

In accordance with Article 294 b of the *Companies Act* (ZGD-1),
Krka, d. d., Novo mesto releases

REPORT ON REMUNERATION PAID TO MANAGEMENT AND SUPERVISORY BOARD MEMBERS OF KRKA, D. D., NOVO MESTO IN 2024

Introduction

In accordance with Article 294 a of the *Companies Act*, Krka, d. d. Novo mesto (hereinafter 'the Company' or 'Krka') has drafted the *Remuneration Policy for Management and Supervisory Bodies of Krka, d. d., Novo mesto* (hereinafter the '*Remuneration Policy*'), which it must put to vote to its Annual General Meeting (hereinafter 'the AGM') pursuant to Article 294 a (1) of the *Companies Act*. The vote on the remuneration policy is an advisory vote. Pursuant to Paragraph 3, Article 294 a of the *Companies Act*, payments to management and supervisory body members must comply with the remuneration policy submitted to the AGM for voting. Krka put its *Remuneration Policy* to vote to the 29th AGM of 6 July 2023. Of total votes cast, 97.45% were in favour of adopting the document.

The *Remuneration Policy* is based on Krka's long-term development strategy, its sustainability policy and strategy. It encourages the Management Board to achieve Krka's strategic objectives, focusing on its long-term development and sustainable operations. The Supervisory Board of Krka participates in the adoption of the strategy. The Management and Supervisory Boards also adopt Krka's sustainability policy and strategy.

This remuneration report refers to the above document. There were no deviations in 2024 from the procedures laid down in the *Remuneration Policy*. The report includes a comprehensive overview of remunerations, including all bonuses rewarded by Krka to individual management and supervisory body members.

Remuneration of Management Board members

The Krka Management Board is composed of the President of the Management Board Jože Colarič; members Aleš Rotar, Vinko Zupančič, and David Bratož; and Milena Kastelic, a member – Worker Director.

Members of the Management Board receive fixed and variable remunerations as well as bonuses and fringe benefits as per their service agreements. These comply with the *Remuneration Policy*.

Fixed remunerations are determined in their respective contracts as multiples of the average salary of Krka employees in the last three months. The Supervisory Board determines them upon appointment of the members to the Management Board as per their individual areas of work. Multiple four (4) applies to Milena Kastelic, Management Board member – Worker Director, acting as a workers' representative, who represents employee interests in human resource and social issues. Multiple seven (7) applies to David Bratož, Management Board member responsible for corporate performance management, finance, information technology, sustainable operations and certain administrative services, and to Vinko Zupančič, Management Board member responsible for API R&D, production, and supply chain management. Multiple eight (8) applies to Aleš Rotar, Management Board member responsible for research and development of finished products, new products, quality management, and health and safety at work. Multiple ten (10) applies to Jože Colarič, President of the Management Board, in charge of marketing, sales, human resources, investments, industrial property, and certain administrative services. They receive allowances for continuity of service and years of service under the same criteria as all other employees. In 2024, the average monthly salary at Krka totalled €3,540 gross, exclusive of annual leave pay, Christmas bonus, company performance bonuses, and other bonuses awarded for good work performance. The actual gross average salary was, therefore, in fact higher.

In accordance with internal acts, Management Board members are also entitled to bonuses, compensations, and other payments to which Krka employees are entitled (years of service, continuity of service, anniversary bonuses, Christmas bonus, annual leave pay, other bonuses, compensations, and payments in accordance with internal acts).

The Supervisory Board determines variable remuneration in line with the existing *Remuneration Policy* based on the opinion of the relevant committee. Performance is evaluated as per Krka Group consolidated data, except when performance criteria specify otherwise.

The Supervisory Board measures the Management Board performance against financial and non-financial criteria, which encourage the Management Board to pursue the objectives set by Krka's long-term development strategy, its sustainability policy, and strategy, and therefore aim for long-term development and sustainable operations.

Financial criteria prompt Krka to launch and sell products of maximum customer value in as many markets as possible. They closely consider effective and efficient production and performance of other business functions, as well as solid working capital management and risk management.

Non-financial criteria contribute to the same objectives in the long term and to other objectives outlined in Krka's sustainability policy and sustainability strategy.

All performance criteria add to reaching Krka's primary objective, i.e. running a profitable business while maximising company value, generating profit, and acting to benefit Krka, its employees, shareholders, and the social community.

