Year				2025
ANNUAL COMPLIANCE QUESTIONNAIRE				KONČAR d.d./ KONČAR Inc.
	QUESTION	ANSWER	EXPLANATION	LINK TO THE COMPANY'S WEBSITE
1. Leadership/Cooperation	The articles of association and/or other internal regulations clearly define the responsibilities of the Supervisory Board and the Management Board, in accordance with the relevant laws and arrangements under which the Management Board and the Supervisory Board cooperate?	YES		
	The company’s articles of association (and/or other internal regulations) are freely available on the company’s website?	YES		https://koncar.hr/en/documents
	The Supervisory Board adopted a decision setting out the categories of decisions and legal transactions that require the Supervisory Board’s prior approval and those decisions regarding which the Management Board is required to consult with the supervisory board before making a decision?	YES		
	A summary of the decision is available free of charge on the company's website?	YES		https://www.koncar.hr/sites/default/files/dokumenti/korporativno-upravljanje/2024-12/STATUT%20KDD%2012%2006%202024%20%C4%8Distopis%20%28eng%29%2029_4_24.pdf
	The company's articles of association and/or internal regulations provide for the prior consent of the Supervisory Board for the making of important decisions that affect the company's strategy, expenditure, risk exposure and reputation?	YES		
	The company's articles of association and/or internal regulations stipulate that the Supervisory Board and its committees have timely access to documents, premises, as well as senior management and employees when necessary to carry out their duties?	YES		
	The Management Board reported to the Supervisory Board at regular intervals on the company's operational performance, financial position, material financial and other risks, resilience, and the outcomes of interactions with shareholders and other stakeholders?	YES		
	The Management Board and the Supervisory Board agreed on the content, format and frequency of these reports?	YES		
	The articles of association and/or internal regulations stipulate that the president of the Management Board must inform the Supervisory Board if an event arises, or is likely to arise, that could potentially affect the company's results, financial position or reputation?	YES		
1. Leadership/Code of Conduct	The Supervisory Board approved the Code of Conduct (or other internal policy) which establishes the rules of conduct to be followed by members of the Management Board and the Supervisory Board, employees and others acting on behalf of the company?	YES		
	The Code of Conduct (or other internal policy) contains provisions that ensure an inclusive working environment, equal opportunities for men and women, and prohibit any form of discrimination, as well as the rules of conduct and the measures that will be taken in the event of their breach?	YES		
	The Code of Conduct (or other internal act) is available free of charge on the company's website?	YES		Code of conduct.pdf
	The Supervisory Board oversees the implementation of and monitor the effectiveness of the Code of Conduct (or other internal act)?	YES		
	The Code of Conduct (and/or other internal policy) takes into account the recommendations for responsible business conduct as set out in the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the applicable OECD Due Diligence Guidelines for Responsible Business Conduct?	YES		
2. Duties of Management Board and the Supervisory Board members/ Conflict of interest	Members of the Management Board and Supervisory Boards have been prohibited from participating in decision-making in respect of matters in which they have a conflict of interest?	YES		
	The company adopted a policy for managing conflicts of interest?	YES		
	The Supervisory Board has given prior approval to the conflict of interest policy?	YES		
	The policy for managing conflicts of interest is available free of charge on the company's website?	YES		Corporate governance code.pdf
	Members of the Supervisory Board have an obligation to inform the entire Supervisory Board that they are in an existing or potential conflict of interest?	YES		
	Members of the Management Board have an obligation to inform the president of the Supervisory Board and the other members of the Management Board of an existing or potential conflict of interest?	YES		

	Supervisory Board is required to keep a record of all notifications relating to an existing or potential conflict of interest, including a description of the action taken and the outcome of that action in respect of each existing or potential conflict of interest?	YES		
	Members of the Management Board and the Supervisory Board are obliged to inform the president of the Supervisory Board if they believe that another member of the Management Board or the Supervisory Board is in an actual or potential conflict of interest which they have not disclosed, or to inform the deputy president of the Supervisory Board if the conflict concerns the president of the Supervisory Board?	YES		
2. Duties of Management Board and Supervisory Board members/ Prohibition of competition	Members of the Supervisory Board and the Management Board do not carry on activities that compete with the company's business, either for their own account or for that of another?	YES		
	Members of the Supervisory Board and Management Board are not members of the Management Board or Supervisory Board of companies whose activities compete with the company's business?	YES		
	Members of the Supervisory Board and Management Board do not hold significant stakes in companies that compete with the company's business?	YES		
	Members of the Management Board and Supervisory Board who hold shares in companies with which the company is in competition notified the company secretary of such shares?	NO	No such holdings exist.	
	Details of the shares held by members of the Supervisory Board and Management Board in companies that compete with the company's business are available free of charge on the company's website?	NO	No such holdings exist.	
2. Duties of Management Board and Supervisory Board members/ Transactions with Related Parties	No transaction between members of the Management Board or Supervisory Boards and the company (or persons associated with any party) may be entered into without the prior consent of the Supervisory Board?	YES		
	The fair value of every material transaction, as defined by law, must be confirmed by an independent expert before each such transaction?	YES		
	The independent expert's report on the fair value of each material transaction must be made available free of charge on the company's website?	YES		Financial Reports | KONČAR
	If the Supervisory Board has appointed a special committee in accordance with the law to decide on prior consent for entering into related-party transactions, or has authorised the audit committee, the members of such a committee meet the independence requirements prescribed for members of the Supervisory Board?	NO	Members of the Audit Committee are independent under the Audit Act.	
