

EUROPEAN GREEN WINDOW



Luka Koper Group
and Luka Koper, d. d.

Annual Report 2023

Statement of Management's Responsibility¹



The Management Board of Luka Koper, d. d., is responsible for the preparation of the Annual Report hereof, including the financial statements and notes thereto, that give a true and fair view of the financial position of Luka Koper, d. d., and the Luka Koper Group as of 31 December 2023 and of their financial performance for the year then ended.

The Management Board confirms that the Annual Report for the Luka Koper Group and Luka Koper, d. d., for 2023 with all its component parts: Management Report, Sustainability Report, Accounting Report, including the Corporate Governance Statement, has been devised and published pursuant to the legislation in force and International Financial Reporting Standards.

The Management Board confirms that accounting policies were consistently applied and that the accounting judgments were made under the principle of prudence and due diligence of a good manager.

Members of the Management Board:

Nevenka Kržan
President of the
Management
Board

Gregor Belič
Member of the
Management
Board

Gorazd Jamnik
Member of the
Management
Board

Vojko Rotar
Member of the
Management Board -
Worker Director

The Management Board further confirms that the financial statements of the Company and the Group have been compiled under the assumption of a going concern of the parent and its subsidiaries and in accordance with the applicable legislation and International Financial Reporting Standards as adopted by the EU.

The Tax Authorities may, at any time within a period of 5 years after the end of the year for which tax assessment was due, carry out an audit of the Company operations, which may lead to assessment of additional tax liabilities, default interest, and penalties with regards to corporate income tax or other taxes and duties. The Management Board is not aware of any circumstances that could give rise to any significant liability on this account.

The Management Board is responsible for adopting measures to secure the assets of Luka Koper, d. d., and the Luka Koper Group, and to prevent and detect fraud and other irregularities or illegal acts.

Koper, 9 April 2024

¹ GRI 2-12, 2-14

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1

**BUSINESS
REPORT**

1 Business performance highlights of the Luka Koper Group in 2023



The Luka Koper Group concluded another very successful year. Business results exceeded expectations, with new milestones reached in cargo throughput and records set in several segments.

Net sales in 2023 amounted to EUR 312.8 million, which was on a par with the level of revenue achieved in 2022. Within net sales, revenue increased by EUR 20 million due to greater container and car transshipment, greater volume of loading and unloading of containers, greater volume of other additional services on goods and higher service prices. Compared to the previous year, due to the normalisation of the situation on the global logistics market and the shortening of the storage time of containers in the storage facility, revenues from storage fees decreased by EUR 21 million. In 2023, earnings before interest and taxes (EBIT) amounted to EUR 60.9 million, which was a decrease of 27 percent or EUR 22.2 million when compared to 2022. The main contributor to the lower earnings before interest and taxes (EBIT) in 2023 was lower storage fees, while higher operating costs of EUR 23.3 million, which were due to inflationary pressures and higher number of employees and agency

workers, were mostly offset by the Luka Koper Group with revenues from other services.

Record throughput volumes were achieved in 2023 in both strategic commodity groups, containers and cars, as well as in the passenger terminal, the reefer terminal and the liquid cargo terminal. In the container segment, 1,066,093 container TEUs were handled in 2023, an increase of 5 percent compared to 2022. Car transshipment in 2023 amounted to 916,728 cars (in pieces), an increase of 14 percent compared to 2022. Luka Koper, d. d., has thus consolidated its position and confirmed its primacy among ports in the northern Adriatic (containers) and the Mediterranean (cars). The passenger terminal welcomed 120,553 passengers to the port in 2023, surpassing the 2019 figure of 115,581. The total maritime throughput, measured in tons, was 4 percent lower than that achieved in 2022, mainly due to a 15 percent lower throughput of general cargo and a 15 percent lower throughput of the dry bulk and bulk cargoes commodity group. In the general cargo group, there was lower throughput of steel products and rubber, and in the dry bulk and bulk cargoes group, lower throughput of soya beans,

alumina, phosphates, coal and iron ore. In 2023, 48 percent of freight was transported by road, and 52 percent by rail. In 2023, the ratio changed by 2 percentage points compared to 2022, with an increase in road transport.

In 2023, most of the planned financial indicators were exceeded. Net sales revenues were higher than planned by 8 percent, or by EUR 22.7 million. The main contributor to the higher net sales was storage fee income, which exceeded the planned figure by EUR 19 million, as the business plan had foreseen a reduction in the dwell time of containers due to the calming market conditions. Earnings before interest and taxes (EBIT) were higher than planned by 76 percent, or by EUR 26.4 million. In addition to the higher net sales revenue, the higher earnings before interest and taxes (EBIT) were positively impacted by lower material, labour and depreciation costs, while the higher cost of services was due to an increase in the cost of port services linked to the higher throughput on the car commodity group and the cost of labour placement agencies. According to the plan, the throughput of the cars commodity group (in pieces) was higher by 21 percent, while the throughput of the containers commodity group (in TEUs) lagged behind the plan by two percent. The total maritime throughput, measured in tons, was 5 percent less than the planned quantities.

The year 2023 began optimistically, indicating the recovery of the global economy. The situation on the energy markets calmed down, energy prices fell, and global GDP growth was stronger than expected. However, global economic growth moderated later in the year. Towards the end of 2023, the impact of the tight financial situation, weak trade growth and lower business and consumer confidence was felt increasingly. Heightened geopolitical tensions have again been fuelling uncertainty about the short-term outlook.

The situation in logistics and supply chains has been further worsened with the start of the Red Sea attacks, affecting all stakeholders in logistics, including the final customers of goods in industrial production who depend on maritime transport through the Suez Canal. Due to the rerouting of ships around Africa, some of the Far Eastern shipping services of Luka Koper d. d., are experiencing delays in the arrival of ships, as transit times have been extended by an average of 10 to 14 days. Indirectly, the delay also affects ships transporting cargo across the Mediterranean via transshipment (hub) ports. In December 2023, there were no significant impacts on business operations. However, due to the above-mentioned uneven distribution of cargo arrivals, delays in the arrival of ships or cargo will be reflected in the realisation of monthly transshipment plans in the first three months of 2024. If the situation does not normalise in the coming months, this could also have an impact on decisions by shipowners/customers to change established transport routes from the Far East to Europe, which could be reflected in smaller volumes of transshipment on arrival.

In 2023, several major investments for the Luka Koper Group were completed, namely the redevelopment of the storage areas in the area of the 5A cassette, the construction of new plugs for reefer containers, the construction of a new external truck terminal at the Sermin entrance, the modernisation of the cooling and extinguishing system at the methanol tanks, and the construction of a transformer substation to power the new galleries. Among the most important investment projects underway are the construction of the 12th berth and the installation of solar power plants, the execution of a public contract for warehouse No 54 and the preparation of documentation and obtaining the relevant permits for the extension of the northern part of Pier I and the development of other areas for the container terminal.

2023 in numbers



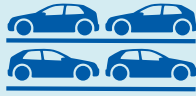
1,066,093 TEU

containers unloaded from and loaded on ships



22.3 million tons

unloaded from and loaded on ships



916,728 cars

unloaded from and loaded on ships



20,609 trains

arrived in and departed from the port



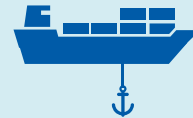
262,583

wagons unloaded and loaded



422,811

trucks arrived in the port



1,642

ships moored



52%

share of railway transshipment



48%

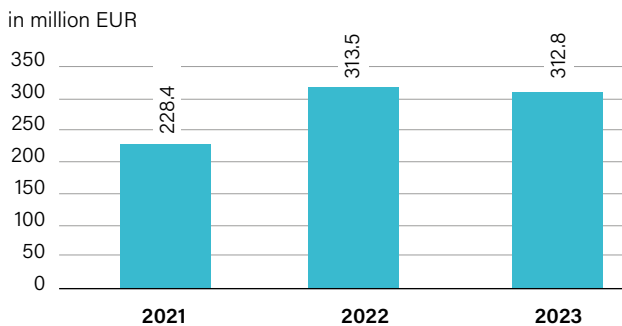
share of road transshipment

Net sales

EUR **312.8** million

+8% 2023/plan 2023

0% 2023/2022

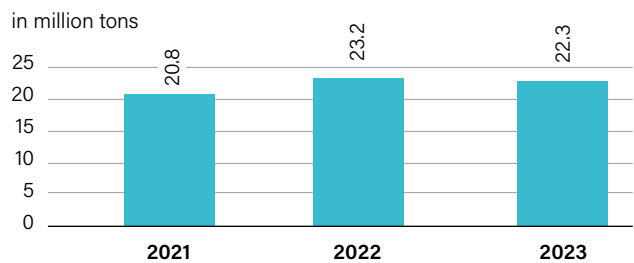


Maritime throughput

22.3 million TON

-5% 2023/plan 2023

-4% 2023/2022



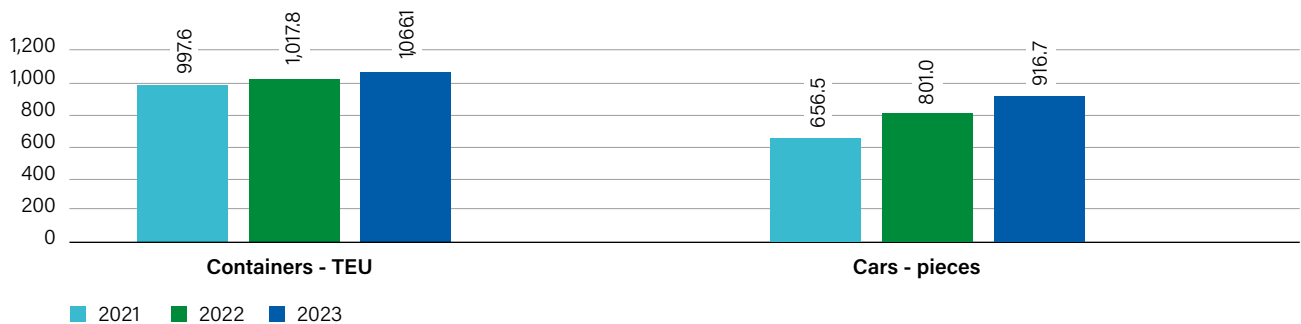
Container throughput

1.1 million TEU

-2% 2023/plan 2023

+5% 2023/2022

containers in thousand TEUs and cars in thousand pieces



Earnings before interest and taxes (EBIT)

EUR **60.9** million

+76% 2023/plan 2023

-27% 2023/2022

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

EUR **93.7** million

+37% 2023/plan 2023

-18% 2023/2022

Return on sales (ROS)

19.5%

+64% 2023/plan 2023

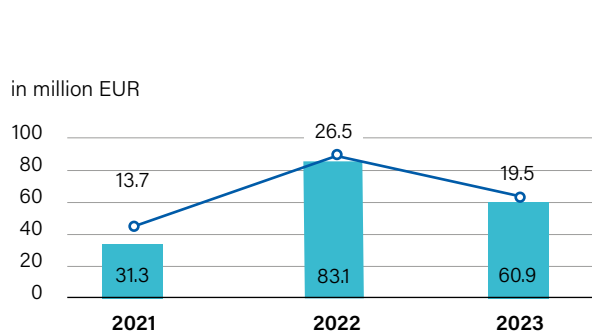
-27% 2023/2022

EBITDA margin

30.0%

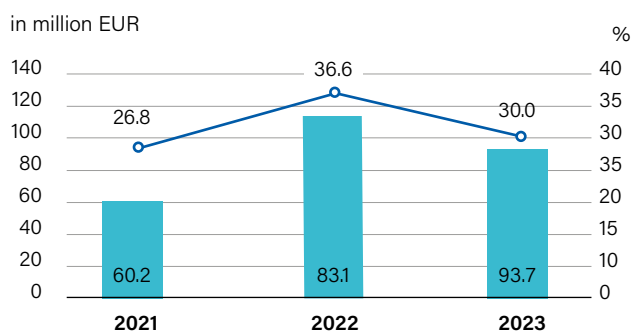
+27% 2023/plan 2023

-18% 2023/2022



■ Earnings before interest, taxes, depreciation and amortisation (EBIT) in million EUR

— Return on sales (ROS) in %



■ Earnings before interest, taxes, depreciation and amortisation (EBITDA) in million EUR

— EBITDA margin in %

Net profit or loss

EUR **56.4** million

+75% 2023/plan 2023

-24% 2023/2022

Return on equity (ROE)

10.7%

+67% 2023/plan 2023

-29% 2023/2022

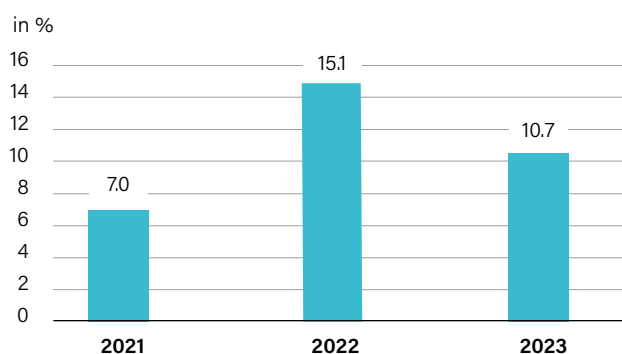
Price-to-earnings ratio

(P/E)