Krka sustainability policy and strategy set six aspects most important for stakeholders and Krka in the long term:

- Product quality and patient safety;
- Talent attraction and retention;
- Good leadership and governance practices;
- Accessible healthcare;
- Planet and climate change; and
- Compliance, integrity and transparency,

Successful work of the Management Board in the above areas contributes to achieving best possible financial criteria.

The *ESG Policy* of Krka is published on SEOnet of the Ljubljana Stock Exchange. The summaries of Krka's activities as regards sustainable operations are also published in annual reports and on corporate websites.

Variable components of the Management Board member remunerations depend on their performance in achieving financial and non-financial criteria set out below.

Financial criteria are used to evaluate the performance of current operations and also how they were met in the past.

Non-financial criteria are applied to Management Board activities augmenting successful business performance in the future. The Supervisory Board evaluates the work of the Management Board in this regard in the context of future effects (long-term performance).

In evaluating the Management Board performance, non-financial criteria account for 35.3% of total scores, while financial criteria account for the difference.

Variable components of the Management Board member remunerations are determined annually in accordance with the *Remuneration Policy*. The Supervisory Board assesses Management Board performance using seven (7) financial and six (6) non-financial criteria. The former include a total of eleven (11) units and at the same time weights, and the latter six (6). One unit of the variable remuneration in the relevant six-month or one year period amounts to the average fixed monthly remuneration component of a Management Board member.

Financial criteria are as follows (the maximum number of allocated units which also represent weights, are given in brackets):

- Sales revenue growth (2);
- Sales volume growth (2);
- Sales revenue growth against competitors (1);
- Increase in cash flow from operating activities (1);
- Increase in operating profit (3);
- Return on equity against competitors (1);
- Dividends paid (1).

Non-financial criteria are as follows (the maximum number of allocated units which also represent weights, are given in brackets):

- Product quality and patient safety (1);
- Talent attraction and retention (1);
- Good leadership and governance practices (1);
- Accessible healthcare (1);
- Planet and climate change (1);
- Compliance, integrity and transparency (1).

Until the 29th AGM of 6 July 2023, the non-financial criteria were as follows (the maximum number of assigned units which also represent weights, are given in brackets):

- Corporate social responsibility, company reputation, public relations, investors relations (1);
- Activities in new indication areas (2);
- Implementation of new requirements, entry into new markets, new product launches (2);
- Investments, human resources, and information technology (1).

Please find below the requirements applied to each criterion in force since the 29th AGM of 6 July 2023.

FINANCIAL CRITERIA		
Criterion	Requirements	No. of payment units
Sales revenue growth	Year on year: <ul style="list-style-type: none"> • Up 4.1% or more • Up between 0.1% and 4.0% • No change • Down up to 5% 	2 1.5 1 0.5
Sales volume growth	Year on year: <ul style="list-style-type: none"> • Up 4.1% or more • Up between 0.1% and 4.0% • No change • Down up to 5% 	2 1.5 1 0.5
Sales revenue growth against competitors	Growth rate equal or higher than that of competitors	1
Increase in cash flow from operating activities	Over 90% year-on-year attainment: <ul style="list-style-type: none"> • A bonus of 0.1 salary for 91% attainment • A bonus of 0.2 salary for 92% attainment, etc. • A bonus of 1 salary for 100% attainment 	1
Increase in operating profit	Year on year: <ul style="list-style-type: none"> • Up 2.1% or more • Up between 0.1% and 2.0% • Down up to 5% 	3 2 1
Return on equity against competitors	Higher or at least comparable to the competition.	1
Dividends paid	At least in accordance with Krka's long-term development strategy in force	1

NON-FINANCIAL CRITERIA		
Criterion	Requirements	No. of payment units
Product quality and patient safety	<ul style="list-style-type: none"> • Very successful • Successful • Unsuccessful 	1 0.5 0
Talent attraction and retention	<ul style="list-style-type: none"> • Very successful • Successful • Unsuccessful 	1 0.5 0
Good leadership and governance practices	<ul style="list-style-type: none"> • Very successful • Successful • Unsuccessful 	1 0.5 0
Accessible healthcare	<ul style="list-style-type: none"> • Very successful • Successful • Unsuccessful 	1 0.5 0
Planet and climate change	<ul style="list-style-type: none"> • Very successful • Successful • Unsuccessful 	1 0.5 0
Compliance, integrity and transparency	<ul style="list-style-type: none"> • Very successful • Successful • Unsuccessful 	1 0.5 0

Assessment of performance as per non-financial criteria is based on a written report of the Management Board. Scores apply to activities yielding future results, while past achievements in this context are monitored.

