



LION CAPITAL

ASSESSMENT OF THE RISK MANAGEMENT AND THE INTERNAL CONTROL SYSTEM FOR 1H 2026 /extract/

According to Lion Capital's internal regulations, the Audit Committee, established at the level of the Board of Directors, is responsible for monitoring and evaluating the effectiveness of the Company's internal control, internal audit, and risk management systems.

In fulfilling these responsibilities, the Audit Committee has reviewed and assessed the internal audit, internal control and compliance, and risk management activities carried out within the Company for the first half of 2026.

The Committee's objectives in evaluating the effectiveness of the risk management and internal control system included:

- the implementation of adequate procedures and mechanisms that allow for the early identification of potential risk-generating or non-compliant situations;
- ensuring that the risk management and internal control strategy is aligned with the overall business strategy and that the related objectives are consistent with the Company's risk appetite and tolerance;
- ensuring that control activities are carried out by qualified personnel within each relevant department;
- the risk management and internal control system has contributed significantly to the identification and management of risks through effective action mechanisms;
- the reports submitted to the Audit Committee contain relevant and complete information regarding the main activities performed.

The Company has implemented processes and mechanisms for managing any deficiencies or vulnerabilities identified by the key functions in its investment and operational activities. The measures taken by the Company's management to implement the recommendations issued by the departments performing key functions (namely, risk management, internal control and internal audit) were carried out within the agreed deadlines. Verification and control activities were performed in accordance with the plan approved by the Board of Directors.

According to the Significant Risk Management Policy, the Board of Directors has adopted a MEDIUM risk appetite and a MEDIUM risk profile. Following the annual assessment of the overall risk profile conducted in August 2025, the Board of Directors approved the risk limits applicable for a one-year period commencing in September 2025. The next assessment is scheduled to take place in August 2026.

During the first half of 2026, all monitored risks remained within the limits approved by the Board of Directors. No risk limit breach alerts were issued.

The avoidance of risks and mitigation of their potential impact are ensured by the Company through an investment policy that complies with the prudential requirements established by applicable laws and regulations.

Through its risk management framework, encompassing both the prior assessment of investments and ex-post monitoring, the Company ensures that portfolio management remains within the appropriate risk parameters.

The Company considers that the risks to which it is exposed are addressed holistically and integrated into its risk management and internal control processes, in compliance with the applicable standards and regulations. Policies, rules and procedures have been developed to support the organisation in managing risks in a systematic and comprehensive manner.