	If the Supervisory Board for deciding on prior consent for related-party transactions has appointed a special committee in accordance with the law or authorised the audit committee, the members of such a committee are independent with respect to the persons and transactions that are the subject of the prior consent?	YES		
	The company has adopted procedures for approving and disclosing transactions between members of the Management Board or Supervisory Board and the company (or persons associated with any party)?	YES		
	The Audit Committee assesses the effectiveness of these procedures annually?	YES		
	The company promptly publishes on its website information on related-party transactions requiring the prior consent of the Supervisory Board, for transactions of the company and for transactions of its subsidiaries with related parties of the parent company?	YES		Investor News | KONČAR
	The related-party transaction notices contain at least information on the nature of the relationship with the related party, the names of the related parties, the date and the value of the transaction?	YES		
	Such a notification of transactions is made available to the public for at least five years on the company's website?	YES		Investor News | KONČAR
	The Management Board prepares an annual report on related-party transactions in the content prescribed by the Companies Act?	YES		https://koncar.hr/sites/default/files/dokumenti/korporativno-upravljanje/2026-05/Report%20on%20transaction%20with%20related%20companies%202025_signed.pdf
	The auditor has audited the related party transaction report and submitted their signed report to the company's Management Board?	YES		

2. Duties of Management Board and Supervisory Board members / Transactions with Related Parties	The Supervisory Board has examined the related party transaction report, expressed its opinion on the audit findings, and reported on this to the General Assembly in its report to the General Assembly?	YES		https://koncar.hr/sites/default/files/dokumenti/korporativno-upravljanje/2026-05/Report%20of%20the%20Supervisory%20Board%202025%20KON%C4%8CAR%20Inc.pdf
3. Appointment of Management Board and the Supervisory Board / Role of the Supervisory Board	The Supervisory Board is responsible for the appointment and dismissal of members of the Management Board and for making recommendations on candidates for election to the Supervisory Board to the General Assembly?	YES		
	The Supervisory Board adopted formal and transparent procedures for the appointment to the Management Board and the Supervisory Board, and for the selection of senior management?	NO	The Company (the Supervisory Board) is in the process of establishing and formalising procedures for the appointment of members of the Management Board and the Supervisory Board, and for the selection of senior management, including a succession plan with a prior gender equality assessment.	
	The Supervisory Board has adopted a succession plan?	NO	The Supervisory Board is in the process of establishing and formalising procedures for the appointment of members of the Management Board and the Supervisory Board, and for the selection of senior management, including a succession plan.	
	Procedures for appointments to the Management Board and the Supervisory Board, and for the selection of senior management, contain objective criteria for appointment or selection, giving preference under the same conditions to a person of the under-represented gender?	NO	The Company (the Supervisory Board) is in the process of establishing and formalising procedures for the appointment of members of the Management Board and the Supervisory Board, and for the selection of senior management, including a succession plan with a prior gender equality assessment.	
	A prior assessment has been carried out of the impact of the procedures for the appointment of members to the Management Board and the Supervisory Board, and for the selection of senior management, as well as the succession plan, on gender equality?	NO	The Supervisory Board is in the process of establishing and formalising procedures for the appointment of members of the Management Board and the Supervisory Board, as well as for the selection of senior management, including a succession plan, with a prior assessment from a gender equality perspective; for this reason, a prior impact assessment of the said procedures has not been carried out.	
	A prior gender equality impact assessment of the procedures for the appointment to the to the Management Board and the Supervisory Board, as well as for the selection of senior management and the succession plan, has been published free of charge on the company's website?	NO	The Company (the Supervisory Board) is in the process of establishing and formalising procedures for the appointment of members of the Management Board and the Supervisory Board, and for the selection of senior management, including a succession plan following a prior gender equality assessment, and upon their adoption, they will be published on the Company's website.	
	The representation of at least 40% members of the under-represented gender on the Supervisory Board, or on the Supervisory Board and Management Board combined, have been ensured?	NO	The representation of the under-represented gender on the Supervisory Board is 33.3%, but taking into account that during 2025. two women were elected to the Supervisory Board during 2025 and that women currently constitute 33.3% of its membership, a clear commitment to achieving the goal of a balanced representation of women and men on the Supervisory Board is evident.	
	If a representation of at least 40% of members of the under-represented gender has not been achieved, has the company taken measures to achieve the prescribed representation and adopted a plan and deadline for achieving it, which cannot be longer than two years from the occurrence of an unbalanced gender representation?	Partially	Given the current mandates of the existing members of the Supervisory Board and the Management Board, matters concerning the composition of these bodies, including the target representation of members of the under-represented gender, will be considered at the time of future appointments. Taking into account that two women were elected to the Supervisory Board during 2025 and that women currently constitute 33.3% of its membership, a clear focus on achieving the goal of a balanced representation of women and men on the Supervisory Board is evident.	
	The company publishes in its annual report all measures it has taken, the plan and the deadline for achieving the prescribed representation of the under-represented gender, together with an explanation of why the percentage was not achieved?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
3. Appointment of Management Board and the Supervisory Board / Role of the Nomination Committee	The Nomination Committee oversees the appointment process to the Supervisory Board and Management Board to ensure that it is fair, transparent and non-discriminatory, that it promotes diversity, inclusion and equal opportunities, and that it achieves a balanced representation of both genders?	YES		
	The Nomination Committee has developed role and candidate descriptions for each vacancy in accordance with the Management Board or Supervisory Board profile, and identified and recommended suitable candidates to the Supervisory Board?	YES		
	When seeking independent Supervisory Board candidates, the Nomination Committee determined that the candidates were independent and, if so, on what criteria (as defined in Annex A)?	NO	The Nomination Committee has reviewed the candidate's CV, how the candidate contributes to the profile of the Supervisory Board and to a balanced representation of both genders, taking into account their key qualifications, experience and relationships with the Company.	
	The Nomination Committee prepared a succession plan for the reappointment or replacement of members of the Supervisory Board and the Management Board, in consultation with the president of the Supervisory Board and the Management Board, respectively?	NO	The Nomination Committee has reviewed the candidate's CV, how the candidate contributes to the profile of the Supervisory Board and to a balanced representation of both genders, taking into account their key qualifications, experience and relationships with the Company.	