The unit of payment of variable remuneration in the relevant six-month or one-year period is the average fixed monthly remuneration of the relevant Management Board member.

Financial criteria apply to performance evaluation in the current year or six months (short-term performance) and in the past ten calendar years (long-term performance). The reward evaluation of all Management Board members comprises current period performance (60%), and performance over the past ten calendar years (40%). The Supervisory Board can adopt a resolution to change the weight for long-term performance to 50%.

A different approach is applied to non-financial criteria, rewarding the impact of current activities on future results.

If justified, the Supervisory Board may increase (bonus) or decrease (malus) the number of units calculated based on financial and non-financial criteria by a maximum of three units and thus adjust the amount of variable remuneration paid. A bonus applies if the Supervisory Board assesses that Krka operations exceeded expectations in view of the business situation. A malus applies if corporate compliance or risk management rules are breached, or if the Supervisory Board assesses that Krka could have performed better considering the business situation.

The number of units of variable remunerations for the President of the Management Board and the Worker Director is additionally corrected. Variable remuneration of the President of the Management Board equals the number of units of a Management Board member times 1.2, while that of the Worker Director equals one third of the said units.

Variable remuneration is calculated and paid based on business results for the first six months (cut-off date: 30 June of the current year), when the first part of variable remuneration for the current year is calculated and paid. This part amounts up to seven (7) units for the President of the Management Board and up to six (6) units for all other Management Board members, but not exceeding 50% of variable remuneration annualised on the basis of current results. The remaining variable remunerations are deferred by twelve (12) months from the above cut-off date and determined and paid based on actual Krka Group results for the previous financial year, whereby the audited results must be comparable to unaudited results, which served as a basis for the Supervisory Board's evaluation of the Management Board's performance during the year.

Additional criteria apply to new members appointed to the Management Board for the first time after the adoption of the *Remuneration Policy* (see Section 10 of the *Remuneration Policy*). In 2024, new members were not appointed to the Management Board.

Krka has the right to request that variable remuneration or its proportional part be returned within three (3) years from the payment:

- If the annual report is annulled and the reasons for the annulment relate to data or information which served as the basis for determining the variable part of remuneration; or
- On the basis of the special auditor's report which shows that the criteria for determining the variable part of the remuneration have been misapplied or that material data or indicators have not been properly identified or taken into account.

Variable remuneration refund is made first by offsetting the allocated variable remunerations which have not yet been paid.

Management Board members are entitled to bonuses and fringe benefits as follows:

- Insurance total in the amount of the annual premium not exceeding 1/12 of the annual fixed remuneration of the relevant Management Board member. Supplementary pension insurance, accident insurance, supplementary health insurance, regular life insurance without unit-linked insurance, and comparable types of insurance are available, excluding unit-linked life insurance.
- Use of a company car, also for private purposes, valued at up to €70,000 including VAT or up to €90,000 including VAT if the vehicle is environmentally friendly. The vehicle can only be replaced after three years or mileage of 150,000 km, unless the Supervisory Board approves otherwise.
- Payment of membership fees for professional associations and clubs of up to €1,500 annually.
- A comprehensive annual medical examination. If it is performed by a medical institution outside Slovenia, the expenses are paid in comparable amounts payable to a medical institution in Slovenia.
- Members of the Management Board are also entitled to bonuses or fringe benefits to which all Krka employees are entitled.

Krka provides members of the Management Board with fixed assets of the Company suited for their work and covers the related expenses as well as entertainment expenses in consideration of good practices in companies of comparable sizes and management codes valid in Slovenia.

Management Board members also sit on supervisory boards of certain Krka subsidiaries, but they do not receive additional payments for these positions.

Below is the remuneration paid to Management Board members in 2024 and 2023 by type of payment. The table shows remunerations paid by Krka. In the 2020–2024 period, members of the Management Board received no remuneration from other Krka Group companies. They also had no financial benefits, receipts or services approved or provided for their activities by a third party. The difference between remuneration in this document and in the annual report arises because the cost principle applies to remuneration presented in annual reports.

No term of a Management Board member was terminated early in the reported five-year period, so no related payments ensued. Also, no payments were made to any former Management Board members.

