

# Valeo Foods Group – Risk Management Policy

## Introduction

Risk management is the set of activities that enable the identification, assessment, management and monitoring of risks that could have a material impact on the Valeo Foods Group and its subsidiaries' (collectively, the "Valeo Foods Group" or the "Group") objectives. It is a component of the Group's wider governance, risk and internal control framework that helps protect all of the Group's assets (including tangible, intangible, workforce, financial, etc), avoid or at least minimise exposure to loss.

## Scope and Background

This policy sets out the requirements in relation to the establishment of, and compliance with, a framework for identifying and facilitating the management of risks effectively and consistently.

In addition to supporting the Group's objectives, the risk management processes are designed and implemented to allow the Group to demonstrate, if and when required, appropriate governance.

It is the responsibility of the whole Group, both the divisions and head office functions, to ensure that they understand and comply with this policy, e.g. they own and support the associated requirements.

The Group Chief Financial Officer (GCFO) is responsible for overseeing the implementation of this Risk Management Policy.

## Risk Management Principles

- Establish and maintain a groupwide common process to proactively identify and manage risks that may impact the achievement of the Group's objectives or the Group existence.
- Comply with the responsibilities in relation to risk management as set out in the relevant local authoritative publications.
- Ensure clarity and consistency in the risk management process, including clear accountability and ownership for managing risks, at the right level and in the right timing, across the Group.
- Maintain a risk scoring metric in the risk register, corresponding to the Group's risk appetite range.
- Consider risk in the context of both threats and opportunities and incorporate significant risks in strategic and business planning.
- Consider and track emerging risks as part of the risk management process as well as regular review of the risks shared by companies in similar activities and geographies.
- Regularly review and update the risk register, and track the timely implementation and modification of mitigating actions.
- Ensure that risks and controls to mitigate, including updating of same, are owned by the divisions and head office functions in a timely manner.

- Escalate significant changes to risks and non-compliance to the appropriate levels and ensure appropriate follow ups to be taken.
- Allocate appropriate resources to address key areas of risk on a prioritised basis.
- Provide the Audit Committee with an update on risk twice a year, or more frequently as required.

### **Risk Management Methodology**

To support the Group’s risk management principles, the Group has established a risk management framework that allows consistent adherence and application of the following:

#### ***Risk identification***

- Each division and head office function is accountable for identifying its key risks.
- Risk descriptions include an appropriate level of detail.
- Each risk has an identified risk owner.
- Identified risks are documented in the risk register, classifying risks across the following categories – strategic, operational, financial, and regulatory / legal.

#### ***Risk assessment***

- The likelihood and impact (financial and reputational) are assessed for each risk on a gross risk (before mitigation) and net risk (after elimination / mitigation) basis, which is documented in the risk register.
- Where controls to mitigate risks do not sufficiently reduce the net risk below an acceptable level of risk, further consideration is required to develop existing controls and / or add new controls to sufficiently reduce the net risk.

#### ***Risk response***

- Risk owners at the divisions and head office functions are responsible for establishing and maintaining appropriate and effective controls to eliminate or at least mitigate the potential impact of risks to an acceptable level, which are documented in the risk register.
- Develop and deliver further actions where the net risk is higher than the acceptable level of risk in accordance with the Group’s risk appetite range.
- Actions should be measurable, assigned an action owner and a specific completion date.

#### ***Risk monitoring, reporting and escalation***

- Divisions and head office functions maintain a local risk register, which is reviewed and agreed twice a year, or more frequently as required.
- Divisions and head office functions report their local risk registers to the Group Head of Risk, Controls and Audit twice a year, or more frequently as required, to facilitate maintenance of the group’s risk register.
- Significant changes in risks are reported to the Group Head of Risk, Controls and Audit, for example:
  - Where the severity of a risk increases sharply.
  - Where there is a large difference between the net risk and acceptable level of risk.

- Where there have been significant incidents, losses or near misses arising from the risk.
- An update is provided to the Audit Committee twice a year, or more frequently as required, on the risk management process in general and on the risk register.
- The Audit Committee reviews and approves the risk related disclosures in the group financial statements.

### **Key Responsibilities**

| <b>Body</b>  | <b>Ownership remit</b>                     | <b>Responsibilities</b>   |
|--|--|---|
| Audit Committee, on behalf of the board of directors | Groupwide                                  | <ul style="list-style-type: none"> <li>• Monitor the risk management process.</li> <li>• Approve the Group’s risk appetite range.</li> <li>• Receive updates from management on the risk management and reporting process. Assess the process periodically, issuing actions as necessary.</li> <li>• Receive updates from management on risks, twice a year. Review and challenge actions taken by management to manage risks.</li> <li>• Receive notification of any material risk issues and agree proposed actions, including for emerging risks.</li> <li>• Review and approve the Group’s Risk Management Policy.</li> <li>• Review and approve the risk related disclosures in the group financial statements.</li> </ul> |
| Executive Directors                                  | Groupwide                                  | <ul style="list-style-type: none"> <li>• The executive directors comprise the Group CEO and CFO, who are invited to attend and participate in the Audit Committee meetings.</li> <li>• Set the Group’s risk appetite range, for approval by the Audit Committee.</li> <li>• Set the appropriate tone at the top for management in respect of risk, mitigation and compliance.</li> <li>• Periodic review and challenge of risks through risk materials presented at leadership meetings.</li> <li>• Drive and empower ownership of risks.</li> </ul>  |
| Management - divisional / head office functions      | Divisions/ head office functions           | <ul style="list-style-type: none"> <li>• Assign risk ownership to appropriate individuals.</li> <li>• Maintain a local risk register.</li> <li>• Effectively assess and manage risks and controls to mitigate, including new and emerging risks.</li> <li>• Divisional and head office functional leads to review and conclude on the quality, completeness and validity of local risk registers.</li> <li>• Report local risk registers to the Group Head of Risk, Controls and Audit twice a year, or more frequently as required.</li> </ul>   |
| Group Head of Risk, Controls and Audit               | Groupwide risk co-ordination and reporting | <ul style="list-style-type: none"> <li>• Coordinate risk reporting activities across the group, monitor the quality of reported risk information and challenge the quality, completeness, validity and rating of reported risks through meetings and reviews with divisions, head office functions and stakeholders.</li> </ul>   |

| Body | Ownership remit | Responsibilities   |
|------|-----------------|--|
|      |                 | <ul style="list-style-type: none"> <li>• Conduct risk analysis, including risk consolidation and calibration, comparison to the market, and trending analysis.</li> <li>• Facilitate and monitor the implementation of effective risk management practices across the group, including promoting risk ownership at divisional and head office functional levels.</li> <li>• Produce groupwide risk reporting for the Audit Committee and leadership meetings.</li> <li>• Review the Group Risk Management policy at least every two years and update accordingly.</li> </ul> |

### Application and Compliance

This policy applies across the Group. Divisional and head office functional leads are accountable for its application in their respective divisions and functions.

### Policy Conclusion

This Risk Management Policy is in place to support the Group's effective identification, assessment, management and monitoring of risks that could have a material impact on the Group's objectives. Compliance with this policy is essential to our continued success and reputation in the marketplace.

Any questions regarding this policy are to be addressed to the Head of Risk, Controls and Audit.

*Last Updated: January 2026*

Louis-Francois Gombert

Group Chief Financial Officer

Paul Mulligan

Group Head of Risk, Controls and Audit