CORPORATE GOVERNANCE CODE

of the
Company for Medical Supply Import-Export
REPLEK AD

Skopje, October 2025

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1. Introduction

1.1. Legal Basis and Purpose of the Code

The Corporate Governance Code of Replek AD Skopje – Company for Medical Supply Import and Export has been adopted pursuant to the Law on Trade Companies, in particular: Articles 365-a and 367, governing the structure, powers and responsibilities of the management and supervisory bodies in joint-stock companies; and Article 521 et seq., regulating the obligations of public-interest joint-stock companies and companies whose securities are listed on a regulated market; the Law on Securities, governing transparency and disclosure requirements applicable to issuers of securities; the Listing Rules of the Macedonian Stock Exchange AD Skopje, in particular the provisions relating to the listing criteria for the Official Market (segment for companies subject to corporate governance requirements), including the provisions requiring the application of a Corporate Governance Code or an explanation of any departures therefrom (the "comply or explain" principle); and the Corporate Governance Code recommended by the Macedonian Stock Exchange AD Skopje, adopted in cooperation with the Securities and Exchange Commission and other relevant institutions, as a voluntary framework containing recommendations on best corporate governance practices.

This Corporate Governance Code of REPLEK AD Skopje – Company for Medical Supply Import and Export represents the Company's voluntary commitment to adopting best practices and principles of transparency, accountability, efficiency, and responsibility in its operations, with the aim of safeguarding the interests of shareholders and other stakeholders, while promoting the Company's long-term sustainability. It also reflects the Company's management's commitment to conducting the Company's affairs in a sustainable, transparent, and lawful manner.

The purpose of adopting this Corporate Governance Code

is to establish clear principles, rules, and guidelines for the responsible, transparent, and effective governance of the Company. This Code is intended to strengthen trust among all stakeholders, including shareholders, management, employees, investors, regulators, and the wider public.

1.2. Principles of Corporate Governance

The principles of good corporate governance serve as the foundation for sound corporate governance practices and standards. They provide a clear definition of expectations by setting out the vision of how a company should be governed—ethically, transparently, responsibly, and in the best interests of all stakeholders. These principles also contribute to the establishment of a common governance framework, with this Code providing a consistent and harmonised approach for all stakeholders. Such a framework promotes consistency in the market and enhances confidence among market participants. Finally, the principles foster a strong corporate governance culture by encouraging managers, directors, and shareholders to act ethically and responsibly, thereby contributing to a more effective and sustainable organisational culture.

REPLEK AD Skopje promotes the following corporate governance principles:

Principle of Transparency and Accountability – REPLEK AD Skopje is committed to ensuring clear, accurate, and timely disclosure of information regarding the Company's operations, with the aim of enhancing the level of information available to shareholders and the public.

Principle of Protection of Shareholders' Rights – The Company ensures that all shareholders are treated fairly and equitably and that their rights are respected, irrespective of the number of shares they hold.

Principle of Board and Management Effectiveness – REPLEK AD Skopje promotes professional, competent, and responsible decision-making by the Management Board and the Supervisory Board, ensuring effective governance and oversight of the Company.

Principle of Prevention of Misconduct and Corruption – The

Company establishes and maintains high ethical standards and effective mechanisms to prevent conflicts of interest, corruption, fraud, market manipulation, and the misuse of corporate assets and resources.

Principle of Long-Term Sustainability – The Company promotes strategies and business practices that support sustainable growth and create long-term value for both the Company and its stakeholders.

Principle of Legality and Compliance with International Standards – The Company conducts its business in accordance with applicable laws and regulations while aligning its corporate governance practices with internationally recognised standards and best practices, particularly in view of its strategic objective of expanding and operating in international markets.

1.3. Importance of Good Corporate Governance

Good corporate governance constitutes a system of relationships among the Company's governing bodies (the Supervisory Board, the Management Board), its shareholders, and other stakeholders, through which an appropriate balance is established between oversight and management in order to promote the Company's sustainable development and ensure transparency in its business operations.