8.3

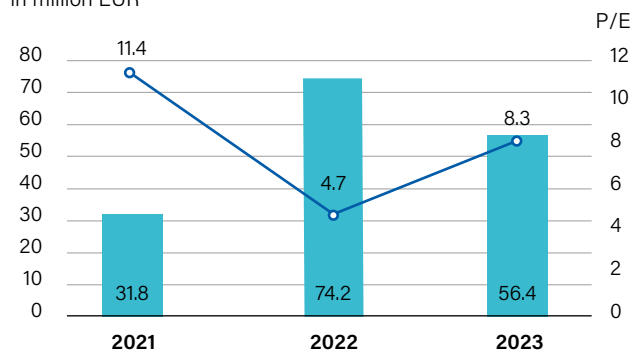
+3.6 2023/2022

Indicator not planned



■ Return on equity (ROE)

in million EUR



■ Net profit in million EUR

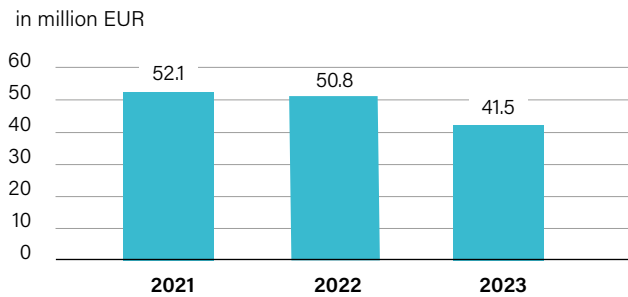
— Price-to-earnings ratio (P/E)

Investments

EUR **41.5** million

-29% 2023/plan 2023

-18% 2023/2022



■ Investment expenditure

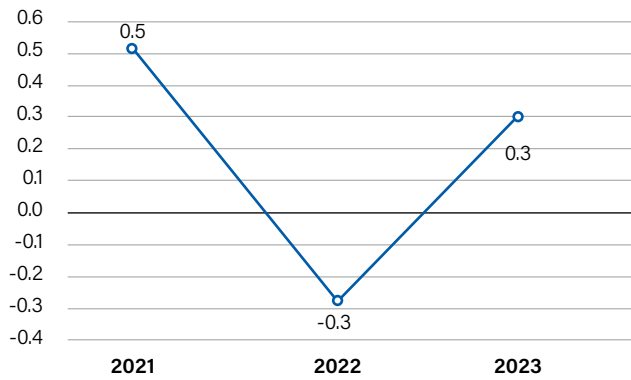
Net financial debt / EBITDA

0.3

-0.7 2023/plan 2023

+0.6 2023/2022

Net financial debt / EBITDA



— Net financial debt/EBITDA

Alternative performance measures

The Luka Koper Group used alternative performance measures (APM Guidelines²) defined by ESMA to demonstrate business performance³.

Alternative measure	Calculation	Explanation of the selection
Earnings before interest and taxes (EBIT)	Earnings before interest and taxes (EBIT) = difference between operating income and costs.	It shows the performance (profitability) of the company's operations based on its core business.
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	Earnings before interest, taxes, depreciation and amortisation (EBITDA) = earnings before interest and taxes (EBIT) + amortisation.	It is measure of a company's financial performance and an approximation of the cash flow from operations. Shows the ability to cover write-downs and other non-operating expenses.
Added value	Added value = net sales + capitalised own products and services + other revenue – costs of goods, material, services – other operating expenses.	Shows the newly created value of the company within one year. It is a measure of economic activity and success.
Return on sales (ROS)	Return on sales (ROS) = earnings before interest and taxes (EBIT) / net sales	Shows the operational efficiency of the company.
Return on equity (ROE)	Return on equity (ROE) = net income / shareholder equity.	Shows the management's success in increasing the value of the company for the owners or shareholders.
Return on assets (ROA)	Return on assets (ROA) = net income / average total assets.	Shows how a company manages its assets.
EBITDA margin	EBITDA margin = earnings before interest, taxes, depreciation and amortisation (EBITDA) / net sales	Shows business performance and profitability in percent. Used to compare the company performance with other companies.
EBITDA margin from market activity	EBITDA margin from market activity = earnings before interest, taxes, depreciation and amortisation (EBITDA) / net sales from market activity	Shows the business performance and profitability of market activity in percent.
Net financial debt / EBITDA	Net financial debt / EBITDA = (financial liabilities – cash and cash equivalents) / EBITDA	Shows indebtedness and profitability of a company in order to assess the company's ability to settle its financial debts in the future if the company maintains the same volume of business and profit.
Price-to-earnings ratio (P/E)	Current share price to earnings per share (P / E) ratio = closing price / earnings per share (EPS).	Shows how many euros investors in the market are willing to pay at a given moment for each euro of the company's profit. Used to estimate the value of the company and its shares on the market.
Book value per share as at (in EUR)	Book value per share = equity / number of shares.	Shows the value of a share based on the value of the company's capital on a given day.
Price-To-Book (P/B Ratio)	Price-To-Book (P/B Ratio) = closing price / book value of the share.	Shows a comparison of the market value of a unit of the company's capital on the stock exchange with its accounting value on a given day.
Earnings per share (EPS)	Earnings per share (EPS) = net earnings / number of shares.	Expresses a ratio that represents the amount of the company's net profit that it generates on each individual share. A measure of a company's performance (profitability).
Market capitalisation	Market capitalisation = closing price * number of shares.	Market value of all shares on the market.
Dividend per share (in EUR)	Dividend per share = balance sheet profit used to pay dividends / number of ordinary shares.	A dividend shows the participation in a company's profits that is paid out to the company's shareholders.
Dividend yield (in %)	Dividend yield = dividend per share / closing price on the last trading day of the year	Expresses the ratio between the dividend paid and the market value of the stock.

² APMs – Alternative Performance Measures

³ ESMA - European Securities and Markets Authority

1.1 Key performance indicators

The key performance indicators of Luka Koper, d. d. and the Luka Koper Group in 2023 compared to 2022

Items	Luka Koper, d. d.			Luka Koper Group		
	2023	2022	Index 2023/2022	2023	2022	Index 2023/2022
Net sales (in EUR)	309,284,223	310,196,680	100	312,772,489	313,462,636	100
Earnings before interest and taxes (EBIT) (in EUR)	59,233,239	81,729,523	72	60,912,423	83,114,534	73
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	91,496,341	112,529,369	81	93,731,962	114,602,528	82
Net profit or loss (in EUR)	54,450,022	73,266,227	74	56,445,369	74,159,799	76
Added value (in EUR)	193,214,462	206,107,197	94	203,608,146	215,843,817	94
Capital expenditure (in EUR)	41,259,790	50,157,229	82	41,543,822	50,784,443	82
Maritime throughput (in tons)	22,267,534	23,248,795	96	22,267,534	23,248,795	96
Number of employees ⁴	1,757	1,638	107	1,922	1,801	107

Indicators	2023	2022	Index 2023/2022	2023	2022	Index 2023/2022
Return on sales (ROS)	19.2%	26.3%	73	19.5%	26.5%	74
Return on equity (ROE)	11.0%	16.1%	68	10.7%	15.1%	71
Return on assets (ROA)	7.8%	11.6%	67	7.7%	11.1%	69
EBITDA margin	29.6%	36.3%	82	30.0%	36.6%	82
EBITDA margin from market activity	30.4%	37.1%	82	30.8%	37.4%	82
Financial liabilities/equity	21.8%	13.3%	164	20.3%	12.3%	165
Net financial debt/EBITDA	0.6	-0.05	-	0.3	-0.3	-

Items	31.12.2023	31.12.2022	Index 2023/ 2022	31.12.2023	31.12.2022	Index 2023/ 2022
Assets (in EUR)	733,439,080	662,680,856	111	774,226,552	701,154,228	110
Equity (in EUR)	505,347,400	480,225,780	105	543,052,948	515,732,169	105
Financial liabilities (in EUR)	110,134,003	63,801,193	173	110,018,551	63,680,089	173

⁴ Balance on the last day of the reporting period.

The key performance indicators of Luka Koper, d. d. and the Luka Koper Group in 2023 compared to the plan for 2023

Items	Luka Koper, d. d.			Luka Koper Group		
	2023	Plan 2023	Index 2023/ Plan 2023	2023	Plan 2023	Index 2023/ Plan 2023
Net sales (in EUR)	309,284,223	287,440,777	108	312,772,489	290,071,036	108
Earnings before interest and taxes (EBIT) (in EUR)	59,233,239	33,439,720	177	60,912,423	34,543,649	176
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	91,496,341	66,283,553	138	93,731,962	68,204,522	137
Net profit or loss (in EUR)	54,450,022	31,296,435	174	56,445,369	32,312,492	175
Added value (in EUR)	193,214,462	171,970,438	112	203,608,146	181,818,611	112
Investment expenditure (in EUR)	41,259,790	57,390,573	72	41,543,822	58,853,168	71
Maritime throughput (in tons)	22,267,534	23,333,878	95	22,267,534	23,333,878	95
Number of employees	1,757	1,754	100	1,922	1,917	100

Indicators	2023	Plan 2023	Index 2023/ Plan 2023	2023	Plan 2023	Index 2023/ Plan 2023
Return on sales (ROS)	19.2%	11.6%	166	19.5%	11.9%	164
Return on equity (ROE)	11.0%	6.7%	164	10.7%	6.4%	167
Return on assets (ROA)	7.8%	4.7%	166	7.7%	4.6%	167
EBITDA margin	29.6%	23.1%	128	30.0%	23.5%	128
EBITDA margin from market activity	30.4%	24.1%	126	30.8%	24.6%	125
Financial liabilities/equity	21.8%	23.4%	93	20.3%	21.7%	94
Net financial debt/EBITDA	0.6	1.4	43	0.3	1.0	30

Items	31.12.2023	Plan 31.12.2023	Index 2023/ Plan 2023	31.12.2023	Plan 31.12.2023	Index 2023/ Plan 2023
Assets (in EUR)	733,439,080	687,353,233	107	774,226,552	726,942,642	107
Equity (in EUR)	505,347,400	471,426,149	107	543,052,948	508,896,695	107
Financial liabilities (in EUR)	110,134,003	110,317,094	100	110,018,551	110,291,679	100

2 Letter of the President of the Management Board⁵

**Dear shareholders and business partners,
dear colleagues,**

2023 was a dynamic and challenging year in every respect. Despite different forecasts, the world economy has recovered more slowly than expected. The complex logistics situation that characterised 2022 continued in the first half of last year, which was reflected in the delays in the arrival of container ships on direct connections with the Far East and with ports in the Mediterranean, as well as in gradual reduction of freight fares. Shipowners were forecasting reduced services from the Far East at the end of the year, while ports in Europe were faced with high occupancy of car terminals. The escalation of the conflict in the Middle East, which already led some shipowners to temporarily divert their ships to the route around Africa in December, has brought an additional threat to the established flows of goods coming through the Suez Canal. Extraordinary weather conditions brought quite a few challenges last year, the consequences of which were also felt in the port of Koper.

Despite the circumstances, 2023 was a successful year for the companies in the Luka Koper Group, with growth in throughput recorded in both strategic commodity groups. Net sales amounted to EUR 312.8 million, which was 8% ahead of plan. Revenues increased due to higher container and car throughput, a larger volume of container loading and unloading services, additional services, and higher prices, while storage fee revenues decreased due to the normalisation of the global logistics market and the reduction of container dwell times in storage facilities. This affected both earnings before interest and taxes (EBIT), which at EUR 60.9 million was 76 percent ahead of plan, as well as the net operating result of EUR 56.4 million, which was 75 percent ahead of plan, also due to the higher profit from financing.

Record throughput in various commodity segments

Although we were somewhat cautious in our forecasts for cargo throughput in 2023, we concluded the year above all expectations in this segment as well. We achieved record volumes for both strategic commodity groups – containers and cars, at the passenger terminal, the reefer terminal and the liquid cargo terminal.

In early December, we reached one million transhipped container units (TEU) at the container terminal for the second time in the port's history. We also had an excellent performance at the car and Ro-Ro terminal, where in November, we broke the absolute record for vehicle throughput set in 2022. We closed the year at the container terminal with a throughput of 1,066,093 container units (TEU), which is 5 percent more than in 2022, and in the automotive segment with a throughput of 916,728 cars (in pieces), which is 14 percent more than in 2022. We have thus consolidated our position and confirmed our primacy among ports in

the northern Adriatic (containers) and the Mediterranean (cars). The results achieved in the vehicle segment are also exceptional in comparison to key automotive terminals in Europe, as we achieved one of the highest growth rates for this commodity group. We also closed the cruise ship arrival season with a new record number of passengers (120,553), and in September, we welcomed our one millionth guest.

Otherwise, the total shipping throughput of 22.3 million tonnes was slightly lower compared to 2022, mainly due to lower throughput of steel products and rubber and soya, alumina, phosphates, coal and iron ore.