Remuneration paid to Krka Management Board members in 2024

€	Fixed remuneration			Variable remuneration		Total		Fixed remuneration to variable remuneration	
	Gross	Net payout	Net fringe benefits and other earnings	Gross	Net	Gross	Net	Fixed	Variable
Jože Colarič	590,726	184,952	67,024	877,186	339,896	1,467,912	591,872	40.2%	59.8%
Aleš Rotar	464,364	148,585	55,308	587,979	228,232	1,052,343	432,125	44.1%	55.9%
Vinko Zupančič	389,997	127,674	47,909	489,892	190,565	879,889	366,148	44.3%	55.7%
David Bratož	385,524	124,802	49,177	481,455	187,548	866,979	361,527	44.5%	55.5%
Milena Kastelic	232,451	80,411	30,274	95,782	37,982	328,233	148,667	70.8%	29.2%
Total remuneration of Management Board members	2,063,062	666,424	249,692	2,532,294	984,223	4,595,356	1,900,339	44.9%	55.1%

Net fringe benefits and other earnings of Krka Management Board members in 2024

€	Liability insurance for Management Board members ¹	Supplementary pension insurance ²	Collective supplementary pension insurance for Management Board members ³	Anniversary bonuses	Other bonuses	Reimbursement of work-related costs	Annual leave pay	Total
Jože Colarič	990	57,273	2,904	0	3,493	46	2,318	67,024
Aleš Rotar	990	45,498	2,904	0	2,478	1,120	2,318	55,308
Vinko Zupančič	990	37,254	2,904	0	3,518	925	2,318	47,909
David Bratož	990	37,611	2,904	0	4,161	1,193	2,318	49,177
Milena Kastelic	990	22,829	2,904	0	53	1,180	2,318	30,274
Total remuneration of Management Board members	4,950	200,465	14,520	0	13,703	4,464	11,590	249,692

¹ The insurance is made to protect Krka's interests, with Management and Supervisory Board members included as insured persons.

² Effective since the 29th AGM of 6 July 2023, hence back pay was made in 2024.

³ This insurance is available to all Krka employees under the same conditions.

Remuneration paid to Krka Management Board members in 2023

€	Fixed remuneration			Variable remuneration		Total		Fixed remuneration to variable remuneration	
	Gross	Net payout	Net fringe benefits and other earnings	Gross	Net	Gross	Net	Fixed	Variable
Jože Colarič	507,972	199,925	17,121	874,005	341,348	1,381,977	558,394	36.8%	63.2%
Aleš Rotar	399,520	161,216	15,253	565,090	221,519	964,610	397,988	41.4%	58.6%
Vinko Zupančič	336,861	136,722	16,356	470,778	184,766	807,639	337,844	41.7%	58.3%
David Bratož	328,211	135,979	13,928	462,844	182,007	791,055	331,914	41.5%	58.5%
Milena Kastelic	201,760	85,949	12,200	87,361	35,276	289,121	133,425	69.8%	30.2%
Total remuneration of Management Board members	1,774,324	719,791	74,858	2,460,078	964,916	4,234,402	1,759,565	41.9%	58.1%

Net fringe benefits and other earnings of Krka Management Board members in 2023

€	Liability insurance for Management Board members ¹	Supplementary pension insurance	Collective supplementary pension insurance for Management Board members ²	Anniversary bonuses	Other bonuses	Reimbursement of work-related costs	Annual leave pay	Total
Jože Colarič	894	10,000	2,904	0	1,117	61	2,145	17,121
Aleš Rotar	894	5,000	2,904	0	3,193	1,117	2,145	15,253
Vinko Zupančič	894	5,000	2,904	0	4,500	913	2,145	16,356
David Bratož	894	5,000	2,904	0	1,896	1,089	2,145	13,928
Milena Kastelic	894	5,000	2,904	0	83	1,174	2,145	12,200
Total remuneration of Management Board members	4,470	30,000	14,520	0	10,789	4,354	10,725	74,858

¹ The insurance is made to protect Krka's interests, with Management and Supervisory Board members included as insured persons.

² This insurance is available to all Krka employees under the same conditions.