	The Nomination Committee has overseen progress in achieving the percentage of female members on the Mangement board and Supervisory Board, and in senior management?	YES		
	The Nomination Committee has overseen the Management Board's policies for the selection and appointment of senior management?	NO	In 2025, there were no meetings of the Nomination Committee.	
	The Nomination Committee has overseen the implementation of internal assessments and surveys on employees' perceptions of gender equality and equal opportunities within the company?	NO	In 2025, there were no meetings of the Nomination Committee.	

3. Appointment of Management Board and the Supervisory Board / Election of Supervisory Board members at the General Assembly	When proposing candidates for the Supervisory Board to the General Assembly, the Company made all information from Article 19 of the Code available free of charge on its website as part of the General Assembly materials?	Partially	When proposing candidates for the Supervisory Board to the General Assembly, with regard to the information required by Art. 19 of the Corporate Governance Code, the Company has made the following information partially available for each nominee: the candidate's CV, how the candidate contributes to the profile of the Supervisory Board and to a balanced gender representation, covering their key qualifications, experience, and relationship with the Company.	
	The proposal for the election of Supervisory Board members must also include, for each proposed member, a statement as to whether they are independent within the meaning of the provision of Article 255(6). of the Companies Act, or why the Supervisory Board considers the candidate to be independent and on the basis of which criteria from the Companies Act/Code?	NO	The proposal did not include information on independence as it is not a legal requirement.	
	In the event that a current member of the Supervisory Board has been proposed, do the materials for the General Assembly also contain all the information from Article 20 of the Code?	NO	The current member of the Supervisory Board member was not proposed.	
	The information from Articles 19 and 20 of the Code available is free of charge on the company's website, even in the case where a worker representative or another Supervisory Board member who is not elected by shareholders at the General Assembly is appointed?	Partially	In the event that a worker representative or another member of the Supervisory Board who is not elected by the shareholders at the General Assembly is appointed, most of the information from Articles 19 and 20 of the Code is available on the company's website.	
4. Supervisory Board and its committees / Competence of the Supervisory Board	The Supervisory Board's tasks include: appointing and dismissing members of the Management Board and succession planning; contributing to the development of and approving the company's strategy, business plan and budget; and monitoring Management Board's performance in achieving its objectives and in the manner in which it performs its duties, as well as the way it engages with shareholders and other stakeholders?	YES		
	The Supervisory Board's duties also include ensuring at least 40% representation of the under-represented gender on the Supervisory Board, or on the Supervisory Board and the Management Board combined?	YES		
4. Supervisory Board and its committees / Composition of the Supervisory Board	The Supervisory Board has drawn up a profile for the Supervisory Board that specifies the minimum number of members and the combination of age, gender, skills, knowledge and education, as well as the professional and practical experience required for the Supervisory Board?	YES		
	The Supervisory Board includes members of different genders, ages, profiles and experiences to ensure a diversity of perspectives when making decisions and a balanced representation of both genders?	YES		
	The majority of the Supervisory board members are independent in accordance with the definition in Annex A of the Code?	YES		
	The president or deputy president of the Supervisory Board is independent?	YES		
	If the majority of the Supervisory Board members are not independent, the Supervisory Board has adopted measures, a plan and a timetable for achieving independence which cannot be longer than two years from the date on which the majority of its members cease to be independent?	YES		
	The company publishes in its annual report all measures taken to achieve the independence of the Supervisory Board, the plan and timetable for achieving independence, together with an explanation of why independence has not been achieved?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
4. Supervisory Board and its committees/President	The President of the Supervisory Board has the duties set out in Article 26 of the Code?	YES		
4. Supervisory Board and its committees/Committees of the Supervisory Board	The Supervisory Board has established a Nomination Committee?	YES		
	The Supervisory Board has established a Remuneration Committee?	YES		
	The Supervisory Board has established an Audit Committee?	YES		
	The Supervisory Board has determined the mandate and activities of each of its committees?	YES		
	Each Supervisory Board committee is composed of members who have the necessary skills, knowledge and education, and professional and practical experience to carry out the functions of that committee effectively?	YES		
	Each Supervisory Board committee has at least three members?	YES		
	The majority of the members of each Supervisory Board committee are independent in accordance with the definition in Annex A of the Code?	Partially	The majority of the members of Audit Committee is independent under Audit Act.	
	Members of the Management Board are prohibited from serving on the Supervisory Board?	YES		

	The independence of the Supervisory Board is ensured by its independent members?	Partially	The Audit Committee does not have a majority of independent members.	
	The terms of reference for each Committee of the Supervisory Board are available free of charge on the company's website?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
	The company includes in its annual report a report on the work of each Supervisory Board committee, including information on the number of meetings held, the committee members and the independence of each member?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
4. Supervisory Board and its committees/Time commitment	The expected minimum time commitment for each member of the Supervisory Board is determined at the time of their appointment?	YES		
	A record of the attendance of each member of the Supervisory Board at the meetings of the Supervisory Board and its committees is published in the company's annual report?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
	The company's articles of association and/or internal regulations require members of the Supervisory Board to inform the company secretary of their membership of the Supervisory Board or Management Board of other companies?	YES		
4. Supervisory Board and its committees/Frequency and manner of meetings	Meetings of the Supervisory Board are held at least once every three months?	YES		
	The Supervisory Board has adopted a work plan that includes the timing and agenda for future meetings?	YES		
	The committees of the Supervisory Board meet as often as necessary to carry out their duties effectively and regularly report to the Supervisory Board on their activities?	YES		
	Meetings of the Supervisory Board may be held without the presence of Management Board members when the Supervisory Board deems it appropriate?	YES		
	Management Board members do not attend meetings at which the Supervisory Board discusses the performance and remuneration of the executive and its members?	YES		
	Non-board commitee members can attend committee meetings only by invitation of the comittee ?	YES		
4. Supervisory Board and its committees/Support	The company has appointed a person to act as company secretary?	YES		
	In accordance with the articles of association (or other internal regulations), the company secretary is responsible for ensuring that the Supervisory Board acts in accordance with its procedures, for advising the Supervisory Board on governance matters, for providing support to the president of the Supervisory Board, and for assisting the Supervisory Board and its committees?	YES		
4. Supervisory Board and its committees/Quality and timeliness of information	All materials required for a Supervisory Board or a board of supervisors' committee meeting are provided to its members at least one week before the meeting?	NO	The Rules of Procedure of the Supervisory Board stipulate that materials for a meeting are to be provided no later than 5 days before the meeting.	