Additional storage areas and a new truck terminal

In 2023, we continued to actively focus on investment, concluding several important projects in the framework of a EUR 41.5 million development cycle. In the middle of the year, we dedicated new storage space for 3,500 vehicles in the back of Basin III, bringing the total capacity of the car and Ro-Ro terminal to 46,500 vehicles. We have installed new plugs for refrigerated containers at the container terminal and the reefer terminal - the new infrastructure allows, among other things, containers to be stacked up to five levels, making better use of the space within the port. Among the major investments we successfully completed was the construction of a new external truck terminal at Sermin, which is considered one of the most modern facilities in terms of both infrastructure and services. In addition, we have successfully upgraded the port's fire-fighting and power systems and implemented a paperless system for the check-in of freight vehicles at the car terminal.

The activities of the SOPOREM project began last year, within which we will build two 3-megawatt solar power plants on the roofs of general cargo warehouses by the end of 2024. Thus, we will increase the share of energy produced from renewable sources to 10 percent, and with the investments we are planning in the future, we will even double it. By 2025, we intend to cover three more storage facilities with solar panels, bringing the total nominal capacity to 7 megawatts, thus ensuring greater energy independence. Last year, we also successfully completed another European project - 5G Loginnov, as part of which we developed and tested the next generation 5G mobile network for the needs of port services and logistics. This year, we also successfully applied to obtain our own 5G frequency.

We will remain development-oriented in 2024. Early this year, we initiated the much anticipated construction of the 12th general cargo berth and the procurement procedure to select the contractor for the construction of the automated warehouse No 54 for steel products. Documentation and permits are being prepared for the extension of the northern part of Pier I and the development of additional areas for the container terminal. This is one of the largest and most

⁵ GRI 2-14, 2-22, 2-25

important infrastructure projects in the port of Koper, which will increase the terminal's capacity to 1.75 million TEU per year. Equally important is the investment to provide additional storage capacity for the needs of the car terminal, which, according to the plan, continues already in 2024.

As we emphasised repeatedly, we cannot imagine the further development of the port without a reliable, stable and, above all, fully operational rail link to the hinterland. The second track construction project is already in full swing, with completion expected in 2026. In Luka Koper, we hope to upgrade the project as soon as possible by introducing a parallel (third) railway track, which will ensure better flow and even greater capacity of the railway link between the Slovenian hinterland with Koper. The importance of a reliable rail link for Slovenian logistics is also demonstrated by the volumes of freight transported both by rail and road. Despite the fact that the major share of freight still travels to and from our port by rail, due to capacity constraints and delays in the Slovenian rail network, the share of rail freight has fallen to 52 percent in 2023.

EUR 785 million for development and capacity building

Last year, we also adopted a new strategic business plan for the company and the Luka Koper Group for the period from 2024 to 2028. Over the next five years, our mission will be to provide reliable, high-quality port services in line with sustainable development guidelines - with the aim of becoming the first choice among ports on the European southern transport route. The planned development of the port will be based on four key points of departure, which envisage an increase in infrastructural capacities, accelerated introduction of the smart port concept, provision of an adequate personnel structure, and care for sustainable aspects and reduction of negative impacts on the environment and society. In line with the Group's strategy, Luka Koper continues to maintain the multi-purpose port model, which is one of the key competitive advantages of our company.

We will pay particular attention to infrastructure development and capacity building, and for this purpose we will invest EUR 785 million. We will be active in obtaining funds for investment projects with an emphasis on building infrastructure to supply ships with electricity directly from the shore. We will continue our digital transformation process, which aims to automate and optimise key processes, and take further steps towards the climate transition. In this context, we will work to maintain environmental sustainability standards (EMAS), reduce the company's carbon footprint and increase energy self-sufficiency through renewable energy sources.

Focus on sustainable development projects and care for the environment

Recognising our responsibility towards the environment we live in, we take into account different views and perspectives when planning the development of the port and strive to achieve the highest environmental and social standards. In addition to regular monitoring of noise, light, and dust

particles emissions and the quality of marine and ground-water, we have started to modernise and electrify the port machinery in recent years and relocated older and noisier machinery to parts of the port further away from areas of major population. In the coming years, we plan to replace diesel-powered machines and vehicles entirely with electrified ones. In cooperation with Eles, we have actively engaged in a project to build a 110,000-volt transmission line from Dekani to the port and a substation within the port, which is a prerequisite to electrify the quayside and provide ships with uninterrupted electricity. This project is important not only in terms of the increasing electricity use, but it is also one of the key projects of the climate transition.

One such is the introduction of the ESI scheme, on the basis of which, from January 2023, we offer ships with lower emissions of air pollutants an advantage in port dues. Based on this, we aim to attract to the port ships with state-of-the-art engines and cleaner propulsion systems, thus additionally reducing emissions into the atmosphere.

The environment is also the people who live in it, so it is important that our development is aligned with the development of the local community and its needs. With this in mind, Luka Koper, d. d., and the Municipality of Koper signed a Letter of Intent and agreed on the implementation of mitigation measures in July 2018, which was materialised by the signing of an agreement on the implementation of mitigation measures to reduce the environmental impacts of port activities in November 2019. On this basis, Luka Koper, d. d., paid the municipality of Koper a dedicated donation totalling EUR 1,000,000 in the period from 2020 to 2023. At the end of 2023, we signed a new agreement with the municipality, according to which will provide an additional EUR 1.6 million for the implementation of mitigation measures over the next five years. Last year, we realised another project with the Municipality of Koper - the landscaping and greening of green spaces in the Old Town, for which we allocated a grant of EUR 40,000.

In June, in the margins of an expert conference on port decarbonisation and digitisation, the North Adriatic Ports Association (NAPA) signed a memorandum with which they pledged to jointly boost port decarbonisation and energy efficiency. The Memorandum paves the way for greater institutional and operational cooperation between the ports of the Northern Adriatic in the coming years.

Caring for the local and wider environment

Our responsibility towards the environment and people is also demonstrated by our support for sports, cultural, charitable and other associations and organisations operating in the area, as confirmed by EUR 1.43 million allocated by Luka Koper to sponsorships and donations in 2023. We distribute part of this through the Living with the Port Fund, which prioritises support for small local projects in the field of sustainable development and environmental care. This year, a significant part of these funds was also allocated to help with the aftermath of the August floods across Slovenia. In a joint campaign with Adria Terminali and Goriške Opekarne,

we donated equipment and industrial dehumidifiers as well as 241 pallets of bricks to flood victims to rebuild damaged or completely destroyed buildings in the flood area. At the end of the year, we decided to make a dedicated donation of EUR 200,000 for the same purpose, which was paid to the State in early 2024 and will be given to those who need help the most.

Organized working environment and responsible relationship with employees

We are convinced that a company can only base its success story on its employees, the colleagues who are the heart and soul of every team. Therefore, we consistently make sure to provide a pleasant, stimulating and, above all, safe working environment and, by providing good working conditions, allow our employees to perform their work efficiently and to a high standard. We design and implement projects together, encouraging and supporting each other, but most importantly, we know how to listen to each other, and we respect and trust each other. We respect the rights of employees to freedom of association, membership in trade unions and the Works Council, maintaining good relations with these associations. Recognising that honest relations are the basis for effective work and employee satisfaction, we invest a great deal of effort in regular, frank and respectful communication at all levels.

We are consistent in our respect for gender equality and condemn any discrimination in the workplace, while also paying particular attention to respecting the legal rights of older workers with regard to overtime, night work and additional annual leave days. In 2023, we switched to a new rotating schedule for some work processes, which gives employees more flexibility, makes it easier to plan their working hours and gives them more time off to spend with their families. We offer support to employees in proceedings before the disability commission in finding suitable jobs, and in this respect we successfully cooperate with the disability company Luka Koper INPO, d. o. o.

In 2023, Luka Koper Group established an updated secure channel for internal or external reporting of irregularities, while we keep supporting any expression of suspicion, in good faith or on the basis of reasonable belief, and ensuring that the whistleblower is protected from any punishment or retaliatory measures. Each natural or legal person may address to the Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer a report of corporate integrity violations for which the Officer is responsible. In January 2024, the company was also successfully audited for the ISO 37001/2016 Management System for the Prevention of Corruption certification.

Since 2019, Luka Koper, d. d., has been a signatory to the Commitment to Respect Human Rights. The company is active within the working group of the Government of the Republic of Slovenia for the implementation of the National Action Plan on Business and Human Rights (NAN). With this commitment, the company also follows the recommendations and expectations of SSH, which expects companies with state-owned assets to implement the relevant principles of the National Action Plan of the Republic of Slovenia on Business and Human Rights and to set an example to other companies in terms of respect for human rights. The existing Staff Dignity Protection Policy is in the final stages of revision and will be transformed into a Policy on Prevention of Harassment and Ill-treatment in the Workplace.

Heightened geopolitical tensions once again fuelling uncertainty about the short-term outlook

The situation in logistics and supply chains has been further worsened with the start of the Red Sea attacks, affecting all stakeholders in logistics, including the final customers of goods in industrial production who depend on maritime transport through the Suez Canal. Due to the rerouting of ships around Africa, transit times have increased by an average of 10 to 14 days, which is why most ship services from the Far East arrive in Koper with a delay. Indirectly, longer transit times also affect ships transporting cargo across the Mediterranean via transshipment (hub) ports. No significant impact on operations was observed in December 2023, but due to the above-mentioned uneven distribution of cargo arrivals, delays in the arrival of ships or cargo will be reflected in the realisation of monthly transshipment plans in the first three months of 2024. If the situation does not normalise in the coming months, this could also have an impact on decisions by shipowners/customers to change established transport routes from the Far East to Europe, which could be reflected in smaller volumes of transshipment on arrival.

The company's full board of directors

On 30 November 2023, the Supervisory Board of the Company, at its ordinary meeting, appointed Gregor Belič and Gorazd Jamnik as new members of the Management Board of the Company, who will take office on 1 January 2024 for a five-year term. Nevenka Kržan remains on the Management Board as President and Vojko Rotar as Member of the Management Board - Worker Director.

Nevenka Kržan

President of the Management Board of Luka Koper, d. d.



3 Report of the Supervisory Board for 2023

3.1 Composition of the Supervisory Board

In 2023 until 6 February 2023, the Supervisory Board was composed of Franci Matoz (Chair), Nevenka Črešnar Pergar (Deputy Chair), Božidar Godnjavec (member), Andrej Koprivec (member), Tomaž Benčina (member), Mladen Jovičić (member), Rok Parovel (member), Mehrudin Vuković (member). At the 36th General Meeting of Shareholders on 6 February 2023, the General Meeting appointed new members of the Supervisory Board for a term of office of 4 years, commencing on 7 February 2023, namely Mirko Bandelj, Barbara Nose, Jožef Petrovič, Boštjan Rader and Borut Škabar. The Supervisory Board in its new composition met at the 1st inaugural session on 23 February 2023 and appointed Mirko Bandelj as chair, and Tomaž Benčina as his deputy. As of 23 February 2023, the Supervisory Board is composed of Mirko Bandelj (Chair), Tomaž Benčina (Deputy Chair), Jožef Petrovič (member), Barbara Nose (member), Boštjan Rader (member), Borut Škabar (member), Mladen Jovičić (member), Rok Parovel (member) and Mehrudin Vuković (member). The composition of the Supervisory Board has been at a high level in terms of professional competence and the members acted in harmony.

3.2 Supervisory Board's work

The Supervisory Board held two ordinary, one extraordinary meeting and one meeting by correspondence until 6 February 2023. It took note of the convocation of the 36th General Meeting of the Company, considered and approved the proposal of the General Meeting of the Company for the appointment of the external auditor of the financial statements of Luka Koper, d. d., and the Luka Koper Group for the period 2023-2025, approved the proposal of new criteria and the proposals of the Management Board for the increase in the value of investments. On the basis of the approved criteria for the evaluation of the Management Board's performance for 2022, it considered and approved the Management Board's remuneration for 2022 and gave its consent to the employment of a member of the Supervisory Board - employee representative as a professional trade union representative in the Company until 31 January 2027.

The new Supervisory Board took office on 7 February 2023 and held seven ordinary meetings and eight meetings by correspondence in 2023. At its inaugural meeting on 23 February 2023, the Supervisory Board, having elected a Chair and a Deputy Chair, established the Audit, HR and Business Operations Committees of the Supervisory Board and appointed the membership of these Committees. At the first inaugural meeting, the Board took note of the presen-

tation of the company's business and operations and discussed information about the operations of the Group and Luka Koper, d. d., for the year 2022.

At its meeting in April, the Supervisory Board adopted the 2022 work report and, at the same time, approved the audited Annual Report 2022 of the Group and Luka Koper d. d., and reviewed the Management Board's proposal for the use of the 2022 accumulated profit. It took note of the annual report on risk and opportunity management for 2022, the annual report on the work of the internal audit function and the Corporate Integrity and Compliance Officer for 2022 and took note of the declarations of independence of the members of the Supervisory Board.