Good corporate governance:

Strengthens the confidence of investors and shareholders;

Enhances the Company's reputation;

Improves access to capital and financial markets;

Reduces exposure to risks and corruption; and

Promotes legal compliance and long-term business sustainability.

At REPLEK AD Skopje, good corporate governance is regarded not merely as a legal and regulatory requirement, but also as a strategic instrument for creating long-term value, ensuring stability, and strengthening confidence in the corporate sector.

To what extent is the Corporate Governance Code mandatory?

The Corporate Governance Code represents a recommended standard and is not a legally binding instrument.

For listed companies, particularly those listed on the Official Market, there is a regulatory obligation to either apply the Code or explain any deviations from its provisions (the "comply or explain" principle).

2. Shareholders' Rights and Treatment

2.1. Equality and Non-Discrimination of Shareholders

With regard to shareholders' rights and treatment, equality and non-discrimination mean that at REPLEK AD Skopje all shareholders, regardless of the size of their shareholding or any other status, are treated fairly and equally in all matters relating to their rights and obligations within the joint-stock company. This represents a key principle of fair, transparent, and effective corporate governance.

What exactly does this principle include?

- Equal voting rights in proportion to the number of shares held – ensuring equal voting weight for each share within the same class of shares.
- Access to information – all shareholders have the right to receive the same information regarding the Company's operations.
- The right to participate and vote at the Shareholders' Meeting without unjustified restrictions.
- The right to dividends in proportion to their ownership interest in the Company's share capital.
- No preferential treatment or discrimination among shareholders with regard to the terms of share purchase and sale, the issuance of new shares, or the exercise of other shareholder rights.
- Protection against abuse by the majority shareholders – the majority shareholders must not restrict, impair, or otherwise prejudice the rights of minority shareholders.

2.2. Shareholders' Right to Information

A shareholder's right to information means that each shareholder has the right to receive timely and complete

information regarding the Company's operations, financial position, and other material matters related to the joint-stock company, in order to effectively exercise their rights as an owner.

What information must be provided to shareholders?

Pursuant to the Law on Trade Companies (LTC) and the Listing Rules of the Macedonian Stock Exchange, shareholders have the right to to be provided with:

- Annual and quarterly financial reports – including the statement of financial position, income statement, cash flow statement, and other relevant financial documents.
- Reports on the Company's operations.
- Information on related parties and transactions that may have an impact on the Company's operations.
- Notice of the Shareholders' Meeting, including the agenda, venue, and time of the meeting.
- Draft resolutions to be considered and adopted at the Shareholders' Meeting.
- Minutes from previous Shareholders' Meetings (upon request).
- Information on dividends – including the amount and timing of dividend payments.
- Information on changes in the capital structure (new shares, share issuances, and similar matters).

Information that the Company is not required to disclose to shareholders

There are certain types of information that the Company is not required to disclose due to:

- Protection of business secrets and competition.
- Protection of personal data of other persons or information protected by law.
- Information that could cause harm to the Company if disclosed prematurely (for example, ongoing negotiations, business strategies, or future investments).
- Data that is not relevant to the shareholder's status or rights.

The right to information is a key mechanism for ensuring

transparency and building trust between shareholders and the Company's management. However, this right is not absolute—it is subject to limitations arising from the need to protect business secrets and comply with legal restrictions.

2.3 Rights of Minority and Foreign Shareholders

At REPLEK AD Skopje, minority and foreign shareholders are, in accordance with the law, entitled to equal treatment as all other shareholders. Protection against the abuse of a controlling shareholding under Macedonian legislation means that the holder of a majority stake must exercise their rights responsibly, in the interest of the Company as a whole, and not solely for their own personal or narrow interests. Minority shareholders have the right to legal protection and access to mechanisms designed to prevent irregularities and abuses.