	The minutes of the Supervisory Board meeting are available to all members of the Supervisory Board?	YES		
	The minutes of the Supervisory Board meetings contain information on the voting results, including details of individual members' votes?	YES		
	The Supervisory Board has the right to receive information/advice from persons outside the company at the company's expense if it deems it necessary for the successful performance of its duties, and the procedure for this is specified in the internal Management Board regulations with the prior consent of the Supervisory Board?	YES		
4. Supervisory Board and its committees / Training and development	All members of the Supervisory Board received an induction training for their role upon their appointment?	YES		
	All members of the Supervisory Board are continuously trained and educated to enhance and improve their skills and knowledge?	YES		
	The continuous training of board members covers topics such as business sustainability, responsible business conduct, and achieving a balanced gender representation on the Supervisory board, in Management Board, and in senior management?	YES		
	Members of the Supervisory Board regularly receive updates and summaries from Management Board and experts on matters that are important to the company and the duties of Supervisory Board members?	YES		
4. Supervisory Board and its committees/Supervisory Board Evaluation	The Supervisory Board has evaluated its effectiveness and composition over the past twelve months?	YES		
	The Supervisory Board has assessed the effectiveness and composition of its committees in the last twelve months?	YES		
	The Supervisory Board has assessed the individual performance of its members and the members of its committees over the past twelve months?	YES		

	The evaluation was conducted by the president or deputy president of the Supervisory Board if the president is not independent?	YES		
	The evaluation of the Supervisory Board and its committees included an assessment of all the circumstances referred to in Article 43 of the Code?	YES		
	The evaluation of the Supervisory Board and its committees identifies whether there is a need for improvements in the functioning and preparation of committee meetings?	YES		
	The annual report includes the report on the evaluation of the Supervisory Board and its committees?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
	The report on the evaluation of the Supervisory Board and its committees includes how the evaluation was conducted, whether external evaluators were engaged and who was consulted during the process, and a summary of the actions that have been or will be taken based on the evaluation results?	YES		
5. Management Board/Management Board Responsibilities	The Management Board has duties set out in Article 45 of the Code?	YES		
	The Management Board has set a target percentage for under-represented gender representation in senior management to be achieved within the next five years?	NO	Although the target percentage for the under-represented gender in senior management has not yet been formally established, the Company plans to set it during the current year, defining the measures, implementation deadlines and regular annual monitoring of progress in accordance with Article 45 of the Code.	
	The annual report publishes the target percentage of under-represented gender in senior management, along with an explanation of why it was chosen and why the target was not met, if applicable, the measures the company is taking to achieve it, the plan and deadline for its implementation (which cannot exceed five years), and a statement on progress against the plan?	NO	Although the target percentage for the under-represented gender in senior management has not yet been formally established, the Company plans to set it during the current year, defining the measures, implementation deadlines and regular annual monitoring of progress in accordance with Article 45 of the Code.	
	The Management Board has adopted a Management Board' s rules of procedure that defines the allocation of responsibilities and the manner of cooperation between members of the Management Board, including procedures for holding meetings and making decisions?	YES		
	The Management Board' s rules of procedure must be approved by the Supervisory Board?	YES		
	In the case of a group, the Management Board of the parent company has ensured effective oversight of the activities of other companies in the group and the existence of appropriate cooperation within the group?	YES		

	In the case of a group, the Management Board of the parent company has established rules governing areas of responsibility and reporting procedures at the level of the parent company and its subsidiaries, as well as rules to prevent conflicts of interest?	YES		
	In the case of a group, information on the system of supervision and cooperation within the group and the group's operating rules are available free of charge on the company's website?	YES		Documents | KONČAR
	Where no Management Board control agreement has been entered into, the Management Board of the subsidiary has prepared a report on the company's relationships with its associated companies within the first three months of the business year?	YES		
	The report by the Management Board of the subsidiary on its relationships with associated companies includes all legal transactions that the company has entered into in the previous year with the parent company or with associated company, or on instructions in the interests of those companies, as well as all other transactions, which it has undertaken or failed to undertake in the past year on the instructions of those companies?	YES		
	The report of the Management Board of the subsidiary on its relationships with associated companies includes, for both legal transactions and other actions, all the information prescribed by Articles 497(1) and (2) of the Companies Act?	YES		
	The auditor conducted an audit of the Management Board report of the subsidiary on its relationships with related companies and submitted their signed report to the company's Management Board?	YES		
	The Supervisory Board examined the Management Board report of the subsidiary on its relationships with related parties, taken a position on the audit findings, and reported on this to the General Assembly in its report submitted to the General Assembly?	YES		https://koncar.hr/sites/default/files/dokumenti/korporativno-upravljanje/2026-05/Report%20of%20the%20Supervisory%20Board%202025%20KON%C4%8CAR%20Inc.pdf