At its meeting on 18 May 2023, the Supervisory Board approved the agreement on the termination of the mandate of the President of the Management Board, Boštjan Napast, as of 30 June 2023 and appointed the then Member of the Management Board responsible for Finance, Nevenka Kržan, as President of the Management Board as of 1 July 2023. At the same time, the Supervisory Board instructed the HR Committee to start the procedures for the selection and appointment of new members of the Management Board. It took note of the unaudited report on the performance of the Group and Luka Koper, d. d., in the period January-March 2023 and, on a proposal from the Business Operations Committee, agreed to include in the investment plan the investment in the construction of a passenger terminal facility. It agreed to the convening of the 37th General Meeting of Shareholders and to the appointment of the President of the Management Board to the Supervisory Board of Pokojninska Družba A, d. d. At the 2nd meeting by correspondence, the Supervisory Board adopted a proposal for a new Remuneration Policy, which it submitted to the General Meeting for approval.

At its June and July meetings by correspondence, the Supervisory Board decided on the new values of the Management Board's investment proposals and approved a call for tenders for the selection of new members of the Management Board and external expertise to assist in the selection process. At the same time, it adopted a competency profile for the members of the Management Board.

At its regular meeting on 24 August 2023, the Supervisory Board took note of the unaudited report on the operations of the Group and Luka Koper, d. d., in the period January-June 2023, approved the agreement on the audit of the financial statements of the Company and the Luka Koper Group for the financial years 2023, 2024 and 2025 and authorised the Chair of the Supervisory Board to sign it. It approved the Corruption Prevention Policy, agreed to the proposal on the

purchase of treasury bills, to the dividend policy and internal audit operations, took note of the activities of implementing the management system for the prevention of corruption in accordance with ISO 37001 - 2016 and considered the report under Article 60 of the Slovenian Sovereign Holding Act in relation to transactions with related parties of a member of the Supervisory Board. It discussed the sponsorship and donations strategy and took note of the SSH's annual management plan and expectations. It also considered the draft Business Plan of the Company and the Luka Koper Group for 2024 and the draft Strategic Business Plan for the period 2024-2028 and made recommendations to the Management Board.

At its first November meeting on 23 November 2023, the Supervisory Board took note of the unaudited report on operations for the period January-September 2023, considered and approved the proposed financial calendar for 2024 and agreed to the Business Plan of Luka Koper, d. d., and the Luka Koper Group for 2024. It also considered and agreed on the Internal Audit work plan for 2024 and the Management Board's proposal to increase the sponsorship and donation funds of Luka Koper, d. d., in 2023. It considered and approved management's proposals to increase the value and include new investments in the 2023 investment plan.

At its second November meeting on 30 November 2023, the Supervisory Board, following a proposal by the HR Committee to select from a number of candidates, appointed Gregor Belič and Gorazd Jamnik as new members of the Management Board for a term of office of 5 years, commencing on 1 January 2024. On the proposal of the Management Board, it approved the Strategic Business Plan of Luka Koper, d. d., and the Luka Koper Group for the period 2024-2028 and gave its consent to the Management Board for the recapitalisation of the subsidiary Adria Terminali, d. o. o., and the acquisition of Adria Investicije, d. o. o.

At its last regular meeting of 2023 on 18 December 2023, the Supervisory Board approved the change in criteria for allocating costs, revenues, assets and liabilities for the implementation of the public utility service, agreed on a set of identified impacts and material topics for reporting in the 2023 Sustainability Report, and approved the criteria for the remuneration of the Head of Internal Audit for 2024. It took note of the report on the progress of the company's key investment projects and adopted the work programmes for the meetings of the Supervisory Board and its Committees. At its last correspondence meeting, the Supervisory Board approved the draft management contracts with the two newly appointed members of the Management Board.

In addition, the Supervisory Board regularly monitored the measures to achieve the planned profit for 2023, proposed to the Management Board a review of the business plan and the strategic business plan, which it approved, and carried out a number of other tasks, including:

- Discussed the reports on the work of the internal audit for 2023. and the internal audit work programme for 2023;
- Discussed the risk management reports;

- Discussed the compliance of operations and corporate integrity reports for 2023;
- Monitored business results and measures to achieve them;
- Monitored the implementation of the Company's investment plan;
- Monitored the recommendations and expectations of the Slovenian Sovereign Holding.

The Supervisory Board paid attention to the timely and effective identification, disclosure, management and elimination of conflicts of interest. The Members of the Supervisory Board received ongoing training and followed examples of good practice in corporate governance. The Supervisory Board did not discuss the Report of the Works Council on the situation regarding worker participation in the management, since the 2023 report had not been submitted for discussion by the Works Council. The Supervisory Board adopted 159 decisions, 96 percent of which were unanimous.

3.3 Work of Supervisory Board committees

In 2023, the following committees were appointed within the Supervisory Board until 6 February 2023: Audit Committee, HR Committee, Business Operations Committee, and Strategic Development Committee. At its first inaugural meeting on 23 February 2023, the Supervisory Board decided that the Audit, HR and Business Operations Committees shall operate within the Supervisory Board.

3.3.1 Audit Committee

In accordance with the Rules of Procedure of the Supervisory Board, the Audit Committee, by carrying out the tasks of its work programme, enhances the effectiveness of the Supervisory Board and regularly reports to the Supervisory Board on the supervision of financial reporting, internal controls and risk management, and on its cooperation with external and internal auditors and Corporate Integrity and Operations Compliance Officer, and proposes relevant decisions to be adopted. In the corporate governance process, it is the key role of the Audit Committee to act for the benefit of the Company and protect the interests of its stakeholders.

In 2023, until 6 February 2023, the Audit Committee was composed of Andrej Koprivec, CFA (Chair, level of education 7, BSc in Economics), Božidar Godnjavec (member and deputy chair, level of education 8, MSc in Economics), Nevenka Črešnar Pergar, MBA (member, level of education 7, LLB), Rok Parovel (level of education 6, Graduate in Economics), and Simon Kolenc, CFA (external member, level of education 7, BSc in Economics). The committee met in two sessions. It discussed the proposal for the Supervisory Board regarding the appointment of an external auditor of the financial statements of the company Luka Koper, d. d., and the Luka Koper Group for the period 2023-2025, and proposed to the Supervisory Board to propose BDO Revizija, d. o. o., to the General Meeting of the Company for appointment. It considered the proposal for new criteria, which it

submitted to the Supervisory Board for approval, and took note of the reports on the internal audit engagements carried out, verified the declaration of independence of the internal audit function and assessed its performance.

With the appointment of new members of the Supervisory Board and the constitution of the Audit Committee at the 1st inaugural meeting of the Supervisory Board, the Committee was, as of 23 February 2023, composed of Barbara Nose (Chair, level of education 7, BSc in Economics, audit specialist), Boštjan Rader, MBA (member, level of education 7, BSc in Economics, MBA), Rok Parovel (member, level of education 6, Graduate in Economics, MBA), and external member Mateja Treven, CFA (level of education 8, MSc in Economics).

The Audit Committee met at seven regular and two meetings by correspondence. Within the scope of its competences and mandates, the Committee monitored the financial reporting process, discussed various materials and reports of the Management Board, and reported regularly to the Supervisory Board on its conclusions, findings and proposals. In accordance with the guidelines for ensuring the independence of the external auditor, the Audit Committee supervised the contracts concluded with audit firms as well as the nature and extent of their services.

The Committee discussed the audited annual report of the Luka Koper Group and Company for 2023, with particular emphasis on the presentation of revenue, formation of provisions for potential legal actions, liabilities from the concession contract, non-financial reporting, and corporate sustainability. It communicated actively with the auditor both regarding the areas and course of the audit as well as the related findings, and at the same time monitored their independence and the quality of the work performed. It discussed the report for the Audit Committee and the auditor's letter to management, as well as the management's response.

Following the appointment of the auditor at the 37th Annual General Meeting, the Audit Committee carefully examined the audit plan for 2023 and considered the Contract for the audit of the financial statements of Luka Koper, d. d., for the financial years 2023, 2024 and 2025 and proposed to the Supervisory Board to approve it. In 2023, the Audit Committee also closely monitored the risk management system with special emphasis on cybersecurity risks and real rights relations with the Republic of Slovenia under the concession agreement. It discussed the Corruption Prevention Policy, which it proposed to the Supervisory Board for approval, monitored the operations of the internal audit and internal control department, compliance of operations, corporate integrity and conflict of interests, and made recommendations for strengthening and upgrading of systems. It considered reports on customers and suppliers, making recommendations on due diligence and compliance in dealing with them, pending legal proceedings, the operation of IT systems and other management reports, which it scrutinised and monitored for integrity.

The Committee also proposed amendments as well as immediate and appropriate measures for areas where potential gaps were detected. It followed the idea of a transparent, ethical and socially responsible model of the Company's operations and management of potential conflicts of interest and a clear regulation of the Company's cooperation with all stakeholders. Prior to submitting the proposal for the remuneration of the head of internal audit to the Supervisory Board for discussion, the Audit Committee examined thoroughly her remuneration and work, and was extremely vigilant as to the respect for the autonomy and personal integrity.

At the end of the year, it adopted a work programme and started the process of evaluating its performance, on the basis of which it will adopt a plan to implement further improvements in the areas of its work where it considers itself able to make further improvements. During the year, the members of the Audit Committee attended several trainings concerning the work of audit committees.

3.3.2 HR Committee

In 2023, until 6 February 2023, the HR Committee consisted of Franci Matoz (Chair) and members Nevenka Črešnar Pergar, Božidar Godnjavec, and Mehrudin Vuković. The Committee held two meetings and discussed a report on pending legal proceedings and the model for the provision of port services at Luka Koper, d. d., examined and proposed to the Supervisory Board for approval the remuneration of the Management Board and the Secretary of the Supervisory Board for 2022, and proposed to the Supervisory Board to give its consent to the recruitment of a member of the Supervisory Board - employee representative - as a professional trade union representative in the company.

With the appointment of the new members of the Supervisory Board and the formation of the HR Committee at the 1st inaugural meeting of the Supervisory Board, the Committee continued to function in 2023 as of 23 February 2023 in the following composition: Tomaž Benčina (Chair), Jožef Petrovič (member), Boštjan Rader (member), Mehrudin Vuković (member). The Committee met at five regular meetings and one meeting by correspondence.

It considered Management Board reports on recruitments of senior management and management consultants, monitored the implementation of the succession programme, formulated and proposed the adoption of the Remuneration Policy and the criteria for remunerating the Management Board, and, with external expert support, prepared a public call for applications for new members of the Management Board. After reviewing, verifying and analysing the candidacies, it prepared a shortlist of candidates for new board members, which it forwarded to the Supervisory Board for consideration and appointment.

3.3.4 Business Operations Committee

In 2023, until 6 February 2023, the Business Operations Committee was composed of Božidar Godnjavec (Chair), Nevenka Črešnar Pergar (Deputy Chair), and members Tomaž Benčina and Mladen Jovičić. The Committee held two meetings and discussed the Management Board's proposals to include new investments in the 2023 Investment Plan and a proposal for the exchange of land in the immediate vicinity of the port.

At its 1st inaugural meeting on 23 February 2023, the Supervisory Board appointed Jožef Petrovič (Chair), Tomaž Benčina (member), Borut Škabar (member) and Mladen Jovičić (member) as members of the Business Operations Committee.

The Committee met at four regular meetings. It participated in the development of the 2024 Business Plan

and the Strategic Business Plan of Luka Koper, d. d., and the Luka Koper Group for the period 2024-2028, which it proposed to the Supervisory Board for approval at the end of the year. It monitored the implementation of the investment plan, regular and long-term upkeep, took notice of various studies of economic viability of investments and regularly monitored the business objectives of the company as well as subsidiaries.

3.3.5 Strategic Development Committee

The Strategic Development Committee, composed of Nevenka Črešnar Pergar (Chair), Andrej Koprivec (Deputy Chair), Tomaž Benčina (member), Mladen Jovičić (member) and Rok Parovel (member), did not meet until 6 February 2023. The Supervisory Board in its new composition transferred its tasks to the Business Operations Committee.