Specific Rights and Protective Mechanisms for Minority Shareholders

- Right to Protection against Abuse by Majority Shareholders:
- Majority shareholders must not abuse their position or prejudice the interests of minority shareholders.
- Right to request an independent audit or an extraordinary audit of financial statements where there are reasonable grounds to suspect abuse.
- Right to Judicial Protection:
- Minority shareholders may initiate legal proceedings to protect their rights, including seeking the annulment of improperly adopted Shareholders' Meeting resolutions.
- Right to seek compensation through court proceedings if they suffer damage caused by the Company or majority shareholders.
- Right to request protection through the Central Securities Depository (for accurate record-keeping and protection of their share ownership rights).

The rights of foreign shareholders

- Equal Treatment with Domestic Shareholders:
- In accordance with the Constitution and the laws of the Republic of North Macedonia, foreign shareholders have the same rights and obligations as domestic shareholders, unless a specific law provides for an exception (which is rare).
- Right to Freely Dispose of Shares:
- Foreign shareholders may purchase, sell, and transfer shares in accordance with applicable legal restrictions, if any.
- Access to Information, Participation in Shareholders' Meetings, and Voting Rights:
- Foreign shareholders have the right to access information, participate in Shareholders' Meetings, and exercise voting rights in proportion to the number of shares they hold.

3. Corporate Bodies of REPLEK AD Skopje

3.1. Shareholders' Meeting

The Shareholders' Meeting is the highest governing body of REPLEK AD Skopje. It represents the forum through which shareholders exercise their rights by adopting decisions on fundamental matters concerning the Company.

Powers and Responsibilities of the Shareholders' Meeting

Pursuant to the Law on Trade Companies, the Shareholders' Meeting has the following powers and responsibilities:

- Adoption of the annual accounts and financial statements – The Shareholders' Meeting reviews and adopts the financial results for the respective financial year.
- Decision on the distribution of profit and coverage of losses – This body decides on the payment of dividends or the reinvestment of profit.
- Election and dismissal of members of the Management Board and Supervisory Board – The Shareholders' Meeting appoints and removes members of the governing bodies.
- Decision on increasing or decreasing the share capital – The Shareholders' Meeting decides on any changes to the Company's capital structure through the issuance of new shares

or the repurchase of existing shares.
- Amendments and supplements to the Company's Articles of Association – All structural and status-related changes must be approved by the shareholders.
- Decision on merger, division, transformation, or dissolution of the Company – Major corporate transformations of this nature are decided with the approval of the shareholders.
- Appointment of an auditor – The Shareholders' Meeting appoints the certified auditor responsible for auditing the annual accounts.
- Approval of significant related-party transactions - Ensuring oversight and control over potential conflicts of interest.
- Other matters determined by the Company's Articles of Association or by law.

3.2. Calling of the Shareholders' Meeting

The Shareholders' Meeting is convened by the Company's Management Board. The meeting may be:

- Regular Shareholders' Meeting – held at least once a year, within the period prescribed by law (usually within 6 months after the end of the financial year).
- Extraordinary Shareholders' Meeting – convened when necessary, upon the initiative of the Management Board, the Supervisory Board, or shareholders holding a certain minimum percentage of shares (for example, 5%).

The Shareholders' Meeting is convened through the publication of a Public Notice, which must be published at least 30 days prior to the date of holding the Shareholders' Meeting.

The notice is published on the Company's website, on the website of the Macedonian Stock Exchange, and through the SEI system.

The notice must contain: the date, place, and time of the meeting; the agenda; the conditions for participation; the methods of voting.

All shareholders registered in the shareholders' register at least 7 days before the holding of the Shareholders' Meeting (the record date for registration) have the right to participate and vote.

Shareholders may participate personally or through an

authorized representative (proxy holder).