5. Management Board/Composition	The Supervisory Board ensures that the Management Board maintains a profile that determines the minimum number of members and the combination of members of a specific age, gender, skills, knowledge and education, as well as professional and practical experience, taking into account the need to ensure a balanced representation of both genders?	YES		
5. Management Board/President	The president of the Management Board is responsible for all activities under Article 49 of the Code?	YES		
5. Management Board/Restrictions on other appointments	The company's internal regulations stipulate that members of the Management Board must obtain prior consent from the Supervisory Board before accepting an appointment to the Management Board or Supervisory Board of a company that is not part of the same group?	YES		
	Members of the board do not hold more than two positions on the Management Board or Supervisory Board of companies that are not part of the same group?	YES		
5. Management Board/Management Board Assessment	The Supervisory Board, in the last 12 months, has assessed the effectiveness of the cooperation arrangements between the Supervisory Board and the Management Board, as well as the adequacy of the support and information it receives from the Management Board?	YES		
	The results of the assessment of the cooperation arrangements between the Supervisory Board and the Management Board are included in the annual report?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
	The Management Board has assessed its own effectiveness and that of individual members at least once a year, applying the same criteria and avoiding any form of discrimination?	YES		
	The Management Board has reported to the Supervisory Board on the conclusions of the assessment of its own performance and that of individual members?	YES		
6. Remuneration of the Management Board and Supervisory Board / Role of the Remuneration Committee	The Remuneration Committee recommends to the Supervisory Board a remuneration policy for the members of the Management Board at least every three years, taking into account the level and structure of remuneration of senior management and employees as a whole, having conducted a prior assessment of the effects of the said policy on the gender pay gap for equal work and/or work of equal value?	YES		

	The Remuneration Committee has recommended to the Supervisory Board remuneration for the members of the Management Board based on an assessment of the company's performance and their individual performance, taking into account the principle of equal pay for work of equal value between the genders?	YES		
	The Remuneration Committee has recommended to the Supervisory Board a remuneration policy for the members of the Supervisory Board and conducted a prior assessment of the effects of said policy on gender pay equality for equal work and/or work of equal value, which policy has been submitted to the General Assembly for approval?	YES		
	The Remuneration Committee has overseen the amount and structure of remuneration for senior management and employees as a whole, taking into account the principle of equal pay for work of equal value, and made recommendations to the Management Board on its policies?	YES		
	The Remuneration Committee has overseen the preparation of the legally mandated mandatory annual remuneration report for the Supervisory Board's approval?	YES		
6. Remuneration of the Management Board and Supervisory Board members/Remuneration of Management Board members	The Supervisory Board has determined the annual remuneration of each member of the Management Board, based on the recommendations of the Remuneration Committee and in accordance with the approved remuneration policy?	YES		
	The remuneration policy is non-discriminatory, aligned with sustainability objectives, and prepared in accordance with relevant legal requirements?	YES		
	The level of remuneration for the Management board takes into account the agreed strategy, risk appetite, the economic environment in which the company operates, the achievement of sustainability objectives, and the salaries and conditions of the company's employees?	YES		
	The remuneration policy stipulates that a member of the Management Board may not dispose of shares awarded as part of their remuneration for at least two years from the date of their grant?	YES		
	The remuneration policy stipulates that a member of the Management Board must not exercise share options granted as part of their remuneration for at least two years from the date of grant?	YES		
	The Remuneration Policy includes provisions that specify the circumstances in which a member of a Management Board's portion of a remuneration would be withheld or their repayment sought?	NO	The Remuneration Policy provides that the Company has no deferral or deferral periods for the payment of part of the remuneration, and the Company has no right to require the return of variable components of remuneration.	
	The level of remuneration for the president of the Supervisory Board and for the other members of the Supervisory Board reflect their time commitment and responsibilities, including the time commitment and responsibilities on Supervisory Boards?	YES		
	The company's remuneration policy and/or internal regulations prohibit the inclusion of variable elements or other performance-related elements in Supervisory Board remuneration?	YES		
6. Executive and Supervisory Board Remuneration/Remuneration Reporting	The company adopted a remuneration policy for the Supervisory Board, Management Board and senior management?	YES		
	The company has conducted an assessment of the impact of its remuneration policies on gender pay equality?	YES		
	The remuneration policy has been approved by shareholders at the General Assembly?	YES		
	The approved company remuneration policy is available free of charge on the company's website?	YES		Remuneration policy for KONČAR Inc. - 2025_0.pdf
	Is an assessment of the impact of the company's remuneration policies on gender pay equality available free of charge on the company's website?	NO	An assessment of the effects of the remuneration policies on the equality of remuneration between the genders does not exist in document form.	