Total remuneration paid to Krka Management Board members over the last five years

€	Fixed remuneration			Variable remuneration		Total		Fixed remuneration to variable remuneration	
	Gross	Net payout	Net fringe benefits and other earnings	Gross	Net	Gross	Net	Fixed	Variable
2024	2,063,062	666,424	249,692	2,532,294	984,223	4,595,356	1,900,339	44.9%	55.1%
Index 2024/2023	116	93	334	103	102	109	108		
2023	1,774,324	719,791	74,858	2,460,078	964,916	4,234,402	1,759,565	41.9%	58.1%
Index 2023/2022	100	96	97	118	108	110	102		
2022	1,771,172	747,842	77,257	2,082,662	896,691	3,853,834	1,721,790	46.0%	54.0%
Index 2022/2021	117	118	162	93	101	102	110		
2021	1,512,800	635,365	47,658	2,250,420	886,128	3,763,220	1,569,151	40.2%	59.8%
Index 2021/2020	100	100	97	108	108	105	104		
2020	1,511,846	632,939	49,350	2,086,322	822,853	3,598,168	1,505,142	42.0%	58.0%

Total net fringe benefits and other earnings paid to Krka Management Board members over the last five years

€	Liability insurance for Management Board members ¹	Supplementary pension insurance	Collective supplementary pension insurance for Management Board members ²	Anniversary bonuses	Other bonuses	Reimbursement of work-related costs	Annual leave pay	Total
2024	4,950	200,465	14,520	0	13,703	4,464	11,590	249,692
2023	4,470	30,000	14,520	0	10,789	4,354	10,725	74,858
2022	0	27,499	14,410	5,105	16,636	3,987	9,620	77,257
2021	0	0	14,095	1,338	18,215	4,125	9,885	47,658
2020	0	0	14,095	1,861	20,144	4,215	9,035	49,350

¹ The insurance is made to protect Krka's interests, with Management and Supervisory Board members included as insured persons.

² This insurance is available to all Krka employees under the same conditions.

The table below shows a Krka employee's average gross salary in the last five years, excluding Christmas bonuses, company performance and individual work performance bonuses. Remuneration paid to members of the Management Board is excluded from this table.

€	2024	2023	2022	2021	2020
Average annual gross salary	3,527	3,361	3,038	2,878	2,874

The table below shows a Krka employee's average gross salary over the last five years, including Christmas bonuses and company performance.

€	2024	2023	2022	2021	2020
Average annual gross salary	4,180	3,984	3,623	3,449	3,401

Variable remuneration is calculated using the following performance results data from the table for the Krka Group and Krka over the last five years:

€ thousand	2024	2023	2022	2021	2020
Krka Group					
Revenue	1,909,544	1,806,391	1,717,453	1,565,802	1,534,941
– Growth index	106	105	110	102	103
Quantities sold (million pieces)	17,780	17,459	16,554	15,854	15,477
– Growth index	102	105	104	102	107
Net cash flow from operating activities	360,933	227,254	467,651	386,097	360,759
– Growth index	159	49	121	107	103
Operating profit	427,572	399,621	381,211	354,788	390,744
– Growth index	107	105	107	91	143
Krka Group dividend payout ratio (%)	73.6	56.3	56.6	53.6	54.3
Krka					
Revenue	1,766,021	1,674,572	1,553,514	1,381,367	1,447,112
– Growth index	105	108	112	95	104
Net cash flow from operating activities	320,519	155,399	407,733	348,239	352,510
– Growth index	206	38	117	99	127
Operating profit	385,997	322,308	357,870	273,325	338,882
– Growth index	120	90	131	81	128

Remuneration of Supervisory Board members

The composition of the Krka Supervisory Board in 2024 was as follows:

Composition of the Supervisory Board in 2024

	Jože Mermal	Luka Cerar	Matej Lahovnik	Julijana Kristl	Boris Žnidarič	Mojca Osolnik Videmšek	Mari Božič ¹	Franc Šašek ²	Mateja Vrečer	Tomaž Sever
Function	President	Member	Deputy President	Member	Member	Member	Member	Deputy President	Deputy President	Member
Committee membership	No	Member of the Audit Committee	Member of the Audit Committee	Member of the Human Resource Committee	President of the Human Resource Committee and member of the Audit Committee	President of the Audit Committee	No	Member of the Audit Committee	Member of the Human Resource Committee and since 24 January 2024, member of the Audit Committee	Member of the Human Resource Committee and since 24 January 2024, member of the Audit Committee
Representative of shareholders/employees	Shareholders	Shareholders	Shareholders	Shareholders	Shareholders	Shareholders	Employees	Employees	Employees	Employees

¹ Member of the Supervisory Board since 21 June 2024

² Member of the Supervisory Board until 20 June 2024

Remuneration of Supervisory Board members was approved by Resolution 4 adopted at the 29th AGM of 6 July 2023. Before that, remuneration was paid to Supervisory Board members in accordance with Resolution 4 adopted at the 27th AGM of 8 July 2021.