Meetings of the Supervisory Board and its committees in 2023 and absence of members

Meeting No	Date of the meeting	Absent members
Supervisory Board meetings		
15 th ordinary meeting	24 January 2023	/
16 th ordinary meeting	2 February 2023	/
1 st inaugural meeting	23 February 2023	/
2 nd ordinary meeting	13 April 2023	/
3 rd ordinary meeting	18 May 2023	/
4 th ordinary meeting	24 August 2023	/
5 th ordinary meeting	23 November 2023	/
6 th ordinary meeting	11 November 2023	/
7 th ordinary meeting	18 December 2023	Borut Škabar
5 th extraordinary meeting	5 January 2023	/
6 th meeting by correspondence	6 February 2023	/
1 st meeting by correspondence	4 April 2023	/
2 nd meeting by correspondence	24 May 2023	/
3 rd meeting by correspondence	20 June 2023	/
4 th meeting by correspondence	6 July 2023	Boštjan Rader
5 th meeting by correspondence	28 July 2023	/
6 th meeting by correspondence	21 September 2023	/
7 th meeting by correspondence	24 November 2023	/
8 th meeting by correspondence	22 December 2023	/
HR Committee meetings		
10 th ordinary meeting	24 January 2023	/
11 th ordinary meeting	2 February 2023	/
1 st inaugural meeting	13 April 2023	/
2 nd ordinary meeting	18 May 2023	/
3 rd ordinary meeting	14 June 2023	/
4 th ordinary meeting	24 August 2023	/
5 th ordinary meeting	28 September 2023	/
6 th ordinary meeting	15 November 2023	Mehrudin Vuković
7 th ordinary meeting	18 December 2023	/
1 st meeting by correspondence	5 July 2023	/

Meeting No	Date of the meeting	Absent members
Business Operations Committee meetings		
13 th ordinary meeting	24 January 2023	/
14 th ordinary meeting	2 February 2023	/
1 st inaugural meeting	27 March 2023	/
2 nd ordinary meeting	18 May 2023	/
3 rd ordinary meeting	14 June 2023	/
4 th ordinary meeting	24 August 2023	/
5 th ordinary meeting	23 November 2023	/
Audit Committee meetings		
14 th ordinary meeting	24 January 2023	/
15 th ordinary meeting	2 February 2023	/
1 st inaugural meeting	16 March 2023	/
2 nd ordinary meeting	23 March 2023	/
3 rd ordinary meeting	13 April 2023	/
4 th ordinary meeting	15 May 2023	/
5 th ordinary meeting	22 August 2023	/
6 th ordinary meeting	16 November 2023	/
7 th ordinary meeting	18 December 2023	/
1 st meeting by correspondence	28 June 2023	/
2 nd meeting by correspondence	20 September 2023	/
Strategic Development Committee meetings		
/	/	/

3.3.5 Assessment of the Supervisory Board's work

The Supervisory Board assesses its composition in terms of professional competences and its functioning as effective and coherent. The Supervisory Board functioned well, its members being experts in their fields. Management of the conflicts of interest between the members of the Supervisory Board effectively protects the interests of the company.

The Supervisory Board operated effectively and constantly monitored all key areas of operations. Due to good individual preparation and high motivation of all members, its contribution was significant. Support for the Supervisory Board is very good, both regarding the functioning of the Supervisory Board Committees and the Secretary of the Supervisory Board.

Committees were devising decisions to be adopted by the Supervisory Board; all members of the Supervisory Board participated in the discussions actively and exchanged opinions effectively. All members of the Supervisory Board signed statements on their independence and declared themselves independent.

3.3.6 Costs of the Supervisory Board's work

Payments to individual members of the Supervisory Board and to members of committees of the Supervisory Board, and other receipts and operating costs based on the General Meeting decision No 4 of 29 December 2017 are presented in more detail in the accounting report, Note 31 'Related

party transactions'. In 2023, education costs for the members of the Supervisory Board totalled EUR 1,674.

3.3.7 Adoption of the Annual Report and the view on the auditor's report

The 2023 Annual Report of the Luka Koper Company and Group was audited by the audit company BDO Revizija, d. o. o., which issued an opinion on the financial statements. At its 10 regular meeting of 17 April 2024, the Audit Committee of the Supervisory Board established that the Annual report was prepared in a timely manner, and is compiled clearly, transparently and in accordance with the provisions of the Companies Act, the applicable International Financial Reporting Standards as adopted by the EU and other relevant legislation. The Audit Committee had no objections to the 2023 Annual report of the Luka Koper Company and the Group and thus proposed to the Supervisory Board that they approve it in compliance with Article 282 of the Companies Act. Based on the auditor's opinion, the position of the Supervisory Board's Audit Committee, and data and disclosures in the 2023 Annual Report, the Supervisory Board estimates that the auditor performed their work independently and professionally, in accordance with applicable legislation and business practice, that the Annual Report is prepared in accordance with the requirements of the Companies Act in all material respects, and that the financial statements in all material respects fairly represent the financial position of the Luka Koper Company and the Group as at 31 December 2023 and their profit and loss and cash flows for the year ended in accordance with International

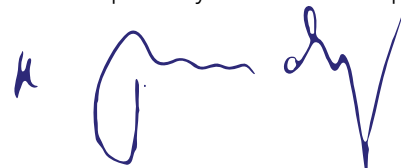
Financial Reporting Standards as adopted by the EU. The Supervisory Board had no objections to the auditor's report. In addition, the Supervisory Board has no objections to the 2023 Annual Report of the Luka Koper Company and the Group, which would in any way delay it in reaching a decision approving it. Therefore, in accordance with Article 282 (3) of the Companies Act, the Supervisory Board approved the 2023 Annual Report of the Company and the Luka Koper Group at its 9. meeting on 18 April 2024.

At the time of adoption of the annual report, the Supervisory Board also took a stand on the Corporate Governance

Statement and on compliance with the reference code, which is included in the business report of the 2023 Annual Report of Luka Koper, d. d., and the Luka Koper Group, and established that it reflects the actual corporate governance of Luka Koper, d. d., and Luka Koper Group in 2023.

Mirko Bandelj

Chair of the Supervisory Board of Luka Koper, d. d.



4 Corporate Governance Statement



In line with the provision of Article 70 (5) of the Companies Act, Luka Koper, d. d., issues the following Corporate Governance Statement relating to the period from 1 January 2023 to 31 December 2023.

4.1 Codes and Management Practice⁶

In the period from 1 January to 31 December 2023, the company observed the Slovenian Corporate Governance Code for Listed Companies of December 2021, which was drawn and adopted jointly by the Ljubljana Stock Exchange (Ljubljanska borza, d. d.), Ljubljana, and the Slovenian Directors' Association, and put into force on 1 January 2022. The Code is available on the Ljubljana Stock Exchange's website ["Ljubljana Stock Exchange Rules and Regulations \(ljse.si\)](https://www.ljse.si/).

In the period from 1 January to 31 December 2023, the company also observed The Corporate Governance Code for State-Owned Enterprises (adopted in June 2022) which is available on the Slovenian Sovereign Holding (SDH) website Key SSH Asset Management Documents.

The Company has adopted the Corporate Governance Policy of Luka Koper, d. d., on 21 January 2022, whereby management is carried out in accordance with the provisions of the Companies Act and the aforementioned codes.

In its corporate governance, the company voluntarily decided to apply the Slovenian corporate integrity guidelines, based on which it adopted its own Corporate Integrity Strategy of the Luka Koper Group companies, the Code of Ethics of the Luka Koper Group, and Corruption Prevention Policy. All these documents are available on the Company's website [Corporate-documents - Luka Koper d. d. \(luka-kp.si\)](https://www.luka-kp.si/). Code of Ethics of the companies of the Luka Koper Group was revised on 1 October 2019. The company has adopted the Rules of Procedure for the Corporate Integrity Officer and the Corporate Integrity Violations Committee of the Luka Koper Group, and Rules of Procedure for the Operations Compliance Officer, on 11 July 2022 it adopted Code of Conduct for business partners of the Luka Koper Group, and on 24 August 2023, also the Corruption Prevention Policy.

⁶ GRI 2-23

4.1.1 Governance of Luka Koper, d. d.

In governance, the Company observes the provisions of applicable codes. Any derogation is stated and/or explained below.

- One member of the Supervisory Board is an employee of SDH, d. d. (Partial derogation from the Corporate Governance Code for State-Owned Enterprises, Item 4.1.)
- Representation in management and supervisory bodies is regulated by various criteria of representation in management and supervisory bodies from the point of view of gender and other factors, such as age and professional profile. In this regard, the company has adopted a Diversity Policy. The company meets the aforementioned criteria, except for the criterion of gender balance in the Supervisory Board. (Partial derogation from the Corporate Governance Code for State-Owned Enterprises, Item 11, and from the Slovenian Corporate Governance Code for Listed Companies, Item 6.5.)
- In 2023, the Supervisory Board began the process of evaluating the effectiveness of its work, which it had not completed by the end of the year. (Partial derogation from the Corporate Governance Code for State-Owned Enterprises, Item 6.13.)
- The 36th and 37th Annual General Meetings were held only with the physical presence of the shareholders, as the conditions made it possible and in this way the Company maintains direct contact with the shareholders. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Items 10.1 and 10.2.)
- The members of the Supervisory Board who are employee representatives have no university degree. Employee representatives of the Supervisory Board are appointed by the Works Council, over which the Company's General Meeting has no influence. Similarly, the Worker Participation in Management Act, which is the basis for appointing members of the Supervisory Board - employee representatives, does not prescribe the level of education for Supervisory Board members who are employee representatives. For this reason, there is no basis to guarantee that all members of the Supervisory Board will have a university degree in the future. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 12.1.)
- The Supervisory Board does not consider once a year the report of the Works Council on the status of workers' participation in management, since it does not receive the said report from the Works Council. (Derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 14.4.)
- The Works Council does not follow the recommendations of the Diversity Policy when appointing the Supervisory Board members, the employee representatives. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 11.3.)
- The Supervisory Board does not have a specific training scheme since the training priorities are set by each member of the Supervisory Board individually. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 15.1.)

- When setting up an individual commission, the Supervisory Board does not directly determine its tasks by decision or in the rules of procedure. The tasks of a committee are evident from the discussion of the Supervisory Board at its establishment. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 18.2.)
- The members of the Supervisory Board are charged for the credit rating for the liability insurance of company bodies and executives, which is the only credit rating they are entitled to. Regarding the liability insurance of the members of the Supervisory Board, there is a uniform system for all members of the management and supervisory bodies of the company, which will not be changed in the future. (Partial derogation from the Corporate Governance Code for State-Owned Enterprises, Item 6.10.6.)
- The Company's Code of Ethics does not contain detailed content relating to the example of management, employees, labour rights, attitudes towards officials and control and sanctions, since this content is included in the Corruption Prevention Policy and the Rules of Procedure on the management system for the prevention of corruption. The Code of Ethics discusses various other issues, which are constantly updated by the Company. (Partial derogation from the Corporate Governance Code for State-Owned Enterprises, Item 10.1.1.)
- The Company does not publish all the rules of procedure of its bodies, i.e., the management, control and assembly bodies, on its web pages. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 32.7.)

4.1.2 Corporate integrity

Corporate integrity is reported in detail in Chapter 27 Corporate integrity and operations compliance, protection of personal data and human rights.

4.1.3 Risk control system

Risk is reported in detail in Chapter 14 Managing risks and opportunities.

4.2 Internal controls and risk management related to financial reporting

The Luka Koper Group manages risk related to financial reporting and the implementation of adopted guidelines and internal control procedures. The purpose of internal controls is to ensure the accuracy, reliability and completeness of acquiring data on transactions and preparation of financial statements that give a true and fair view of the financial position, profit or loss, cash flows and changes in equity in accordance with the applicable laws. International Accounting Standards and other external and internal regulations. Risk management related to the Group's consolidated financial statements has also been provided through a centralised

accounting function in a uniform IT system in the controlling company, which includes all the subsidiaries and the majority of associated companies.

Having been designed in accordance with the principle of reality and division of responsibility, the accounting controls focus on the control of accuracy and completeness of data processing, reconciliation of the balance presented in the books of account and the actual balance, separation of records from conducting transactions, professionalism of accountants and independence. Internal controls in accounting are also related to controls in the field of IT that ensure limitations and supervision over the access to the network, data and applications as well as the accuracy and completeness of data acquisition and processing.

Luka Koper, d. d., as a company subject to the application of the act regulating acquisitions, states in its annual report all the required data and explanations in line with the provision of Article 70 (6) of the Companies Act.

4.2.1 Structure of the Company's share capital

The Company shares are ordinary no-par value shares that grant to their holders the right to participate in the company management, the right to profit sharing – dividend payments, and the right to a proportionate amount of remaining assets after winding up or bankruptcy of the company. All the shares are registered shares, of one class and issued in book-entry form. The Company shares are freely transferable and listed on the Ljubljana Stock Exchange, first listing. Detailed data about the share and ownership structure is presented in Chapter 15 'The LKPG Share'.

4.2.2 Share transfer limitations

All Company shares are freely transferable.

4.2.3 Qualified shares pursuant to the Takeovers Act

Pursuant to Article 77 (1) of the Takeovers Act, achievement of the qualified share on 31 December 2023 was as follows:

- the Republic of Slovenia held 7,140,000 shares issued by Luka Koper, d. d., which accounted for 51.00 percent of the initial capital of the issuer of the shares, and
- Slovenian Sovereign Holding (Slovenski državni holding, d. d.) held 1,557,857 shares issued by Luka Koper, d. d., which accounted for 11.13 percent of the initial capital of the issuer of the shares.

4.2.4 Holders of securities granting special control rights

The company issued no securities that would grant special control rights.

4.2.5 Employee share scheme

The company has no employee share scheme.

4.2.6 Limitation of voting rights

There is no limitation of voting rights.

4.2.7 Agreements among shareholders that may result in limitation of share transfer or voting rights

The company has not been informed of any such agreements.

4.2.8 The Company's rules on appointments or replacements of members of management and supervisory bodies⁷

The Management Board of the company has a President and up to three members, of which one is the Worker Director. The President of the Management Board and other Management Board Members are appointed and dismissed by the Supervisory Board. The Worker Director as a Member of the Management Board is appointed and dismissed by the Supervisory Board on a proposal of the Works Council. The term of office of the President of the Management Board, Management Board Members and the Worker Director is five years with the possibility of re-appointment. The Supervisory Board has the right and competence to dismiss the entire Management Board or an individual Member of the Management Board.