3.3. Supervisory Board

The Supervisory Board is a controlling and oversight body composed of five members, in accordance with the Articles of Association of REPLEK AD Skopje, which monitors the activities of the Management Board and the overall operations of the Company. Its role is to protect the interests of shareholders and ensure transparency and accountability.

Powers and Responsibilities of the Supervisory Board

- Supervision and oversight of the activities of the Management Board.
- Approval of significant strategic decisions (for example, investments, loans, and changes in the capital structure).
- Review and approval of financial statements.
- Proposing candidates for members of the Management Board.
- Reporting and presenting to the Shareholders' Meeting on the results of the supervisory activities.
- Prevention of abuses and ensuring compliance with applicable laws and the Articles of Association.
- Approval of certain transactions, where provided for by law or the Articles of Association.

The Supervisory Board meets at least four times a year (at the end of each quarter) to review the Company's performance results for the previous quarter. When necessary, the Supervisory Board may convene more frequently and may also adopt decisions outside of a formal meeting, provided that the relevant decision is signed by the majority of its members.

Meetings of the Supervisory Board may be held in person, via video conference, or in a hybrid format.

The meetings of the Supervisory Board are convened and chaired by the Chairperson of the Supervisory Board.

Minutes shall be kept for each meeting of the Supervisory Board.

The Supervisory Board operates in accordance with its Rules of Procedure.

3.4. Management Board

The Management Board is the executive body of the joint-stock company. Its primary responsibility is the day-to-day management of the Company's operations, implementation of the decisions adopted by the Shareholders' Meeting and the Supervisory Board, and execution of the Company's business strategies and operational objectives. At REPLEK AD Skopje, the Management Board consists of five members.

Powers and Responsibilities of the Management Board

- Managing the Company's day-to-day operations.
- Adopting operational decisions, plans, and policies in accordance with the Company's strategy.
- Preparing financial statements and other documents for the Supervisory Board and the Shareholders' Meeting.
- Proposing the annual budget and business plan.
- Managing employees and entering into contracts within the scope of the granted authorities.
- Implementing the decisions of the Supervisory Board and the Shareholders' Meeting.
- Informing the Supervisory Board about significant matters and risks.
- Representing the Company in relations with third parties.

As a rule, the Management Board meets on a weekly basis; however, in exceptional cases, a meeting may be postponed due to the scope and nature of the members' responsibilities. The meetings of the Management Board address the current operations and activities of REPLEK AD Skopje. Minutes shall be kept for these meetings. Other members of the Company's management may also attend the meetings of the Management Board.

A separate Rules of Procedure shall be adopted to regulate the work of the Management Board.

3.5. Evaluation of the Company's Governing Bodies

The evaluation of the governing bodies in a two-tier system of a joint-stock company represents an important mechanism for improving corporate governance and strengthening accountability.

Through regular evaluation of the performance of the Supervisory Board and the Management Board, more effective decision-making, better coordination, and alignment with the Company's strategic objectives are ensured. The evaluation contributes to identifying weaknesses in governance, developing the expertise and professionalism of board members, and improving internal processes.

Additionally, it increases the confidence of shareholders and investors, ensures transparency, and prevents potential abuses or corporate crises. Regular evaluation is a recommended practice in accordance with international corporate governance standards and represents an important step towards sustainable and responsible conduct of the Company.

At REPLEK AD Skopje, following the latest trends in corporate governance and based on this Code, a Policy for the Evaluation of the Governing Bodies shall be adopted.

4. Transparency and Disclosure of Information

Transparency and timely disclosure of information in a joint-stock company are of key importance for building trust between the Company and its shareholders, investors, regulators, and the wider public. They enable shareholders to have a clear insight into the Company's operations, financial position, and strategic direction, which is essential for making informed decisions. Timely and accurate disclosure of information prevents speculation, misuse of inside information, and market manipulation, while at the same time enhancing corporate governance.