Supervisory Board members receive the attendance fee of €360.00 gross per person for attending a Supervisory Board meeting (€275.00 gross until 6 July 2023). Supervisory Board members who sit on committees receive attendance fees for participating

at committee meetings totalling 80% of the attendance fees received for Supervisory Board meetings. The fees for participating in correspondence sessions amounts to 80% of the usual attendance fees. Irrespective of the above and of the number of attendances in a financial year, each member of the Supervisory Board is entitled to receive attendance fees until the total amount of attendance fees reaches 50% of the basic annual pay for exercising their function on the Supervisory Board. Irrespective of the above and of the number of Supervisory Board and committee meetings attended in a financial year, the Supervisory Board members who are members of one or more Supervisory Board committees are entitled to receive attendance fees up until the total amount of attendance fees received, based either on attending Supervisory Board meetings or Supervisory Board committee meetings, reaches 75% of the basic annual pay for exercising their function.

In addition to attendance fees, Supervisory Board members receive a basic annual pay of €21,000.00 gross per person for serving on the Board (until 6 July 2023, basic pay was €15,000 gross per annum). The President of the Supervisory Board is entitled to additional compensation amounting to 50% of the basic pay for serving on the board, and the Deputy President to an additional 10% of the basic pay for serving on the Board.

Supervisory Board committee members receive additional compensation amounting to 25% of the basic pay for serving on the Board. Presidents of committees are entitled to additional compensation totalling 37.5% of the basic pay for serving on the Supervisory Board. Every financial year, irrespective of the above and thus of the number of committees where an individual is a committee member or president, each Supervisory Board committee member is entitled to additional compensation for exercising their function up until the total amount of additional compensation reaches 50% of the basic annual pay for exercising the function of a Supervisory Board member. If the Supervisory Board member's term of office is shorter than the financial year, irrespective of the above and of the number of committees where an individual is a committee member or president, the person is entitled to additional compensation for serving on the Board up until its total amount reaches 50% of the basic annual pay for serving on the Supervisory Board, taking into account payments to which the member is entitled for the duration of their term of office in the respective financial year.

Supervisory Board members are also eligible to additional compensation for special tasks. Special tasks are unusual and highly complex, and they extend over a longer period of time, generally at least a month. With the consent of the Supervisory Board member, the Supervisory Board has the authority to assign special tasks to this member, decide on their duration and on additional compensation for performing special tasks in accordance with the resolution of the AGM. In accordance with this AGM resolution, the Supervisory Board also has the authority to decide on additional compensation for special tasks of Supervisory Board members resulting from objective circumstances at Krka. Additional compensation for special tasks is only allowed for the time of actual task performance. The Supervisory Board can make a decision on such tasks retrospectively as an exception (especially if special tasks result from objective circumstances at Krka), but for the previous financial year at most. Members can receive additional compensation for special tasks in total amount of up to 50% of the basic pay for serving on the Supervisory Board per annum at most, regardless of the number of special tasks. Complexity of a special task and the related increase in workload and responsibility are considered when determining the additional compensation amount. Additional compensation is calculated according to the time required to actually perform the special task.

Supervisory Board members receive basic pay and additional compensation for serving on the Board, and are entitled to additional compensation for special tasks in proportionate monthly payments for the duration of their service or special task performance. The monthly payment amounts to one twelfth of the above annual amounts. Depending on circumstances, additional compensation for special tasks can also be paid as a lump sum when the special task is completed.

Limitations for total amounts of attendance fees and additional compensation paid to Supervisory Board members do not affect, in any way or form, their obligation to actively participate in all Supervisory Board meetings and meetings of the committees they are members of, and their legal liability.

The Supervisory Board members are entitled to reimbursement of travel and accommodation expenses incurred in connection with their work on the Supervisory Board up to the amount specified in the rules regulating the reimbursement of work-related expenses and other income not included in the tax base (provisions applicable to business travel and overnight accommodation on business trips). The amount that a Supervisory Board member is entitled to in accordance with the above rule has to be

grossed-up so that the net payout equals actual travel expenses incurred. Mileage is determined based on distances between places calculated on the website of AMZS (Slovene national automobile association). Accommodation expenses can only be reimbursed if the permanent or the temporary residence of a Supervisory Board member or a Supervisory Board committee member and their places of work are at least 100 kilometres apart, and returning to the member's place of residence was not possible because public transport was unavailable or due to other objective reasons.