	The Annual Remuneration Report includes remuneration information for each individual member of the Supervisory Board and the Management Board, in the content as specified by Article 60 of the Code and the Companies Act?	YES		

	The annual remuneration report contains information on the method for determining the remuneration policy for the Management Board, the relationship between remuneration and long-term performance, the sustainability and resilience of the company, the structure and parameters for calculating remuneration for the Management Board, the alignment of remuneration for the Management Board with that of senior management and employees as a whole, and the reasons for any deviation from the application of the remuneration policy for the Management Board, if applicable?	YES		
	The annual remuneration report contains information on the remuneration of each member of the Supervisory Board's committee who is not a member of the Supervisory Board, where applicable	YES		
	The annual remuneration report is available free of charge on the company's website?	YES		Remuneration report of the Management Board and the Supervisory Board 2025 KONČAR Inc.pdf
	The auditor's report on the examination of the annual remuneration report is available free of charge on the company's website?	YES		Remuneration report of the Management Board and the Supervisory Board 2025 KONČAR Inc.pdf
7. Risks, Internal Control and Audit/Role of the Supervisory Board and Management Board	The Management Board, with the prior approval of the Supervisory Board, has adopted a risk management policy that determines the nature and extent of risks the company must and is willing to take in order to achieve its long-term strategic objectives?	YES		
	The risk management policy takes sustainability issues into account?	YES		
7. Risks, Internal Control and Audit/Role of the Supervisory Board and Management Board	The company's articles of association and/or internal regulations stipulate the Management Board's responsibility for identifying significant financial, operational and external risks related to the implementation of the strategy and the maintenance of the company's activities, and for maintaining an appropriate risk management and internal control system to manage and avoid these risks?	YES		
	The company's Management Board regularly reports to the Supervisory Board on the status of significant risks?	YES		
7. Risks, Internal Control and Audit/Role of the Audit Committee	The Audit Committee oversees the accuracy and completeness of the company's financial statements, accounting policies and other official disclosures related to the company's financial performance?	YES		
	The Audit Committee oversees the accuracy and completeness of the corporate sustainability report and sustainability reporting policies, and other official disclosures related to the company's sustainability performance?	YES		
	The Audit Committee oversees the implementation of tax planning, including the allocation of corporation tax arising from cross-border activities?	YES		
	The Audit Committee oversees the effectiveness of the company's internal financial controls?	YES		
	The Audit Committee ensures the adequacy, independence and effectiveness of the external audit function?	YES		
	The Audit Committee ensures the independence and adequacy of the internal audit function?	YES		
	The Audit Committee oversees the implementation of measures identified as a result of external and internal audits and its own oversight?	YES		
	The Supervisory Board (or a special committee of the Supervisory Board or the Audit Committee) undertakes oversight activities to assess the effectiveness of the company's entire internal control and risk management system?	YES		
	The Supervisory Board (or a special committee of the Supervisory Board or the Audit Committee) oversees the application of procedures for reporting violations of laws or the company's internal codes of conduct?	YES		
7. Risks, Internal Control and Audit/Relationship with the External Auditor	The Audit Committee oversees the process for the selection and appointment of the external auditor in accordance with legal requirements, and make recommendations to the Supervisory Board on the selection of the external auditor and the terms of their appointment?	YES		
	The Audit Committee has approved the external auditor's work programme in the past twelve months, which includes the scope and content of the activities to be subject to audit?	YES		
	The Audit Committee meets with the external auditor as necessary to discuss matters identified during the audit and to oversee the quality of the services provided?	YES		
	The Audit Committee oversees the independence and objectivity of the external auditor?	YES		

	The Audit Committee approved the policy on permissible non-audit services provided by the external auditor and monitors the implementation of that policy?	YES		
7. Risks, Internal Control and Audit/risk management and Internal Control	The Audit Committee assessed the effectiveness of the risk management and internal control systems as a whole at least annually?	YES		
	The Audit Committee has made recommendations to the Supervisory Board and the company's Management Board regarding the effectiveness of risk management and the internal control system, where necessary?	YES		
	The company has stated in its annual report how the Supervisory Board has exercised oversight of the effectiveness of risk management and the internal control system?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
7. Risks, Internal Control and Audit/risk management and Internal Control	In its annual report, the company described which significant internal controls were not effective and the measures and activities that have been taken or proposed to improve them?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
	The Company maintains an effective risk management system that ensures reliable identification, measurement, response, reporting and monitoring of risks.	YES		
	The risk management system covers all risks the company faces or may face, including climate and environmental risks, health crises, supply chain disruptions, geopolitical tensions, tax risks, and risks related to cybersecurity and the application of digital technologies, as well as financial and operational risks?	YES		
	The Company has established clear internal responsibilities for maintaining the risk management system and a clear procedure for maintaining contact between responsible persons and the audit committee?	YES		
	The Company established an internal audit function responsible for monitoring the effectiveness of the internal control system, including risk management?	YES		
	The Audit Committee approved the internal audit plan in the last twelve months?	YES		
	The Audit Committee has received reports from the internal auditor and monitored the implementation of their recommendations?	YES		
	The Audit Committee has required to recommend to the Supervisory Board the appointment or removal of the head of the internal audit function?	YES		
	If the company does not have an internal audit function, has the audit committee, within the last 12 months, assessed the need for such a function as part of its assessment of the system of internal controls?	NO	There is an internal audit function.	
7. Risks, Internal Control and Audit/Reporting of Irregularities	The Management Board, with the prior approval of the Supervisory Board, has adopted procedures for reporting violations of law, the company's internal regulations or unethical conduct, including cases where there is suspicion of a violation or the possibility of one occurring?	YES		
	The procedure ensures that workers or external stakeholders do not suffer negative consequences if they report suspected misconduct, and that the identity of the whistleblower remains protected?	YES		
	The procedures are aligned with regulations on whistleblower protection, gender equality, protection against all forms of harassment and the prevention of discrimination?	YES		
	A detailed description of the procedure for reporting a breach of the law, the company's internal rules, or unethical behaviour available free of charge on the company's website?	YES		Rulebook on internal reporting of irregularities.pdf
	The Management Board has appointed a person responsible for dealing with reported irregularities?	YES		
	The company's articles of association and/or internal regulations provide that the Management Board is obliged to immediately report any irregularities to the Supervisory Board, arrange for the necessary measures to be implemented, and report the results of these measures to the Supervisory Board?	YES		
	The company's articles of association and/or internal regulations provide that the Management Board has a duty to inform the whistleblower of the results of the measures taken, unless otherwise stipulated by a relevant regulation?	YES		
	The company's articles of association and/or internal regulations provide for the Management Board's duty to ensure the protection of the identity of the whistleblower and protection from possible retaliation?	YES		
	The Audit Committee has assessed the effectiveness of the whistleblowing procedure and its application at least once a year?	YES		

8. Disclosure and Transparency/Use of the Company's Website	All information that the company is required to disclose in accordance with the law, listing rules, the Code and its own articles of association arev available free of charge on the company's website?	YES		
	The company's websites are easily accessible, user-friendly, and straightforward for finding information?	YES		
	The company's annual report available on the company's website?	YES		
	The half-yearly and quarterly reports and other required financial information are available on the company's website?	YES		Financial Reports | KONČAR
	Information related to sustainability, which could reasonably be expected to influence an investor's assessment of the company's value or their investment or voting decisions, is available on the company's website?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	Information on the rules of procedure, the composition and members of the Supervisory Board and its committees, and the Management Board, including details of the independence of each individual board member and the criteria for their independence, are available on the company's website?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Inc_2025_audited.pdf
	The company's articles of association and other internal acts are in accordance with this Code available on the company's website?	YES		Documents | KONČAR
	The company's policies on social and environmental impact, human rights, including children's rights, the working environment, bribery and corruption, and discrimination are available on the company's website?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	The company's internal rules and the procedure for reporting irregularities are available on the company's website?	YES		Rulebook on internal reporting of irregularities.pdf
	An organisational chart is available on the company's website, detailing the company's position within the group, if the company is part of a group, including intra-group policies?	YES		Subsidiaries | KONČAR
	Information on shareholdings is available on the company's website where the company is involved?	NO	No cross-shareholding.	