The Supervisory Board can dismiss the President of the Management Board, Members of the Management Board and the Worker Director early for the reasons set out in the law. The quorum of the Supervisory Board when appointing or dismissing the President of the Management Board, a Member of the Management Board or the Worker Director requires the presence of at least half of the Members of the Supervisory Board and at least half of the present Supervisory Board Members have to be representatives of the capital, of which the Chair of the Supervisory Board and deputy Chair of the Supervisory Board are to be present as well.

The President and Members of the Management Board shall have at least university education, a thorough knowledge of one world language, and at least five years of work experience in decision-making positions in large companies in accordance with the criteria as defined by the law governing companies. More detailed conditions and criteria for the President and Members of the Management Board are determined by the Supervisory Board. The terms of appointment of the Worker Director are jointly determined by the Supervisory Board and the Works Council.

⁷ GRI 2-10

The HR Committee operates under the Supervisory Board, carrying out preliminary procedures relating to the selection of candidates for the Management Board of the company and proposing the most suitable candidates for the Management Board Members to the Supervisory Board. Before submitting the proposal, the Committee verifies whether the candidates suggested meet the legal and statutory criteria for the Members of the Management Board.

The Supervisory Board of the company consists of nine members, of which six are elected by the General Meeting by a simple majority of the shareholders present and three members are elected by the Works Council. One of six Supervisory Board members can be proposed to the General Meeting by the municipality or municipalities in which the onshore part of the port area is located. The General Meeting establishes with a decision the election and discharge of the members of the Supervisory Board elected by the Works Council. The decision on an early discharge of Members of the Supervisory Board has to be taken by a three-quarters majority of the votes submitted in the General Meeting. Members of the Supervisory Board elected out of the employees can be discharged before the expiry of their term of office by the Works Council. The General Meeting only establishes their discharge with a decision. After expiry of their term of office, each elected Member of the Supervisory Board may be proposed and re-appointed as a Member of the Supervisory Board.

The Management and the Supervisory Boards formulated and adopted a diversity policy with respect to representation in management and control bodies of the company as defined by the Companies Act and the Slovenian Corporate Governance Code for Listed Companies. The Company has thus partly pursued the objective of diversity with respect to representation in management and control bodies. In 2023, the Supervisory Board adopted a competency profile for the members of the Management Board.

4.2.9 The Company's rules concerning changes in the articles of association

The General Meeting of Shareholders decides on the changes in the articles of association with a three-quarters majority of the initial capital represented.

4.2.10 Powers of Members of the Management Board, in particular with regard to own shares

Powers of Members of the Management Board are defined in Chapter 4.6 Company Management of Luka Koper, d. d. Otherwise, the Management Board has no special powers relating to the issue or purchase of own shares.

4.2.11 Relevant agreements that are put into effect, changed or terminated on the basis of a change in the company's control as a result of a public takeover offer

The company has not been informed of any such agreements.

4.2.13 Agreements between the Company and the members of its management or control bodies or employees that foresee compensation if they resign, are dismissed without valid grounds or their employment contract expires because of an offer made in compliance with the Takeovers Act.

There have been no agreements in accordance with the Takeovers Act.

4.3 Management system⁸

Luka Koper, d. d., operates under a two-tier management system, under which the Company has three management bodies: the General Meeting of Shareholders, the Supervisory Board, and the Management Board. The competencies of individual bodies and the rules on their operation, appointment, discharge and changes to the articles of association and Company's internal regulations related to the work of these bodies are laid down in the Companies Act, the Company's articles of association, and the Rules of Procedure on the Work of the Supervisory Board, the Management Board and the General Meeting of Shareholders.

Significant impacts on the Company's business in terms of negative impacts on stakeholders are communicated to the Management Board and the Supervisory Board through the submission and consideration of regular reports: quarterly reports, annual report, risk management reports, reports of violations of corporate integrity, compliance reports, occupational health and safety reports, environmental reports, fire safety reports, etc.

Conflicts of interest regarding cross-membership, cross-ownership and the existence of controlling shareholders are disclosed to stakeholders. Details of related party transactions are presented in the consolidated financial statements in Note 31 'Related party transactions'.

Specific provisions on the operation of the Management Board are also stated in other general acts on internal company regulation. The Company's articles of association are available at <https://luka-kp.si/eng/corporate-documents>.

Leadership continuity was identified as a significant impact in 2023 by both the Luka Koper Group and stakeholders. Ensuring leadership continuity is an important aspect of the effectiveness of the Management Board and Supervisory Board of Luka Koper, d. d. Accordingly, the decision-making bodies must ensure that the entire membership or the

⁸ GRI 2-9, 2-10, 2-16

majority of the membership of these bodies is not replaced within a very short period of time, as this can have a significant impact on the effectiveness/ineffectiveness of their work. The company follows this. The terms of office of the members of the Management Board and the Supervisory Board in the positions to which they are appointed do not expire at the same period of time, but at different dates (as shown in Table C1), thus ensuring leadership and control continuity.

4.4 General Meeting of Shareholders⁹

The General Meeting of Shareholders is the highest body of the Company, deciding on its status changes, appropriation of the profit, the appointment or discharge of Members of the Supervisory Board and all other issues. It makes decisions in accordance with the Companies Act (ZGD-1) and the Articles of Association of Luka Koper, d. d. The ownership structure of Luka Koper, d. d., is presented in Chapter 15 'The LKPG Share.'

4.4.1 Convening the General Meeting of Shareholders

The Management Board shall convene the General Meeting of Shareholders once a year as a general rule, or several times, if necessary. The convening of the General Meeting of Shareholders is announced at least one month in advance on the AJPES website, in the SEO-net electronic system of the Ljubljana Stock Exchange, and on the Company's website. The Company's website <https://luka-kp.si/eng/general-assembly> includes all the material with the proposals for decisions, which is also made available to shareholders at the Company's head office. In compliance with the rules of the Ljubljana Stock Exchange, all decisions taken at the General Meeting of Shareholders are also published.

4.4.2 Participation and voting rights

Shareholders may take part in the General Meeting and exercise their voting right if their presence is reported to the Management Board by the end of the fourth day prior to the General Meeting and if shares or a share certificate are submitted for inspection.

The company has no limitations relating to the voting rights, as all shares of Luka Koper, d. d., provide voting rights in line with the legislation.

Luka Koper, d. d., has issued no securities that would grant their holders any special control rights.

4.4.3 Decisions of the General Meeting of Shareholders

Shareholders of Luka Koper, d. d., held two General Meet-

ings in 2023. On 6 February 2023, the 36th General Meeting of the Company was held for the election of new members of the Supervisory Board, at which the shareholders:

- Took note of the resignation of Supervisory Board Member Tamara Kozlovič as of 13 May 2022
- Recalled members of the Supervisory Board, Franko Matoz, Nevenka Črešnar Pergar, Andrej Koprivec and Božidar Godnjavec; and
- appointed Mirko Bandelj, Barbara Nose, Jožef Petrovič, Boštjan Rader and Borut Škabar as new members of the Supervisory Board for a four-year term of office commencing on 7 February 2023.

The 37th Annual General Meeting of the Company was held on 28 June 2023, at which shareholders:

- Approved the report on the remuneration of the members of the Company's management and supervisory bodies in 2022;
- Adopted a decision on the proposal for the appropriation of the accumulated profit for 2022, which amounted to EUR 50.229.863.96:
 - A portion in the amount of EUR 35.000.000.00 is to be used for dividend payout in the gross value of EUR 2.50 per ordinary share.
 - The residual amount of accumulated profit in the amount of EUR 15.229.863.96 is to remain unappropriated;
- Granted discharge for the year 2022 to the Management Board and Members of the Supervisory Board;
- Appointed BDO Revizija, d. o. o., as auditor of the financial statements of Luka Koper, d. d., and the Luka Koper Group for the financial years 2023, 2024 and 2025;
- Approved the Remuneration Policy for the Management and Supervisory Bodies of Luka Koper, d. d., and the Management Bodies of the Subsidiaries in the Luka Koper Group; and
- Rejected the proposal to set the remuneration and attendance fees for the members of the Supervisory Board and the members of the Supervisory Board committees.

4.5 Supervisory Board of Luka Koper, d. d.¹⁰

The Supervisory Board oversees the running of the Company's business. Other tasks and powers of the Board, in accordance with the law and the Company's articles of association, mainly include: appointing and dismissing the Management Board, determining the amount of Management Board's remuneration, approving the annual report, preparing proposals for the appropriation of the accumulated profit, and convening the General Meeting of Shareholders.

The Company has adopted a competency profile for the members of the Supervisory Board (Competency Profile of

⁹ GRI 2-9, 2-10

¹⁰ GRI 2-9, 2-10, 3-3, 405-1

the Supervisory Board), which is published on the Company's website [Corporate Documents - Luka Koper d.d. \(luka-kp.si\)](#).

4.5.1 Composition of the Supervisory Board

The Supervisory Board of Luka Koper, d. d. consists of nine members. Six are elected by the General Meeting of Shareholders, and three from among employees by the Works Council. The Board members' term of office is four years.

Diversity of members of the Supervisory Board by gender

31 Dec 2023	Men	Women	TOTAL
Number of members	8	1	9
Share	89%	11%	100%

Diversity of members of the Supervisory Board by age

31 Dec 2023	Under 30	30 to 50	Over 50	TOTAL
Number of members	0	2	7	9
Share	0%	22%	78%	100%

4.5.2 Composition of the Supervisory Board of Luka Koper, d. d., as at 31 December 2023:

4.5.2.1 Representatives of shareholders:

Mirko Bandelj, Chair of the Supervisory Board
Beginning of a 4-year term of office: 7 February 2023 (36th General Meeting)
Employed: Odvetniška pisarna Mirko Bandelj, d. o. o.
Membership in other management or supervisory bodies: /

Tomaž Benčina, Deputy Chair of the Supervisory Board
Beginning of a 4-year term of office: 7 June 2022 (35th General Meeting)
Employed: Regional Chamber of Commerce of Celje
Membership in other supervisory or management bodies: Zavarovalnica Triglav, d. d., Member of the Supervisory Board

Boštjan Rader, Member of the Supervisory Board
Beginning of a 4-year term of office: 7 February 2023 (36th General Meeting)
Employed: SDH, d. d.
Membership in other management or supervisory bodies: Deputy Chair of the Supervisory Board of the Public Company Uradni list Republike Slovenije, d. o. o.

Jožef Petrovič, Member of the Supervisory Board
Beginning of a 4-year term of office: 7 February 2023 (36th General Meeting)
Employed: retired
Membership in other supervisory or management bodies: Pošta Slovenije, d. o. o., Member of the Supervisory Board

Barbara Nose, Member of the Supervisory Board
Beginning of a 4-year term of office: 7 February 2023 (36th General Meeting)
Employed: Constantia Primia, d. o. o., Managing Partner
Membership in other supervisory or management bodies: Pošta Slovenije, d. o. o., Member of the Supervisory Board, AMZS, d. d., Deputy Chair of the Supervisory Board, Barnos, d. o. o., Managing Director, Shramba, d. o. o., Managing Director

Borut Škabar, Member of the Supervisory Board
Beginning of a 4-year term of office: 7 February 2023 (36th General Meeting)
Employed: BLUEMARINE, d. o. o., Managing Director
Membership in other management or supervisory bodies: BLUESHIP Ltd Istanbul, Managing Director

4.5.2.2 Representatives of employees:

Mehrudin Vuković, Member of the Supervisory Board
Beginning of a 4-year term of office: 19 January 2020 (33rd General Meeting – informing the shareholders)

Rok Parovel, Member of the Supervisory Board
Beginning of a 4-year term of office: 13 September 2020 (34th General Meeting – informing the shareholders)

Mladen Jovičić, Member of the Supervisory Board
Beginning of a 4-year term of office: 8 April 2021 (34th General Meeting – informing the shareholders)

4.5.2.3 External members of the Supervisory Board committees:

Mateja Treven, External Member of the Audit Committee of the Supervisory Board
Appointed for the period from 23 February 2023 until revoked,
Membership in other management or supervisory bodies: NLB Banka AD Skopje, independent member of the Supervisory Board, NLB Banka Prishtina, non-executive independent member of the Management Board.

4.5.3 Changes in the composition of the Supervisory Board Audit Committee

In 2023, until 6 February 2023, the Audit Committee of the Supervisory Board was composed of Andrej Koprivec (Chair), Božidar Godnjavec (member and Deputy Chair), Nevenka Črešnar Pergar (member), Rok Parovel (member), and Simon Kolenc (external member).

As of 23 February 2023, the Committee is composed of Barbara Nose (Chair), Boštjan Rader (member), Rok Parovel (member) and Mateja Treven (external member).

4.5.4 Changes in the composition of the Supervisory Board HR Committee

In 2023, until 6 February 2023, the HR Committee consisted of Franci Matoz (Chair), Nevenka Črešnar Pergar (member), Božidar Godnjavec (member), Mehruđin Vuković (member).

As of 23 February 2023, the Committee is composed of Tomaž Benčina (Chair), Jožef Petrovič (member), Boštjan Rader (member) and Mehruđin Vuković (member).

