

Stakeholder Relations POLICY



Stakeholder relations POLICY



ALKALOID
SKOPJE

Health above all

Pursuant to Article 119 of the Statute, proposed by the Supervisory Board within its competencies under Article 203 of the Statute, the Management Board of ALKALOID AD Skopje, at its meeting on 29.12.2022, adopted the following:

STAKEHOLDER RELATIONS POLICY

Introduction

ALKALOID plays a significant role in society and the health systems of the countries where it conducts its business. Our success heavily relies on how our stakeholders perceive us as a business partner, employer, or investment opportunity. Maintaining continuous communication with stakeholders is vital to meeting their needs and expectations and recognising and understanding trends and changes in our business and social environment.

The company statute, the ESG Policy, the Code of Ethical and Professional Conduct, and other internal acts express our commitment to creating mutually sustainable values with our stakeholders. Through their implementation, we are dedicated to including our stakeholders on our journey to advancing the social and business communities in which we participate and lead.

Our stakeholders play a crucial role in establishing, upholding, and promoting our corporate reputation. Their views and perceptions of our company are essential, as they influence their decisions to invest, purchase our products, join our workforce, provide positive recommendations, and more. Therefore, their perceptions directly impact ALKALOID's long-term sustainability.

Moreover, our dedication to effectively managing stakeholder relationships supports our objective of upholding human rights as defined by local and international laws, promoting sound business practices, and embodying the core values outlined in the Code of Ethics and Professional Conduct.

Policy objective

The primary purpose of this Policy is to establish a general framework for our relations with stakeholders in all activities and operations. The Policy aims to:

- Encourage stakeholders to engage in the company's business by involving representatives from social, business, and institutional environments and creating mutually sustainable values
- Respond to legitimate stakeholder interests
- Build trust with and between stakeholders to build long-term, stable and comprehensive relationships
- Confirm and recognise the company's commitment to unify different-nature interests and channel them successfully through a sustainable strategy that benefits each stakeholder individually and all stakeholders collectively.
- Maintain and improve the company's corporate reputation.

Identification of ALKALOID's stakeholders

In light of this Policy, stakeholders are defined as entities or individuals who could be significantly impacted by the company's activities or whose activities could impact the company's ability to achieve its goals and implement its strategies.

Given the above definition and the broad range of activities, ALKALOID significantly impacts the social and business environment. Consequently, its stakeholders are numerous and are categorised as follows for the purpose of this Policy:

- **Internal stakeholders:** employees, executives, shareholders
- **External stakeholders:** suppliers, health system representatives, buyers, creditors, banks and financial institutions, media, regulatory bodies and state institutions, educational institutions, local communities, and non-governmental organisations.

According to the areas they represent, stakeholders are categorised as follows:

- **Partners:** suppliers, healthcare system representatives, buyers, employees, creditors, media, educational institutions (universities, colleges, secondary schools)
- **Capital market representatives:** shareholders, banks and other financial institutions
- **Social environment representatives:** local communities, non-governmental organisations
- **State environment representatives:** regulatory bodies and state institutions.

Basic principles and modalities of stakeholder relations

ALKALOID's stakeholder relations are based on the following principles:

Responsibility - ALKALOID prioritises ethics, integrity, sustainable development, and respect for the rights of communities and stakeholders' representatives in its relationships with stakeholders.

Participation and engagement - ALKALOID encourages stakeholder participation and engagement in all company activities through various interactions, from voluntary consultative sessions to regular and standardised communication channels.

Consensus – The company seeks dialogue with stakeholders through constructive discussion, objective argumentation, and respect for particular circumstances and opportunities to resolve all issues in mutual agreement.

Transparent reporting - ALKALOID ensures transparent relations with its stakeholders. It provides truthful, relevant, complete, clear, and valuable information in financial and non-financial communications.

Process improvement – ALKALOID strives to improve its relationships with stakeholders by regularly reviewing its mechanisms of communication and dialogue. The Supervisory Board reviews this Policy and the ESG Policy annually to enable the company to enhance its capacity to respond appropriately to the needs and interests of stakeholders.

Based on the level of engagement with individual stakeholders, the significance and relevance of particular topics and issues at a given time, the degree of organisation of specific stakeholders, and other relevant factors, the company's mechanisms for engaging with stakeholders and the communication channels that it employs may take on formal, informal, interactive, educational, and/or consultative formats. They can be implemented through:

- Forums, seminars, round tables, and working groups
- Webinars and teleconferences
- Announcements and news on ALKALOID's websites
- Direct email correspondence
- Questionnaires and surveys
- Educational events and training sessions
- Brochures and reports
- Social media platforms such as Facebook, Twitter, and LinkedIn.

All ALKALOID organisational units interacting with one or more stakeholders while executing their responsibilities must comply with this Policy. They must maintain regular communication and dialogue with stakeholders in line with this Policy, propose new stakeholder inclusions based on industry trends and/or new interaction mechanisms, and submit reports on their interactions. By 31 January of each year, organisational units must report to ALKALOID's ESG Board on all stakeholder communications that occurred in the previous year. Reports must include the intensity of interactions, communication channels with each stakeholder, the content and conclusions of the interactions, and propose a method to integrate stakeholder views, needs, and interests into the company's business strategy.

