

GENERAL RISK MANAGEMENT POLICY

Version approved by the General Meeting of 28 June 2022, entering into force on 1 August 2022

ARTICLE 1.

The risk management policy conducted by Agicoa Europe Brussels SC ("**AEB**") consists of an assessment of all risks that have a direct impact on its strategic and operational objectives and the implementation of a management system that ensures the identification of these risks at an early stage in order to enable management to mitigate the risks by taking appropriate action.

ARTICLE 2.

The following major risks are to be considered for the assessment, without this list being exhaustive:

- a. Financial risks (liquidity risk, credit risk, aggregation risk, currency risk, tax risk, other financial risks);
- b. Personnel risk (risk of dependence on key personnel and lack of succession planning);
- c. IT risks (IT risks, disaster recovery risk, IT project risks);
- d. Licensing and collection risk (risk in the performance of current agreements, risk in collections by external collective management bodies, etc.);
- e. Litigation risk (risk related to all litigation and potential litigation involving AEB);
- f. Distribution and collection risk (all material risks related to distributions in accordance with the approved plan and AEB's distribution rules);
- g. Compliance risk (risk relating to compliance with applicable laws and regulations);
- h. Operational structure risk (risk related to the operational structure and practices of AEB);
- i. Strategic risk (risk related to the achievement of AEB's object and appointments);
- j. Reputational risk (risk affecting AEB's reputation at national and international level).

ARTICLE 3.

The Managing Director/Director General shall report on his assessment in a risk report specifying:

- a. The main risks that currently have a direct impact on AEB's strategic and operational objectives; and
- b. His/her recommendations (i.e. the development/implementation of risk control strategies and subsequent internal controls).



ARTICLE 4.

The Managing Director/Director General shall submit regular risk reports to the Board of Directors.

ARTICLE 5.

The Board of Directors shall assess the risks, make recommendations and determine the strategic direction of AEB at the annual financial review.

ARTICLE 6.

The Managing Director/Director General shall be responsible for implementing the recommendations approved by the Board of Directors and for monitoring sound risk management.

ARTICLE 7.

The Board of Directors shall be responsible for overseeing the management of all risks and for supervising the Managing Director/Director General.

ARTICLE 8.

Any changes to this General Risk Management Policy must be approved by the General Meeting.