the business operations of the Dalekovod Company and Group, the key business processes/activities, economic and market conditions and their impact on key processes/activities of the Dalekovod Company and Group.

Having considered their business strategy and goals, the Dalekovod Company and Group establish that their risk assumption tendency is moderate (average).

This means that the Management Board has reviewed the nature and scope of risks it intends to undertake in certain areas to achieve the goals of the Dalekovod Company and Group. Its risk assumption tendency is lowest in the area of compliance with laws and by-laws and safety at work as well as in relation to any risk that might negatively affect the reputation of Dalekovod Company and Group. In the area of achievement of key strategic goals, new product development and opening of new markets, the Management Board is guided by the motto “Inspired by challenge”, which also implies considering and occasionally assuming certain larger risks together with appropriate mitigation measures.

V RISK MANAGEMENT

Point 5

The risk management process and the related responsibilities are detailed in an internal procedure.

VI FINAL PROVISIONS

Point 6

This Risk Management Policy was adopted by the Company’s Management Board and the Supervisory Board agreed to it. It may be amended following the same procedure and in the same manner.

This Policy shall come into force the day after it has been agreed to by the Company’s Supervisory Board, repealing the Risk Management Policy of 24 February 2023.

Predsjednik Uprave

Eugen Paić-Karega

Predsjednik Nadzornog odbora

Gordan Kolak

Član Uprave

Tvrtko Zlopaša