

RISK ASSESSMENT POLICY

MPC PROPERTIES

The purpose of the Risk Assessment policy is to establish a framework for identifying, assessing, and managing risks within MPC Properties. The policy aims to promote a proactive approach to risk management, ensuring the company's resilience and long-term success. This policy applies to all employees, contractors, and stakeholders involved in the real estate activities of MPC Properties. It encompasses risks related to market dynamics, operations, finance, legal, and environmental factors. Primary objectives of the risk assessment policy are as follows:

- a. Identify and categorize potential risks associated with the core business of MPC Property.
- b. Evaluate the likelihood and impact of identified risks using a standardized assessment criterion, advised and prepared by our consultant responsible for all activities in regard to Risk Assessment, Health & Safety and licensed trainings of the employees, which are defined and obliged by law.
- c. Develop and implement effective risk mitigation strategies to minimize potential negative impacts.
- d. Establish a systematic process for ongoing risk monitoring and reporting.
- e. Foster a culture of risk awareness and accountability among employees.

On regular basis MPC Properties clearly define and update the processes for identifying potential risks. This includes regular reviews of market conditions, project-specific risks, legal and regulatory changes, and other factors relevant to the real estate industry, specify the criteria for assessing risks, including a numerical scale for likelihood and impact.

Also, we outline the steps for developing and implementing risk mitigation strategies which involves:

- a. Assigning responsibilities for risk management to relevant individuals or teams.
- b. Developing and implementing risk management policies and procedures.

- c. Establishing contingency plans for key risks.
- d. Regularly reviewing and updating mitigation strategies based on changing circumstances.
- e. Define the process for ongoing risk monitoring and reporting, which includes regular risk assessments, reporting mechanisms, and communication protocols for notifying relevant stakeholders about significant risks and their mitigation strategies.

Global warming, as a very important topic for the mankind in general, is important part of MPC Properties strategies. Addressing global warming from an HR perspective involves promoting sustainability and environmentally friendly practices within the organization.

In order to promote a culture of risk awareness we provide training to employees and stakeholders on risk identification, First aid, Work at height, fire-fighting protocols, and also encourage open communication channels for reporting potential risks.

Occupational health and safety management plans and measures, including company Risk assessment Act, are updated regularly. This includes, but is not limited to: medical checkups according to their job description, cooperation with occupational medicine competent authority office, reporting on work-related injuries, adoption and application of preventive measures related to safe work environment and keeping record through 14 different record forms as listed below:

i)	Ob1 - List of job positions with increased risk
ii)	Ob2 -List of employees occupying jobs with increased risk and medical check ups in accordance with named positions
iii)	Ob3 -Record of work-related injuries
iv)	Ob4 -Record of occupational diseases
v)	Ob5 -Record of work-related illnesses
vi)	Ob6 -Record of employees trained for safe and healthy work
vii)	Ob7 - Record of dangerous materials used during process of work
viii)	Ob8 - Record of performed test of working environment
ix)	Ob9 - Record of executed inspection of work equipment
x)	Ob10 -Record of issued resources and equipment for HSE
xi)	Ob11 - Record of death reports, collective and heavy work-related injuries as well as work-related injuries after which employee is not able to work more than 3 days per week
xii)	Ob12 - Record of reported occupational illnesses
xiii)	Ob13 - Record of medical check ups in accordance with HSE regulations
xiv)	Ob14 - Record of reported dangerous occurrences which could jeopardize HSE at work place.

It is significant to clearly outline the responsibilities of key individuals or teams involved in the risk assessment process, including those responsible for risk identification, assessment, and mitigation.

We specify the approval process for the risk assessment policy and communicate it to all relevant stakeholders. Detail the steps for implementing the risk assessment policy, including any training programs, tools, or resources required are responsibility of HR department with full support of company top management.

Contact information for individuals or teams responsible for overseeing the risk assessment process are listed in all our assets and distributed via email and our internal communication channels.

COMPLIANCE WITH THE LAW

According to Serbian law, Article 15 of the Regulation on the Manner and Procedure of Risk assessment in the workplace and working environment (*Official Gazette of RS no. 72/06, 84/06, and 102/15*) MPC Properties is obliged to prepare and keep update of document:

METHODS FOR PERFORMING RISK ASSESSMENT - RISK ASSESSMENT METHODOLOGY USED IN RISK ASSESSMENT - KINNEY METHOD

The effectiveness of the implementation of the risk assessment act is continuously monitored by checking the effectiveness of the measures taken and evaluating the implementation of the measures in order to reduce and eliminate the risk. The risk assessment act will be implemented by the designated risk assessment team. If the ineffectiveness of the implementation of the planned measures is identified in the monitoring of the effectiveness of the implementation of the risk assessment act, correction of these measures will be taken. The risk assessment act is subject to change and supplement in all cases provided.

Risk assessment, with respect to dangers and harm, was conducted using the selected method, which requires consideration of the probability in seven possible levels, consideration of the consequences of a possible event, i.e., the severity of the possible damage or improvement to the work in five levels, consideration of the exposure, i.e., the time of exposure of the employees to the dangers and harm in five levels. Based on the established probability, consequences, and exposure, the level of risk was calculated and defined as the product of probability, consequences, and exposure.

The phases and deadlines for risk assessment, taking into account the activities performed within the scope of the company and the specificities of the internal organization are:

- Acquiring data,
- Determining dangers and harms,



- Assessing risks, and
- Determining ways and measures for elimination with a proposal for measures in terms of reducing or preventing risks.

INFORMATION TO THE RISK ASSESSOR - Information to the risk assessment team is provided through direct observation of technical and other documentation available to the ministry, discussions with all internal unit managers, discussions with employees in specific specific jobs, and active participation of all employees, regular assistants of risk assessment team members.

COORDINATION BETWEEN THE RISK ASSESSOR Coordination between the risk assessor is easily achieved in all phases of the risk assessment act, given that the members of the risk assessment team are regular employees of the Ministry of Labor and Social Policy.