4.5.5 Changes in the composition of the Supervisory Board Business Operations Committee

In 2023, until 6 February 2023, the Business Operations Committee was composed of Božidar Godnjavec (Chair), Nevenka Črešnar Pergar (Deputy Chair), Tomaž Benčina (member) and Mladen Jovičić (member).

As of 23 February 2023, the Committee is composed of Jožef Petrovič (Chair), Tomaž Benčina (member), Borut Škabar (member) and Mladen Jovičić (member).

4.5.6 Strategic Development Committee

Until 6 February 2023, the Strategic Development Committee, which never met in 2023, was composed of Nevenka Črešnar Pergar (Chair), Andrej Koprivec (Deputy Chair), Tomaž Benčina (member), Rok Parovel (member), and Mladen Jovičić (member).

4.5.7 Appointment of the Nomination Committee

As the Supervisory Board did not appoint a Nomination Committee, this task was performed by the HR Committee of the Supervisory Board.

4.5.8 Details of the composition of the Supervisory Board

All details pertaining to members of the Supervisory Board and its composition and the composition of the committees of the Supervisory Board are listed in the tables prepared in accordance with Annexes C.2 of the Slovene Corporate Governance Code for Listed Companies and 3.2 of the Corporate Governance Code for State-Owned Enterprises, entitled 'Composition of the Supervisory Board and Committees in the financial year 2023', which are an integral part of this Corporate Governance Statement.

4.5.9 Supervisory Board's work¹¹

The work of the Supervisory Board is governed by statutory regulations, Company's articles of association and the

Rules of Procedure on the Work of the Supervisory Board, the Slovenian Corporate Governance Code for Listed Companies, Corporate Governance Code for State-Owned Enterprises, Recommendations and expectation of the Slovenian Sovereign Holding and Recommendations of the Slovenian Directors' Association.

The Supervisory Board closed the year 2023 with the composition described in item 2.5.2 The composition of the Supervisory Board of Luka Koper, d. d., as at the last day of 2023, with Franci Matoz (Chair), Nevenka Črešnar Pergar (Deputy Chair), Božidar Godnjavec (member), Andrej Koprivec (member), Tomaž Benčina (member), Mladen Jovičić (member), Rok Parovel (member), Mehruđin Vuković (member) until 6 February 2023.

At the 36th General Meeting on 6 February 2023, the following new members of the Supervisory Board were appointed for a term of office of 4 years, commencing on 7 February 2023: Mirko Bandelj, Barbara Nose, Jožef Petrovič, Boštjan Rader and Borut Škabar; therefore the Supervisory Board was composed of Mirko Bandelj (Chair), Tomaž Benčina (Deputy Chair), Jožef Petrovič (member), Barbara Nose (member), Boštjan Rader (member), Borut Škabar (member), Mladen Jovičić (member), Rok Parovel (member) and Mehruđin Vuković (member).

Work, decisions, and viewpoints of the Supervisory Board and the Committees of the Supervisory Board are reported in detail in Chapter 3 'Report on the Supervisory Board for 2023'.

Each Member of the Supervisory Board, taking into account the provisions of the Slovenian Corporate Governance Code for Listed Companies and Corporate Governance Code for State-Owned Enterprises, signed a declaration in 2023 stating that in the year 2023, there was no conflict of interest that would imply that an individual member:

- Was executive director or member of the management board of the Company or an associated company or had occupied such a position in the previous five years,
- Worked for the Company or an associated company and had occupied such a position in the previous three years,
- Received significant additional remuneration from the Company or an associated company except for the fee received as a Member of the Supervisory Board or its committees,
- Was the majority shareholder and represented the majority shareholder/majority shareholders,
- Had important business contacts with the Company or an associated company in the last year, either directly as a partner, shareholder, managing director or manager in a body,
- Is or has been within the last three years, a partner or employee of the present or former external auditor of the Company or an associated company;

11 GRI 2-15

- Was executive director or member of the management board of another company, of which a Member of the Supervisory Board was the executive director or member of the management board, or was in any way related to the executive director or members of the management board through cooperation in other companies or bodies,
- Was a member of the Supervisory Board for more than three terms (or more than 12 years), with the exception of Mladen Jovičić as employee representative,
- Was a close family member of a member of the Management Board or of persons occupying positions referred to in items above,
- Was a member of the wider management board of an associated company,
- Participated in drawing up the proposed content of the Company's annual report.

These declarations are also available at <https://luka-kp.si/slo/pomembni-dokumenti-208>, and reviewed by a statutory auditor.

Conflicts of interest between Supervisory Board members are regulated in the Rules of Procedure of the Supervisory Board and in relevant codes. In addition, members of the Supervisory Board are required to complete a declaration of independence and IAS 24, indicating related parties and other functions. According to the Rules of Procedure, in the event of a conflict of interest, they are obliged to immediately inform the Chair and members of the Supervisory Board in writing and to take appropriate measures. Conflicts of interest regarding cross-membership, cross-ownership and the existence of controlling shareholders are disclosed to stakeholders. Details of related party transactions are presented in the consolidated financial statements in Note 31 'Related party transactions'.

4.5.10 Supervisory Board committees

Three committees work on a regular basis under the Supervisory Board:

- Audit Committee,
- HR Committee,
- Business Operations Committee.

The committees carry out professional tasks in aid to the Supervisory Board.

The composition of the Audit Committee in 2023 is shown in item 4.5.3 'Changes in the composition of the Audit Committee of the Supervisory Board.'

The composition of the HR Committee in 2023 is shown in item 4.5.4 'Changes in the composition of the HR Committee of the Supervisory Board.'

The composition of the Business Operations Committee in 2023 is shown in item 4.5.5 'Changes in the composition of the Business Operations Committee of the Supervisory Board.'

4.5.11 Remuneration of the Supervisory Board¹²

Members of the Supervisory Board and of Committees of the Supervisory Board are entitled to attendance fees and payments for performing the functions. The amount of attendance fees and payments is determined by the General Meeting of Shareholders and audited by the Statutory Auditor. Members of the Supervisory Board and of Committees of the Supervisory Board are also entitled to a refund of travel expenses and other arrival- and attendance-related expenses. Additional information on remuneration of the Supervisory Board and on related levels is given in the Accounting Report of Luka Koper d. d., Note 31 'Related party transactions', and in the table taken from the Appendix 4.2 of the Corporate Governance Code for State-Owned Enterprises, entitled 'Composition and the amount of remuneration of the Supervisory Board and Committee members in the financial year 2023', in Chapter 4.11 'Appendix to the Corporate Governance Statement', which is an integral part of the Corporate Governance Statement. The Data on the ownership of shares of Members of the Supervisory Board and its committees is given in Chapter 15 'The LKPG Share.'

4.6 The Management Board of Luka Koper d. d.¹³

The work of the Management Board is governed by statutory regulations, the Company's articles of association and the Rules of Procedure on the Work of the Management Board, the Slovenian Corporate Governance Code for Listed Companies, the Corporate Governance Code for State-Owned Enterprises, and Recommendations and Expectations of the Slovenian Sovereign Holding, Pursuant to the Companies Act and the Company's articles of association, the Management Board manages and represents the company.

4.6.1 Composition of the Management Board

At its meeting on 18 May 2023, the Supervisory Board of the company Luka Koper, d. d., took note of the agreement on the early termination of the term and the employment relationship concluded by the company and the President of the Management Board, Boštjan Napast, and based on such agreement adopted the decision on the early termination of the term the president of the board. Boštjan Napast held the position of President of the Management Board until 30 June 2023 inclusive.

As at 31 December 2023, the Management Board of Luka Koper, d. d., consisted of:

¹² GRI 2-19, 2-20

¹³ GRI 2-9, 2-10, 2-11

- **Nevenka Kržan**, appointed as a Member of the Management Board for a five-year term on 1 July 2022, took office as President of the Management Board on 1 July 2023.
- **Vojko Rotar**, Worker Director, appointed for a five-year term on 15 December 2022, took office on 16 February 2023.

The President of the Management Board in the company Luka Koper, d. d., does not perform any other functions in the organisation.

Changes in the composition of the Management Board

As at 1 January 2024, the Management Board of Luka Koper, d. d., consisted of:

- **Nevenka Kržan**, appointed as a Member of the Management Board for a five-year term on 1 July 2022, took office as President of the Management Board on 1 July 2023.
- **Gregor Belič**, Member of the Management Board, appointed for a five-year term on 30 November 2023, took office on 1 January 2024.
- **Gorazd Jamnik**, Member of the Management Board, appointed for a five-year term on 30 November 2023, took office on 1 January 2024.
- **Vojko Rotar**, Worker Director, appointed for a five-year term on 15 December 2022, took office on 16 February 2023.

4.6.2 Presentation of members of the Management Board of Luka Koper, d. d., as at 1 January 2024¹⁴



Nevenka Kržan
President of the Management Board

Nevenka Kržan is a university graduate in economics. She started her career in banking, where she held various management positions. During this period, she was involved in both banking and privatisation processes, participating in the establishment of a new commercial bank and a company for the management of investment funds and companies. In 1998, she joined KPMG Slovenia and in 2001, she became a partner at the regional level in charge of financial advisory services. As an expert in finance and the financial sector, she has been involved in projects for a number of private and public sector companies in a wide range of industries. During her extensive career, she has been responsible for due diligence, M&A, valuation, restructuring, refinancing, strategy and business plan formulation projects. She took on the role of KPMG Senior Partner in Slovenia in 2010, and holds a license as a Certified Business Valuer and Certified Auditor from the Slovenian Institute of Auditors.

Nevenka Kržan was appointed by the Company's Supervisory Board as a member of the Management Board for a five-year term of office starting on 1 July 2022. She took office as President of the Management Board on 1 July 2023.



Gregor Belič
Member of the Management Board

Gregor Belič holds a master's degree in marine engineering and is a master mariner. He started his career at Splošna Plovba Portorož, where he commanded bulk and general cargo ships and container ships during his fifteen-year career. In 2003, he joined Transeuropa Shipping lines as a master on Ro-Ro passenger ships. During this period, he passed his pilot's test at the ports of Ostende, Belgium and Ramsgate, United Kingdom and was involved in the management of the terminals there in his role as HR Director. In 2007, he joined Luka Koper, d. d., as a consultant for relations with shipowners, and a year later he took over the management of the car and Ro-Ro terminal, as well as Avtoservis Koper, which he still manages today. During his long career, in addition to his managerial and organisational competences, he has gained experience in various areas of port systems operations, process optimisation, terminal development planning and cargo handling, and has been actively involved in the establishment and improvement of the ISPS code for ships, upgrading of security protocols and other key ship systems.



Gorazd Jamnik
Member of the Management Board

Gorazd Jamnik holds a master's degree in management and organisation, majoring in finance. He started his career at Luka Koper, d. d., where he worked intermittently for nine years, managing the finance and accounting area. He has more than twenty years of experience in financial management, controlling and accounting in various corporations and industries such as logistics, white goods manufacturing and sales, energy, and insurance. He has gained international experience in all the countries of the former Yugoslavia, as well as in the Netherlands, Czechia, Slovakia, and Hungary. At Luka Koper, d. d., and other companies, he participated actively and in a leading role in projects of financing and implementation of investments, refinancing, restructuring projects, as well as in the formulation of strategies, business plans and due diligence.



Vojko Rotar
Worker Director

Vojko Rotar graduated in economics. He began his career in 1995 in Avico, a freight forwarding company from Ljubljana, and continued to work in logistics, later also international trade until 2003. He gained a wealth of experience with respect to the port as a transit point channelling international trade flows. His insight into the general economic environment and the subjects operating within it paved him the way to various positions in the field of media and communications, where he worked as editor, journalist, correspondent, photo-reporter and web reporter for several Slovenian media. For four years, he was in charge of public relations and marketing in the Marjetica Koper public corporation, while also nearing a number of areas related to the promotion of good environmental practices and cooperation with the local community.

He commenced his second five-year term of office in Luka Koper, d. d., as Member of the Management Board - Worker Director on 16 February 2023.

¹⁴ GRI 2-15, 405-1

Members of management and persons in managerial positions are required to take all measures to manage conflicts of interest at the time of taking office and at all times during their term of office, and to inform their superior authority in accordance with the adopted Conflicts of Interest Management Policy. They shall also complete a declaration on the management of conflicts of interest to the effect that there are no circumstances in which the impartial or objective performance of their duties or other functions could be compromised, or if so, what they are and what measures are in place. Conflicts of interest regarding cross-membership, cross-ownership and the existence of controlling shareholders are disclosed to stakeholders. The members of the Management Board annually supplement the statement on related parties and the possible existence of a conflict of interest, which is checked by a statutory auditor within the scope of their competence. Details of related party transactions are presented in the consolidated financial statements in Note 31 'Related party transactions'.

Diversity of members of the Management Board by gender

31 Dec 2023	Men	Women	TOTAL
Number of members	1	1	2
Share	50%	50%	100%

1 Jan 2024	Men	Women	TOTAL
Number of members	3	1	4
Share	75%	25%	100%

Diversity of members of the Supervisory Board by age

31 Dec 2023	Under 30	30 to 50	Over 50	TOTAL
Number of members	0	1	1	2
Share	0%	50%	50%	100%

1 Jan 2024	Under 30	30 to 50	Over 50	TOTAL
Number of members	0	1	3	4
Share	0%	25%	75%	100%

Presentation of Members of the Management Board is also available at <https://luka-kp.si/eng/management>.