	The corporation tax information return is available on the company's website?	YES		https://koncar.hr/en/public-country-country-reporting-income-tax-information
	The report on transactions with related parties is available on the company's website?	YES		https://koncar.hr/sites/default/files/dokumenti/korporativno-upravljanje/2026-05/Report%20on%20transaction%20with%20related%20companies%202025_signed.pdf
	A report on the company's relationships with its associated companies is available on the company's website?	YES		https://koncar.hr/sites/default/files/dokumenti/korporativno-upravljanje/2026-05/Report%20on%20transaction%20with%20related%20companies%202025_signed.pdf
	Information on the company's website is available regarding shareholder agreements entered into, including details of the counterparty, the underlying purpose of the agreement and how this is achieved, as required by law?	NO	We have no such agreements in place.	
	Details of changes in the shareholdings of members of the Supervisory Board and Management Board, other persons holding managerial positions, and persons closely associated with them, which must be reported under applicable laws and regulations, and of related-party transactions, are available on the company's website?	YES		Investor News | KONČAR
	The company's remuneration policy for members of the Supervisory Board, Management Board and senior management, and the annual remuneration report available on the company's website?	YES		Remuneration policy for KONČAR Inc. - 2025_0.pdf
	The dividend policy is available on the company's website?	NO	The Company does not have a published Dividend Policy, as its adoption is not a legal requirement. Dividends are paid on the basis of a decision made by the General Assembly, following a proposal from the Management Board and the Supervisory Board.	
	The risk management policy, including information on the nature and effectiveness of related procedures and due diligence measures, is available on the company's website?	YES		KONCAR risk management policy 2025.pdf
	A calendar of events for the next twelve months is available on the company's website, including the dates of the annual General Assembly, results announcements, dividend payments and investor conferences?	YES		Calendar of corporate events | KONČAR
	All materials related to the General Assembly meeting, including the minutes, are available on the company's website?	YES		General Assembly | KONČAR
	The names and contact details of the persons responsible for investor relations are available on the company's website?	YES		Investors | KONČAR
	The company has ensured that the information on its websites is up to date and published within the deadlines prescribed by law and regulations?	YES		
	All information on the websites is available free of charge and unconditionally in the Croatian language?	YES		
	All information on the websites is available free of charge and unconditionally in English?	YES		

8. Disclosure and Transparency/Annual Report	The company's annual report contains a record of the number of meetings of the Supervisory Board and its committees that were held, and the attendance of each member at those meetings?	YES		
	The company's annual report contains information on all shares and other financial instruments of the company held by members of the Supervisory Board and Management Board, and senior management, for which there is an obligation to report under applicable laws and regulations, and in other companies whose business is in competition with the company's business?	YES		
	The company's annual report contains details of all contracts and agreements entered into between members of the Management Board or Supervisory Board and the company (or persons associated with either)?	YES		
	The company's annual report includes the results of the Supervisory board's evaluation of its own effectiveness and the effectiveness of the arrangements for Cooperation with the Management Board?	YES		
	The company's annual report includes a report on the work of each Supervisory Board committee, including details of the number of meetings held, the committee members and their attendance records?	YES		
	The company's annual report contains information on shareholder agreements entered into, including details of the contracting parties, the underlying purpose of the agreement and how this is achieved, as required by law?	YES		
	The company's annual report includes a report on gender equality, the fulfilment of conditions regarding the gender balance on the Supervisory Board, Management Board and senior management, with a justification if these are not met?	YES		
	The company's annual report contains information on compliance with the requirements regarding the independence of Supervisory Board members and their independence criteria?	YES		
	The company's annual report includes a description of the sustainability-related objectives that the company has set and a report on their achievement?	YES		
	The annual report includes information on bonds issued, debt agreements entered into, including information on the obligations undertaken by the company under such agreements, whereby, in the event of a breach of the agreement's terms, the rights of Management Board and shareholders may be restricted or changes to the company's business may be sought, as well as information on the likelihood of such events occurring?	YES		
	The report on the application of the Corporate Governance Code is included in the company's annual report?	YES		
	The report on the application of the Corporate Governance Code includes everything required by the Accounting Act?	YES		
	The company has ensured that all shareholders, regardless of the number or class of shares they hold, have equal access to information about the company and on how they can exercise and protect their rights?	YES		
9. Shareholders and the General Assembly/Shareholder Relations	The Company has effective mechanisms that allow minority shareholders to ask questions directly to the presidents of the Management Board and Supervisory Boards and all information is available on the company's website.	Partially	The Company provides minority shareholders with the opportunity to ask questions directly to the presidents of the Management Board and Supervisory Boards at the Company's General Assembly. The Company has established mechanisms for shareholders to submit questions via the email address (ir@koncar.hr).	