Below we disclose remunerations paid to Supervisory Board members in 2024 and 2023. The table shows remunerations paid by Krka. In the 2020–2024 period, members of the Supervisory Board received no remuneration from other Krka Group companies. They were also provided no financial benefits, receipts or services approved or provided by a third party with regard to their activities.

Remuneration paid to Krka Supervisory Board members in 2024

€	Pay for exercising the function		Fringe benefits and other earnings ¹	Attendance fees		Commuting allowances		Total	
	Gross	Net	Net ²	Gross	Net	Gross	Net	Gross	Net
Remuneration paid to members of the Supervisory Board, owner representatives									
Jože Mermal	40,250	29,185	990	2,520	1,843	0	0	43,760	31,028
Luka Cerar	32,135	23,190	1,200	3,960	2,897	471	345	37,766	26,432
Matej Lahovnik	37,100	26,880	990	4,248	3,107	995	728	43,333	30,715
Julijana Kristl	35,000	25,329	1,375	3,384	2,476	468	343	40,227	28,148
Mojca Osolnik Videmšek	36,529	26,462	990	4,248	3,107	509	373	42,276	29,942
Boris Žnidarič	40,250	29,170	1,375	5,112	3,739	509	373	47,246	33,282
Remuneration paid to members of the Supervisory Board, employee representatives									
Mari Božič ³	15,458	11,317	0	1,080	791	0	0	16,538	12,108
Franc Šašek ⁴	17,029	12,187	990	2,592	1,894	0	0	20,611	14,081
Tomaž Sever	37,399	27,100	990	3,960	2,897	586	429	42,935	30,426
Mateja Vrečer	40,885	29,652	990	4,824	3,530	0	0	46,699	33,182
Total remuneration paid to members of the Supervisory Board	332,035	240,472	9,890	35,928	26,281	3,538	2,591	381,391	269,344

¹ Fringe benefits and other earnings include collective liability insurance and, for individual members, also the membership fee for Slovenian Directors' Association (SDA).

² Net equals gross, fringe benefit is not grossed up.

³ Member of the Supervisory Board since 21 June 2024

⁴ Member of the Supervisory Board until 20 June 2024

Remuneration paid to Krka Supervisory Board members in 2023

€	Pay for serving on the Board		Attendance fees		Commuting allowances		Total	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Remuneration of Supervisory Board members – shareholder representatives								
Jože Mermal	34,355	24,986	1,545	1,124	0	0	35,900	26,110
Luka Cerar ¹	16,331	11,877	720	524	519	378	17,570	12,779
Borut Jamnik ²	14,516	10,557	1,705	1,240	0	0	16,221	11,797
Matej Lahovnik	31,669	23,033	2,781	2,023	938	682	35,388	25,738
Julijana Kristl	29,879	21,731	2,548	1,853	545	396	32,972	23,980
Mojca Osolnik Videmšek	31,064	22,593	2,781	2,023	347	253	34,192	24,869
Boris Žnidarič	34,488	25,083	3,124	2,272	488	355	38,100	27,710
Remuneration of Supervisory Board members – employee representatives								
Franc Šašek	31,669	23,033	3,276	2,383	0	0	34,945	25,416
Tomaž Sever	29,879	21,731	2,548	1,853	521	379	32,948	23,963
Mateja Vrečer	29,879	21,731	2,548	1,853	0	0	32,427	23,584
Total remuneration of Supervisory Board members	283,729	206,355	23,576	17,148	3,358	2,443	310,663	225,946

¹ Supervisory Board member since 7 July 2023

² Supervisory Board member until 6 July 2023

Total remuneration paid to Krka Supervisory Board members over the last five years¹

€	Pay for serving on the Board		Fringe benefits and other earnings ²	Attendance fees		Commuting allowances		Total	
	Gross	Net		Gross	Net	Gross	Net	Gross	Net
2024	332,035	240,472	9,890	35,928	26,281	3,538	2,591	381,391	269,344
Index 2024/2023	117	117	/	152	153	106	106	123	119
2023	283,729	206,355	/	23,576	17,148	3,358	2,443	310,663	225,946
Index 2023/2022	115	115	/	97	97	132	132	114	114
2022	246,749	179,461	/	24,200	17,601	2,542	1,848	273,491	198,910
Index 2022/2021	89	89	/	102	102	129	129	90	90
2021	277,571	201,877	/	23,651	17,201	1,969	1,432	303,191	220,511
Index 2021/2020	151	151	/	98	98	92	92	144	144
2020	184,040	133,852	/	24,184	17,589	2,133	1,551	210,357	152,993

¹ The table includes remuneration of all Supervisory Board members in the individual years, not only of Board members in 2024.