Through transparency, the accountability of the governing bodies is promoted, the Company's credibility is strengthened, and access to capital, particularly through the stock exchange, is improved. Therefore, consistent compliance with reporting and disclosure obligations represents a fundamental principle for the successful, ethical, and sustainable operation of a joint-stock

company.

4.1. Disclosure Policy

The Disclosure Policy is an important document that regulates the manner, timing and responsibility for publishing information that is of importance to shareholders, investors and the public.

At Replek AD Skopje we strive for the highest standards of transparency, and for this purpose, based on this Code, the Disclosure Policy will be adopted by the company's bodies.

This Policy will be fully compliant with the Law on Trade Companies, stock exchange rules, as well as good corporate governance practices. The rules of the Disclosure Policy shall include, but shall not be limited to:

- Types of information subject to disclosure
- Methods and channels of disclosure
- Timeframes for disclosure
- Responsibilities
- Protection of sensitive information

4.2. Investor and Public Relations

At REPLEK AD Skopje, we consider that regulating relations with investors and the public is important because it provides clear rules and standards for transparent, fair, and timely communication between the Company, investors, and the public. This contributes to increasing shareholders' confidence, enhancing market stability, reducing the risk of speculation and misuse of information, and improving the Company's reputation and credibility. Through such regulation, the accountability of the governing bodies is strengthened and long-term, responsible conduct is encouraged.

These relations are also regulated by the Disclosure Policy referred to in the previous section.

5. Ethics, Integrity and Corporate Culture

Ethics, integrity, and corporate culture are the foundations of responsible and sustainable operations of every joint-stock company. They establish the basis for honest and transparent conduct, build trust among employees, investors, and business partners, and encourage commitment to high standards in decision-making. A corporate culture that promotes ethics and integrity strengthens the Company's reputation and contributes to long-term success.

At REPLEK AD Skopje, these principles are reflected through our internal acts:

- Code of Ethical Conduct
- Anti-Corruption Policy
- Conflict of Interest Policy
- Whistleblower Protection Policy

6. Internal Control and Risk Management

The internal control system at REPLEK AD Skopje represents a set of rules, procedures, and activities aimed at ensuring the Company's efficient and lawful operations, protection of its assets, accuracy and reliability of financial and operational information, as well as compliance with applicable laws and internal policies.

It supports the identification and management of risks, prevention of errors and misconduct, and provides support to the governing bodies in fulfilling their responsibilities. In this way, the internal control system strengthens the confidence of shareholders and other stakeholders in the Company's operations.

6.1. Role of Internal Audit

The role of Internal Audit in a joint-stock company is to evaluate and improve the effectiveness of the internal control system, risk management, and corporate governance processes.

It performs independent and objective assessments of the Company's operations with the aim of identifying deficiencies, recommending corrective measures, and contributing to the improvement of processes and compliance with legal and regulatory requirements.

Internal Audit assists the governing bodies in fulfilling their

responsibilities and strengthens the confidence of shareholders and other stakeholders in the transparency and quality of the Company's operations.

6.2. Risk Management Policy

The Risk Management Policy of a joint-stock company is of great importance because it establishes the framework and principles for the identification, assessment, control, and monitoring of risks that may affect the achievement of the Company's strategic and operational objectives.

This Policy enables a systematic and proactive approach to managing uncertainties, reduces the impact of adverse events, and increases the potential for achieving positive results. By adopting a clear and consistent policy, REPLEK AD Skopje enhances its stability, strengthens corporate governance, and increases the confidence of investors and other stakeholders.

7. Stakeholders' relations

Identification of stakeholders means recognizing all individuals, groups, or organizations that have an interest in, influence over, or are affected by the operations and decisions of the joint-stock company. This represents an essential element of good corporate governance, as it enables transparency, accountability, and improved communication with all parties that are directly or indirectly connected with the Company.