	Information on the formal mechanisms that allow minority shareholders to ask questions directly to the presidents of the Management Board and Supervisory Boards is available free of charge on the company's website?	YES		Investors | KONČAR
	The Company has designated an individual to act as the contact person for investor relations for all shareholders, whose duties include responding promptly to requests for information?	YES		
9. Shareholders and the General Assembly/General Assembly	The company's articles of association and/or internal regulations in no way restrict a shareholder's ability to convene a General Assembly, to attend it, or to add items to the agenda?	YES		
	The company's articles of association and/or internal regulations allows shareholders to exercise their voting rights through a proxy without limitation?	YES		
	The company's articles of association and/or internal regulations allows shareholders to exercise their voting rights by electronic communication without limitation?	NO	The attendance of a shareholder or their proxy at the Company's Annual General Assembly is mandatory.	

	Explanations of other ways in which shareholders can exercise their voting rights are provided in the documents for the General Assembly?	YES		
	The company's articles of association or a decision by the Management Board allow the Annual General Assembly to be held in a hybrid format?	NO	In practice, the current method of participation in the General Assembly has proven to be the optimal solution.	
	The company's articles of association or a Management Board decision allows shareholders who are not attending the General Assembly to cast their votes in writing or by electronic communication (by correspondence) after the notice for the General Assembly has been published and before the meeting takes place?	NO	In practice, the current method of participation in the General Assembly has proven to be the optimal solution.	
	The notice of the General Assembly has been published no later than 30 days before the date of the meeting?	YES		
	The agenda, resolutions and all other materials necessary for the General Assembly is available free of charge on the company's website?	YES		General Assembly | KONČAR
	All documents are available in Croatian and English?	YES		
	The company has published on its website the procedures for shareholders to participate in the General Assembly and exercise their voting rights, particularly when doing so by electronic communication, and how the company has ensured compliance with the legally prescribed conditions for using electronic communication?	YES		
	The president and deputy president of the Supervisory Board, the presidents of the Supervisory Board committees, and all members of the Management Board attended the General Assembly in the past twelve months?	YES		
	The external auditor present at the General Assembly at which the financial statements were presented?	YES		
	The company has made the minutes of the General Assembly available free of charge on its website?	YES		General Assembly | KONČAR
	The company, within 30 days of the date of the General Assembly, make the answers to the questions asked at the General Assembly available on its website free of charge?	NO	There were no direct questions from shareholders at the General Assembly, only discussion.	
10. Stakeholders, Sustainability and Resilience/Responsible Business Conduct	The Supervisory Board and Management Board agreed and adopted policies regarding the assessment of the impact of the company's activities on the environment and the community, and the Management Board of associated risks, across the entire value chain?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	The Supervisory Board and Management Board agreed and adopted policies concerning the protection of human rights, children's rights and workers' rights, particularly for persons with disabilities, throughout the entire value chain?	YES		KONČAR Group policy on equality, diversity and inclusion.pdf
	The Supervisory Board and Management Board agreed and adopted policies regarding the creation of an inclusive working environment, particularly for persons with disabilities?	YES		KONČAR Group policy on equality, diversity and inclusion.pdf
	The Supervisory Board and Management Board oard agreed and adopted policies regarding achieving a work-life balance for employees?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	The Supervisory Board and Management Board agreed and adopted policies regarding ensuring equal remuneration for different genders for equal work and/or work of equal value?	YES		Remuneration policy for KONČAR Inc. - 2025_0.pdf
	The Supervisory Board and Management Board agreed and adopted policies on preventing and sanctioning all forms of discrimination, particularly on the grounds of gender and disability, and on protecting whistle-blowers?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	The Supervisory Board and Management Board agreed and adopted policies on preventing and sanctioning bribery and corruption, and on protecting whistle-blowers?	YES		KONČAR Group Anti-Corruption policy.pdf
	The Supervisory Board and the Management Board agreed and adopted policies on tax planning that ensure the payment of the majority of taxes in the countries where activities are carried out and income is generated?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	The Supervisory Board and the Management Board have agreed and adopted policies regarding communication between the company and its main stakeholders?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf
	The Supervisory Board and the Management Board agreed and adopted policies regarding the application of due diligence procedures and measures within the company, its subsidiaries and, where necessary, its direct and indirect business partners?	YES		https://koncar.hr/sites/default/files/dokumenti/financijski-rezultati/2026-07/KON%C4%8CAR_Group_2025_audited_0.pdf

	The Supervisory Board and the Management Board, when agreeing and adopting the policies referred to in Article 88. conducted themselves in accordance with the recommendations for responsible business conduct as set out in the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the applicable OECD Due Diligence Guidelines for Responsible Business Conduct?	YES		
	All policies referred to in Article 88 of the Code are available free of charge on the company's website?	YES		
	The Supervisory Board and the Management Board have ensured periodic monitoring of the implementation and effectiveness of all policies they have agreed and adopted in accordance with Article 88 of the Code?	YES		
	When Management Board seeks prior approval from the Supervisory Board for decisions, the accompanying documentation explains how the proposed measure is in line with the policies set out in Article 88 of the Code?	YES		
10. Stakeholders, Sustainability and Resilience/Stakeholder Engagement	The supervisory and Management Boards have jointly identified who they consider to be the key stakeholders in relation to the company?	YES		
	The Management Board has ensured the existence of effective mechanisms for regular interaction with key stakeholders, as well as for informing the Supervisory Board of the outcomes of these communications?	YES		
	The Supervisory Board is authorised, upon prior notification to the President of the Management Board, to organise meetings with external stakeholders when it deems it necessary?	YES		
	The powers of each Supervisory Board committee are clearly defined to include the purposes for which the committee president may communicate directly with stakeholders, and the procedure to be followed in such cases?	YES		
10. Stakeholders, Sustainability and Resilience/Internal Training	The Company organises continuous training for the Supervisory Board, the Management Board and all employees on gender equality, the inclusion of persons with disabilities and children's rights, and in particular when the employee structure changes significantly or when there are significant changes to the regulations relating to these areas?	YES		
	The training sessions organised in cooperation with the relevant institutions, civil society organisations or experts in the field of employment and labour who deal with these issues?	YES		