Application of the Policy

All ALKALOID affiliates in the country and abroad shall be subject to this Policy.

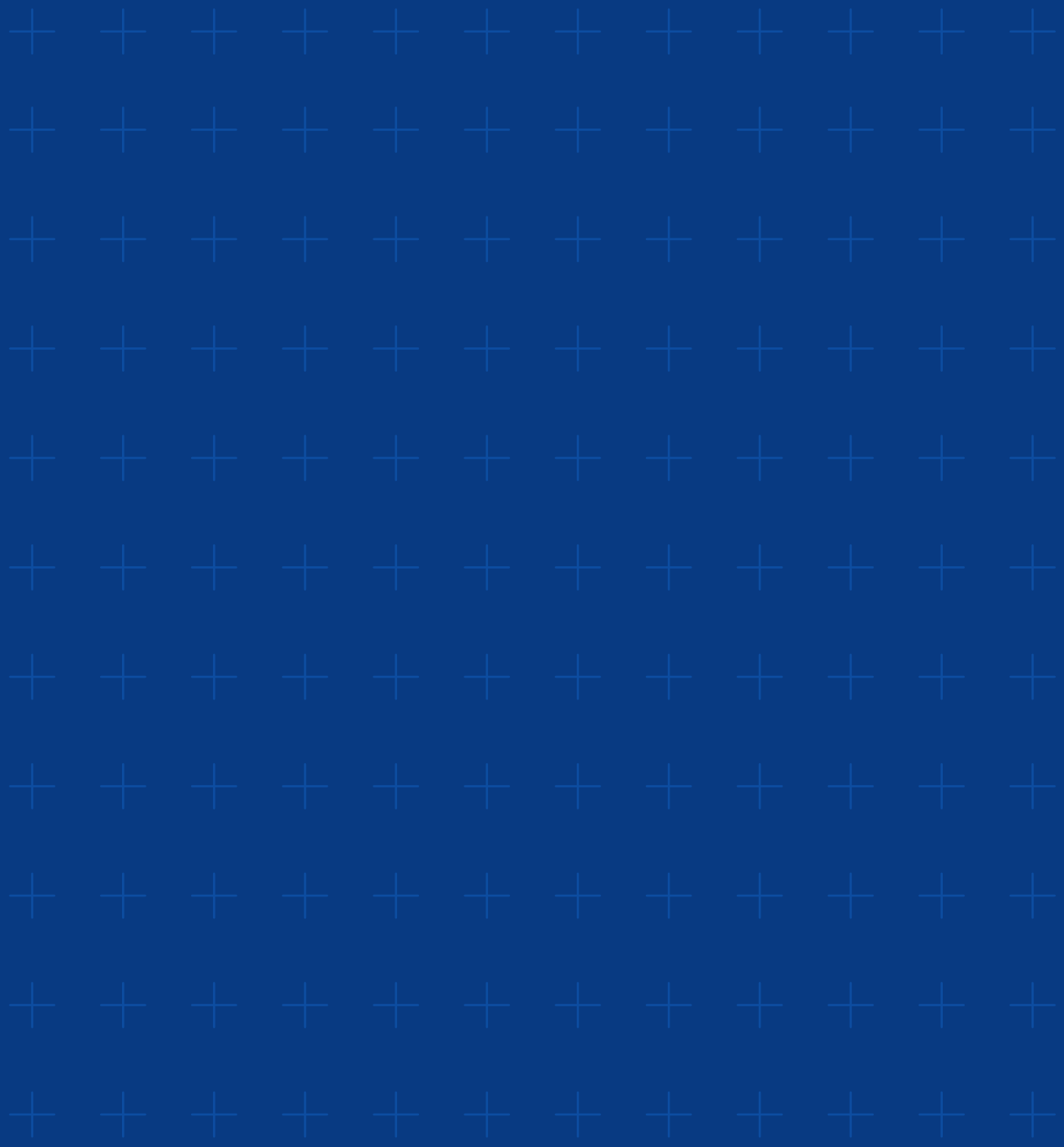
Within twelve (12) months of its entry into force, ALKALOID's affiliates must develop a Protocol for the Application of the stakeholder relations Policy. The normative text of this Policy should be adapted to the status conditions and circumstances of their corporate functioning. They should identify the stakeholders and determine the modalities of communication and dialogue applicable to their circumstances.

Final Provisions

The Supervisory Board shall propose, and the Management Board of ALKALOID shall adopt this Policy. The Supervisory and Management Board shall review this Policy once a year, within three (3) months from the publication of ALKALOID's ESG report. The Supervisory Board shall propose appropriate changes and improvements based on that evaluation.

This Policy shall take effect on 01.01.2023.

¹ This version of the Stakeholder Relations Policy of ALKALOID AD Skopje is formatted and designed to inform the public about it. The official version of the Policy is kept at the Company headquarters.



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