At REPLEK AD Skopje, the following stakeholders have been identified:

1. Shareholders – all owners of shares, including minority and majority shareholders.
2. Employees – persons working for the Company in various positions.
3. Clients and customers – those who use or purchase the Company's products and services.
4. Suppliers and business partners – companies and individuals providing raw materials, services, or cooperation.
5. Creditors and investors – banks, financial institutions, and investors providing financial resources.

6. Regulatory and supervisory authorities – state bodies responsible for overseeing the Company's operations.

7. Community and society – the wider public and local community in which the Company operates.

8. Competitors – other companies operating in the same industry (less directly affected, but nevertheless important for the business environment).

The involvement of stakeholders in governance processes is part of the principles of transparency and accountability. At REPLEK AD Skopje, these relations are regulated through policies and procedures concerning relations with the public and investors, the Disclosure Policy, the Risk Management Policy, and the Code of Ethical Conduct, which define the specific approach and methods of communication and interaction with different stakeholder groups.

8. Corporate Social Responsibility (CSR)

Corporate social responsibility at REPLEK AD Skopje represents a fundamental value of responsible and sustainable operations. REPLEK AD Skopje recognizes its role within the wider community and is committed to actively contributing to environmental protection, respect for human rights, ethical conduct, and support for social initiatives.

Our responsibility is reflected through the following key principles:

1. Safety and Availability of Medicines

- Ensuring the quality, safety, and efficacy of products.
- Promoting fair access to medicines, including for vulnerable groups.

2. Ethical Marketing

- Avoiding manipulative or unethical promotional practices.
- Providing accurate and verified information to patients and healthcare professionals.

3. Transparency

- Disclosing information on clinical trials, adverse effects, prices, and policies.
- Maintaining open communication with the public and institutions.

4. Environmental Responsibility

- Responsible management of waste and chemicals.

- Reducing pollution in the pharmaceutical production process.

5. Education and Prevention

- Supporting public health campaigns.
- Financing education on the rational use of medicines.

6. Labour Rights and Integrity

- Respecting employees' rights, occupational safety, and equality.
- Zero tolerance for corruption, internal conflicts of interest, and misconduct.

8.1. Sustainability and ESG Policies (Environmental, Social and Governance)

Sustainability and ESG Policies (Environmental, Social and Governance)

ESG policies represent the standards and practices applied by REPLEK AD Skopje to ensure sustainable growth, reduced risks, and long-term value creation for shareholders, customers, and the community.

ESG is an abbreviation for E – Environmental, S – Social, and G – Governance.

In the pharmaceutical sector, ESG policies are of particular importance due to the sensitive nature of healthcare activities and their impact on people and the environment.

Environmental

In this area, the main objective of **REPLEK AD Skopje** is to reduce the negative impact on the environment. To achieve this objective, the Company implements the following practices:

- Responsible management of pharmaceutical waste and chemicals.
- Application of "green" technologies in production.
- Reduction of CO_2 emissions, waste generation, and energy consumption.
- Responsible use of water and natural resources.
- Preparation of reports on environmental performance.

Social

In this section, the main goal of Replek AD Skopje is to care for people – employees, patients, community. To this end, we implement the following practices:

- Equality and non-discrimination.
- Safety and hygiene in the workplace.
- Support for public health and health education.
- Responsible advertising and availability of medicines.
- Dialogue with stakeholders.

Governance

In this area, the main objective of **REPLEK AD Skopje** is to establish ethical, transparent, and responsible governance. To achieve this objective, the Company implements the following practices:

- Policies for combating corruption and managing conflicts of interest.
- Protection of the rights of minority shareholders.
- Independent members of the Supervisory Board.
- Codes of Ethics and internal audits.

9. External Audit

The Law on Trade Companies, which regulates the financial reporting and auditing of publicly listed companies, provides for a mandatory obligation for external auditing. Additionally, this obligation is also established in the rulebooks and regulations of the Macedonian Stock Exchange and the Securities and Exchange Commission, which set standards for transparency, accuracy and confidentiality of financial statements.