² Fringe benefits and other earnings include collective liability insurance and, for individual members, also the membership fee for Slovenian Directors' Association (SDA).

³ Net equals gross, fringe benefit is not grossed up.

Novo mesto, 24 March 2025



Jože Colarič
President of the Management Board and CEO



Dr Aleš Rotar
Member of the Management Board



Dr Vinko Zupančič
Member of the Management Board



David Bratož
Member of the Management Board



Milena Kastelic
Member of the Management Board – Worker Director



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Independent Limited Assurance Report

To the Shareholders of KRKA, tovarna zdravil, d. d., Novo mesto

Pursuant to the contract concluded with the company KRKA, tovarna zdravil, d. d., Novo mesto (hereinafter »Company«), we have reviewed the accompanying Report on Remuneration of the Management and Supervisory Board members in the financial year 2024, prepared by Company's management on 24 March 2025 and outlining all remuneration paid to members of the management and supervisory bodies in the financial year ended on 31 December 2024, as required by Article 294.b of the Companies Act (ZGD-1) (hereinafter »Remuneration Report«).

Management and supervisory bodies Responsibility for the Remuneration Report

Management and supervisory bodies are responsible for the preparation of the Remuneration Report based on provisions of Article 294.b of the Companies Act (ZGD-1) and for such internal control as management determines is necessary to enable the preparation of the report to enable it to be free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

It is our responsibility to express a limited assurance conclusion on the Remuneration Report based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (hereinafter »ISAE 3000«) issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform the engagement to obtain limited assurance about whether something has come to our attention that causes us to believe that the Remuneration Report contains a material misstatement, including with respect to compliance with the requirements of Article 294.b of the Companies Act (ZGD-1), all subject to the criteria set out below.

Definition of Criteria

In carrying out our procedures, we assessed whether the Remuneration Report prepared by the Company's management for the financial year ended 31 December 2024 contained the information pursuant to Paragraph 2 and 3 of Article 294.b of the Companies Act (ZGD-1).

Our Independence and Quality Control

We have acted in accordance with the independence and ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board of Accountants (IESBA Code), together with the ethical requirements that are relevant to our assurance engagements in Slovenia. The Code is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct.

The Independent Limited Assurance Report hereof is a translation of the original Independent Limited Assurance Report in Slovene, issued on the Remuneration Report prepared in Slovene. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over this translation.

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št. reg. v: 061/12062100
osnovni kapital: 54.892,00 EUR
ID za DDV: SI20437145
matična št.: 5648556000



Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, issued by the IAASB. This standard requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of Work Performed

The scope of work included, among others, following procedures:

- we have obtained an understanding of the Company's internal controls, processes and systems for preparing the Remuneration Report;
- we have reconciled, on a sample basis, the input data disclosed in the Remuneration Report with the supporting documentation submitted by the Company;
- we made enquiries with members of the Management and Supervisory Board about the Remuneration Report;
- we have read the Remuneration Report and confirmed that the presentations therein comply with requirements of Article 294b of the Companies Act (ZGD-1).

The nature and extent of our procedures were determined by reference to our assessment of the risks and our professional judgement in order to obtain limited assurance and does not include an opinion on the appropriateness of the Company's remuneration policy.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on the procedures carried out and the evidence obtained, we confirm that we have not observed anything that would lead us to believe that the Remuneration Report prepared by the Company's management for the year ended 31 December 2024 contains information that would not comply in all material respects with Paragraph 2 and 3 of Article 294.b of the Companies Act (ZGD-1).

On behalf of audit firm

KPMG SLOVENIJA,
podjetje za revidiranje, d. o. o.


Matej Ušaj
Certified Auditor


KPMG Slovenija, d.o.o.


Domagoj Vuković, FCCA
Certified Auditor
Partner

Ljubljana, 24 March 2025