

ARTIFICIAL INTELLIGENCE MANAGEMENT SYSTEM POLICY (AIMS)

The Management Board of KONČAR – Digital Ltd. (hereinafter referred to as the Company) is committed to the responsible, transparent, and secure development, implementation, and use of artificial intelligence systems across all business processes, products, services, and information systems. We recognize that artificial intelligence represents a key technology of digital transformation, but also an area with potentially significant impact on individuals, organizations, and society as a whole. The manner in which the Company manages AI systems directly affects the trust of customers, employees, business partners, regulatory authorities, and the wider community, as well as the Company's reputation, legal certainty, and long-term sustainability.

In light of this responsibility, the Company commits to establishing, implementing, maintaining, and continually improving an Artificial Intelligence Management System (AIMS) in accordance with the requirements of ISO/IEC 42001, integrated with existing management systems, including the Information Security Management System and the Privacy Information Management System. AIMS is established as an integral part of the Company's overall governance framework, with the objective of ensuring systematic, documented, and demonstrable management of artificial intelligence throughout the entire AI system lifecycle.

The Company is committed to developing and using AI systems lawfully, ethically, and responsibly, with clearly defined purposes, scope, and boundaries of application. Particular attention is given to managing risks associated with AI systems, including risks to individuals' rights and freedoms, safety, privacy, information security, system reliability, as well as business and reputational risks. Risk assessments are conducted during the planning, development, implementation, and operation of AI systems, with appropriate technical and organizational measures defined and implemented to reduce identified risks to an acceptable level.

In the development and deployment of AI solutions, the Company applies the principles of transparency, fairness, security, and human oversight. The purpose and operation of AI systems are clearly documented, responsibilities and authorities are defined, and an appropriate level of human control is ensured, particularly in cases where AI systems may significantly affect individuals or business decisions. Special attention is devoted to identifying and mitigating unintended bias in data and models, as well as ensuring the robustness, reliability, and resilience of AI systems against errors, misuse, and security threats.

The Company clearly defines its role in relation to individual AI systems, whether acting as a producer, service provider, integrator, or user, and ensures appropriate contractual arrangements with partners and suppliers. In the event of an incident related to an AI system, the Company acts in accordance with predefined incident management procedures, ensuring timely identification, remediation, and documentation of the event, as well as the implementation of corrective and preventive measures.

To ensure the ongoing effectiveness of AIMS, the Company continuously monitors, measures, and evaluates its performance, conducts internal audits and regular Management Reviews, and undertakes actions for continual improvement. Particular attention is given to raising awareness, education, and training of employees to ensure that all participants understand their obligations and responsibilities in the development and use of artificial intelligence.

This Policy applies to all organizational units, employees, processes, information systems, products, and services of the Company that involve artificial intelligence and is binding upon all employees and third parties acting on behalf of or for the account of the Company. The Policy is available to interested parties, and non-compliance may constitute grounds for disciplinary, contractual, or other appropriate measures. Through this Policy, the Management Board confirms its ongoing commitment to responsible and secure management of artificial intelligence as one of the Company's fundamental values.

Zagreb, October 15, 2025

Stjepan Sučić

Director



KONČAR

Group

KONČAR - Digital d.o.o.

Trgovačko šetalište 22, 10000 Zagreb 3