The purpose of this obligation is to ensure an independent and professional review of financial data, thereby strengthening investor confidence and promoting corporate governance.

Auditing firms, in accordance with the Auditing Law, are obliged to comply with the International Standards on Auditing (ISA) and the IFAC Code of Ethics, which includes rules on independence.

We, at Replek AD Skopje, see the audit as a guarantor of the

accuracy, objectivity and transparency of financial reporting, as well as a means of strengthening the trust of shareholders, investors and the public.

For the above reasons, when selecting an external auditor, we adhere to the following principles:

9.1. Independence of the External Auditor

At REPLEK AD Skopje, we take seriously the obligation for the external auditor to be fully independent from the Company, its governing bodies, and shareholders.

When selecting the external auditor, due consideration is given to ensuring that the auditor has no business, financial, or other relationships that could compromise its independence and objectivity.

9.2. Auditor Rotation

The rotation of the external auditor at REPLEK AD Skopje every five years is important because it preserves the auditor's independence and objectivity. Through the regular change of the audit firm or responsible audit personnel, the risk of establishing excessive personal or business relationships between the auditor and the Company, which could affect the quality and integrity of audit reports, is reduced. This strengthens the confidence of investors and the public in the accuracy and transparency of financial reporting, while also helping to prevent potential conflicts of interest and misconduct.

9.3. Selection by an Independent Body

In Replek AD Skopje, the Supervisory Board proposes the external auditor, and the Shareholders' Assembly appoints him. This prevents direct influence of the executive body (board of directors/management) on the selection.

9.4. Obligation to Inform Shareholders

The external auditor has a legal obligation to report directly to shareholders, and not only to the governing bodies of the Company. The annual audit report is publicly available and is included in the Company's annual report.

10. Corporate Governance Report

The obligation to submit a Corporate Governance Report arises from the Company Law and the rules and regulations of the Macedonian Stock Exchange, particularly for joint-stock companies listed on the Stock Exchange.

The Report is prepared by the person responsible for corporate governance within the Company. At REPLEK AD Skopje, this role is performed by the Corporate Compliance Officer, and the Report is submitted to the Shareholders' Assembly and to the Macedonian Stock Exchange as part of the Company's transparency and disclosure obligations.

The purpose of this Report is to present the corporate governance practices and standards applied by the Company, as well as its compliance with legal and regulatory requirements, thereby strengthening the confidence of investors and the public.

The Report, as well as the Questionnaire on the Application of the Corporate Governance Code, shall be prepared based on the "Comply or Explain" principle.

The "Comply or Explain" principle is an important concept in corporate governance, meaning that companies should apply recommended standards and practices or, if they do not apply them, provide a clear and transparent explanation of the reasons for such deviation.

This principle enables flexibility in the implementation of good corporate governance practices while simultaneously increasing accountability and transparency, as companies are required to explain their decisions and policies to investors and the public.

The Report shall be submitted after the end of the calendar year (for the preceding year).

11. Application and Amendments to the Code

For the successful implementation of the Corporate Governance Code, it is important that the company adopts its principles as part of its culture and daily operations.

This implies a clear commitment of the governing bodies to the principles of corporate governance, such as transparency, accountability, ethics, and the protection of the interests of shareholders and other stakeholders. It also implies trust and cooperation among all stakeholders, with the common goal of creating a successful corporate story. Open communication with investors and the public, as well as the willingness to explain any potential deviations or challenges in the implementation process, are also of great importance. In this way, the Code becomes a tool for strengthening trust and ensuring the long-term sustainability of the Company.

This Corporate Governance Code is adopted by the Supervisory Board of REPLEK AD Skopje, and the procedure for its amendment shall be identical to the procedure for its adoption.

By adopting this Code, the Corporate Governance Code of REPLEK AD Skopje, which entered into force on 1 May 2020, shall cease to have effect.

Skopje, October 2025

President of the Supervisory Board of Replek AD Skopje
Antonio Georgievski, m.p.