



## **Corporate Financial and Operational Accounting Policy**

### **Purpose:**

To ensure consistent, transparent, and compliant financial practices across all SlavkaSk facilities. It provides a standardized framework for financial reporting, auditing, and fraud prevention, supporting effective decision-making and organizational accountability at a global level.

### **1. Unified Financial Records at All Sites**

- Each SlavkaSk n.o. facility maintains daily records of costs and revenues.
- Financial data must be recorded using centrally approved templates only.
- Accounting is conducted in Hungarian and English, adapted to local regulations in each country.

### **2. Definition of Cost Categories**

- Raw material costs
- Wages and related expenses
- Energy and operational costs
- Maintenance and repair costs
- Taxes, fees, logistics, and other expenses

### **3. Monthly Financial Reports from Facilities**

- Local plant managers must submit financial reports to the headquarters by the 5th of each month.
- Reports include all revenues, expenses, profits, and inventory changes.
- Central accounting reviews and consolidates data at a global level.

### **4. Revenue Management and Transparency of Cash Flow**

- Cash transactions require special authorization.
- Revenues from pyrolysis oil and other product sales must be transferred via bank transfer.
- All financial transactions are recorded daily in the central system.

### **5. Internal Audit System**

- Quarterly internal financial audits are mandatory at every facility.
- Central audit teams may conduct unannounced visits.
- Irregularities must be documented and may result in disciplinary actions.

### **6. Prevention of Financial Fraud**

- Unauthorized cash handling from petty cash is prohibited.
- Double invoicing, cost reallocation, or intentional data concealment is forbidden.
- Violations result in severe disciplinary and legal consequences.

### **7. Independent Audits**

- An independent auditor must be appointed annually in each country.
- Audit reports are submitted to the central financial directorate and archived.

## **8. Standardization of Financial Reports**

- All financial statements must include:
  - Total revenue, expenses, and net profit
  - Production volume and sold products
  - Inventory changes
  - Energy and waste management costs
- Deviation from the central template is not permitted.

### **Regulation Issued By:**

**Ignác Czakó, President of the SlavkaSk International Nonprofit Organization**