4.6.3 Details of the composition of the Management Board

All details pertaining to members of the Management Board

are listed in the table entitled 'Composition of the Management Board in the financial year 2023', which is an integral part of this Corporate Governance Statement and was prepared in accordance with Annexes C.1 of the Slovenian Corporate Governance Code for Listed Companies and 3.1 of the Corporate Governance Code for State-Owned Enterprises.

4.7 Management Board's work

The Management Board autonomously directs the operations of the Company in its best interests, and assumes sole responsibility for its actions. It works in accordance with regulations, the articles of association and the binding decisions of Company bodies.

4.7.1 Remuneration of the Management Board¹⁵

Remuneration paid to Members of the Management Board consists of the fixed and variable components. They are determined in fixed-term management operation employment contracts for Members of the Management Board, in annexes to employment contracts and in decisions of the Supervisory Board. The remuneration of the Management Board is determined by the Supervisory Board in accordance with the applicable remuneration policy of the Company, which is adopted by the General Meeting and published on the website Corporate documents - Luka Koper d.d. (luka-kp.si). The remuneration of the management and supervisory bodies is audited annually by the statutory auditor. Concluded between individual Members of the Management Board and the Supervisory Board, employment contracts and annexes also specify refunds and benefits. When concluding contracts and annexes for Members of the Management Board, the Supervisory Board is represented by its Chair. The remuneration of the Management Board is reported in the Accounting Report of Luka Koper d. d., Note 31 'Related party transactions', and in the table entitled 'Composition of the management board in the financial year 2023', which is an integral part of the Company's Corporate Governance Statement and is taken from the Appendix 4.1 of the Corporate Governance Code for State-Owned Enterprises. The ownership of shares is reported in Chapter '15 The LKPG Share'.

4.7.2 Management performance assessment¹⁶

According to the remuneration policy, the variable component of the remuneration of members of the Management Board in a financial year is capped at 30 percent of the basic part of the remuneration of the member of the management body paid in the previous financial year and is subject to the fulfilment of performance criteria, whereby, according to the annexes concluded with the members of the Management Board for 2023, 70 percent of the remuneration

¹⁵ GRI 2-19, 2-20

¹⁶ GRI 2-18, 2-19

is based on quantitative performance measures, and 30 percent of the remuneration is based on qualitative criteria, namely:

- Achievement of corporate social responsibility and sustainable development objectives, including the Supervisory Board's assessment of the implementation of corporate culture development, employee development, organisational climate, employee training, diversity, human rights, etc.
- Implementation of internal audit recommendations, risk management measures and project implementation in 2023, including the Supervisory Board's assessment of the actual implementation of the recommendations issued.

These non-financial criteria are used to pursue business objectives in the areas of organisational effectiveness, environmental, social and governance responsibility, whereby the management's performance is assessed annually and independently by the Supervisory Board with a reasoned decision and in accordance with the criteria adopted each time, which follow the current remuneration policy.

4.8 Management and governance of companies in the Luka Koper Group

Luka Koper, d. d., has an established corporate governance system which includes the controlling company of the Luka Koper Group and 4 subsidiaries. In addition, Luka Koper, d. d., has business shares in 11 other companies. Objectives in the field of financial investment management were defined in the Strategic Business Plan of the Company and the Group for the period 2020-2025. A new Strategic Business Plan for the period 2024-2028 was adopted in 2023. The Investment Management Strategy, valid for 2023, divided finance investments into two investment grades with respect to four key areas (integration in operations, maximisation of flexibility and minimisation of risk, financial aspect and other externalities):

- Strategic investments are investments in shares and stakes of the companies engaged in activities that are of importance for the future development and operation of the parent company, and contributing to risk control and increased added value. They are managed in accordance with the principle of the group operation.
- Non-strategic investments are investments in shares and stakes of the companies not engaged in activities that are of importance for the future development and operation of the parent company, and not contributing to risk control and increased added value. The aim is to maximise profit payment or bring about other positive impacts for the owner. They are managed in accordance with the principle of investment trust.

With the adoption of the Investment Management Strategy, guidelines for the decision-making and managing aspects of management of strategic investments were also set. The

dividend policy follows the classification of an individual investment: when acting as a shareholder in non-strategic investments, we strive to achieve the objective of maximised profit payment, and when acting as a shareholder in strategic investments, we pursue the objective of a balanced profit payment under consideration of the investment-development company cycles.

Management and governance of subsidiaries in the Luka Koper Group as at 31 December 2023

Company	Managing Director	Share of the controlling company in ownership (in %)
Luka Koper INPO. d. o. o.	Robert Krajnc	100.00
Adria Terminali. d. o. o.	Mitja Dujc	100.00
Logis-Nova. d. o. o.	Larisa Škandra	100.00
TOC. d. o. o.	Ankica Budan Hadžalič	68.13

4.9 Internal audit

The purpose of the internal audit is to carry out the function of internal auditing for the Luka Koper Group. Internal audit helps to achieve the Group's objectives by systematically and methodically assessing and improving the performance of the Group's corporate governance, risk management and internal control systems, and by proposing recommendations for improvement.

It is organised as an independent organisational unit within Luka Koper, d. d., subordinated in function to the Supervisory Board, and in organisation to the Management Board of the company. It operates independently and in accordance with the adopted Internal Audit Charter and Rules of Procedure, which are based on a hierarchy of internal audit rules.

In 2023, the internal audit carried out internal audit engagements and other activities based on the adopted annual plan of work. In implementing the transactions, the risks identified in the preparation of the annual plan served as guidance, and were also supplemented in the phase of detailed observation of each audit area and initial risk assessment. A major part of the assurance service involved verifying the adequacy of the design of internal controls and their operation in accordance with predefined objectives and standards.

The internal audit reported on each individual engagement to the management of the audited unit, the Company's Management Board and the Audit Committee of the Supervisory Board; and to the latter two, it also reported on the implementation of internal audit recommendations. The internal audit reports to the Supervisory Board on an annual basis.

4.10 External audit

In addition to the internal audit engagements, post-audit activities were carried out on a monthly basis in 2023 to report on an ongoing basis on the activities carried out to better manage risks.

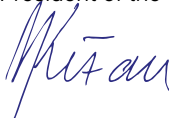
The development of internal audit is achieved through a programme of quality assurance and quality improvement, implemented through external and internal audits, self-assessment, training, and monitoring and performance measurement of internal audit work. The last external audit, which confirmed that the internal audit function complies with the International Standards for the Professional Practice of Internal Auditing, the Code of Ethics for Internal Auditors and the Code of Ethics for Internal Auditors, was carried out in 2020.

At the 37th meeting of 28 August 2023, the General Meeting of Shareholders appointed the audit firm BDO Revizija, d. o. o., družba za revidiranje, Cesta v Mestni log 1, Ljubljana for the audit of the financial statements of Luka Koper, d. d., and the Luka Koper Group for the business years 2023, 2024 and 2025.

The costs of audit services performed for Luka Koper, d. d., and its subsidiaries are presented in the consolidated accounting report, Note 33 'Transactions with the audit firm'

Nevenka Kržan

President of the Management Board of Luka Koper, d. d.



Gregor Belič

Member of the Management Board of Luka Koper, d. d.



Gorazd Jamnik

Member of the Management Board of Luka Koper, d. d.



Vojko Rotar

Member of the Luka Koper, d. d. Management Board -
Worker Director



4.11 Appendix to the Corporate Governance Statement¹⁷

4.11.1 Composition of the Management Board for the Financial Year 2023

Name and surname	Function (Chair, Member)	First appointment to office	End of office / term of office	Gender	Citizenship	Year of Birth	Education	Professional profile	Membership in management or supervisory bodies of other companies
Boštjan Napast	Chair	3. 12. 2021	30. 6. 2023	Man	Slovenian	1971	Level 7	University Graduate in Mechanical Engineering	Member of the Supervisory board in Plinovodi, d. o. o., until 10 Jan 2023
Nevenka Kržan	Member	1. 7. 2022	30. 6. 2023	Woman	Slovenian	1962	Level 7	University Graduate in Economics	Member of the Supervisory board in Pokojninska družba A, d. d., since 13 Jun 2023
Nevenka Kržan	Chair	1. 7. 2023	ongoing	Woman	Slovenian	1962	Level 7	University Graduate in Economics	Member of the Supervisory board in Pokojninska družba A, d. d., since 13 Jun 2023
Vojko Rotar	Member - Worker Director	16. 2. 2018	ongoing	Man	Slovenian	1976	Level 6	Graduate in Economics	no

4.11.2 Composition of the Supervisory Board and the Committees in the Financial Year 2023

Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at SB meetings proportional to the total number of SB meetings	Gender	Citizenship	Year of Birth	Education	Professional profile	Independence under Article 23 of the Code (YES / NO)	Existence of conflicts of interest in the financial year (YES / NO)	Membership in management or supervisory bodies of other companies
Mirko Bandelj	Chair	7. 2. 2023	ongoing	representative of shareholders	15/15	Man	Slovenian	1958	Level 7	University Graduate in Law	Yes	No	No
				Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	/			/	/								
Tomaž Benčina	Member, Deputy Chair since 21 Feb 2023	7. 6. 2022	ongoing	representative of shareholders	19/19	Man	Slovenian	1965	Level 7	B. Eng. in Metallurgical Technologies; University Graduate in Economics	Yes	No	Member of the Supervisory board of Zavarovalnica Triglav, d. d.
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Business Operations Committee /Strategic Development Committee until 6 Feb 2023			Member / Member	2/2. 0/0								
	since 21 Feb 2023 HR Committee / Business Operations Committee			Chair / Member	8/8. 5/5								
Barbara Nose	Member	7. 2. 2023	ongoing	representative of shareholders	15/15	Woman	Slovenian	1964	Level 7	University Graduate in Economics. Auditing specialist	Yes	Yes/Pošta Slovenije, d. o. o.	Member of the Supervisory board of Pošta Slovenije, d. o. o., Deputy Chairman of the Supervisory Board of AMZS, d. d.
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Audit Committee			Chair	9/9								

¹⁷ GRI 2-19

Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at SB meetings proportional to the total number of SB meetings	Gender	Citizenship	Year of Birth	Education	Professional profile	Independence under Article 23 of the Code (YES / NO)	Existence of conflicts of interest in the financial year (YES / NO)	Membership in management or supervisory bodies of other companies
Jožef Petrovič	Member	7. 2. 2023	ongoing	representative of shareholders	15/15	Man	Slovenian	1958	Level 7	University Graduate in Economics	Yes	Yes/Pošta Slovenije, d. o. o.	Member of the Supervisory Board of Pošta Slovenije, d. o. o.
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Business Operations Committee, HR Committee			Chair/Member	5/5, 8/8								
Boštjan Rader	Member	7. 2. 2023	ongoing	representative of shareholders	14/15	Man	Slovenian	1978	Level 7	University Graduate in Economics; MBA	Yes	No	the Supervisory Board of Public Company Uradni list Republike Slovenije, d. o. o.
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR Committee/Audit Committee			Member/Member	8/8, 9/9								
Borut Škabar	Member	7. 2. 2023	ongoing	representative of shareholders	18/19	Man	Slovenian	1972	Level 7	Graduate in History	Yes	Yes/Conbulk, d. o. o., Bluemarine, d. o. o.	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Business Operations Committee			Member/Member	7/7								
Franci Matoz	Chair	2. 7. 2021	6. 2. 2023	representative of shareholders	4/4	Man	Slovenian	1963	Level 7	University Graduate in Law	Yes	No	Deputy Chair of the Supervisory Board of Slovenske železnice, d. o. o., until 14 Feb 2023
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR Committee			Chair	2/2								
Nevenka Črešnar Pergar	Deputy Chair	2. 7. 2021	6. 2. 2023	representative of shareholders	4/4	Woman	Slovenian	1962	Level 7	University Graduate in Law	Yes	No	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR Committee, Audit Committee, Business Operations Committee, Strategic Development Committee			Member/Member/Deputy Chair/Chair	2/2, 2/2, 2/2, 0/0								
Andrej Koprivec	Member	2. 7. 2021	6. 2. 2023	representative of shareholders	4/4	Man	Slovenian	1980	Level 7	University Graduate in Economics	Yes	No	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Audit Committee, Strategic Development Committee			Chair/Deputy Chair	2/2, 0/0								

Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at SB meetings proportional to the total number of SB meetings	Gender	Citizenship	Year of Birth	Education	Professional profile	Independence under Article 23 of the Code (YES / NO)	Existence of conflicts of interest in the financial year (YES / NO)	Membership in management or supervisory bodies of other companies
M.Sc. Božidar Godnjavec	Member	2. 7. 2021	6. 2. 2023	representative of shareholders	4/4	Man	Slovenian	1972	Level 8	University Graduate in Economics	Yes	No	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR Committee, Audit Committee, Business Operations Committee			Member/Deputy Chair/Chair	2/2, 2/2, 2/2								
Mladen Jovičič	Member	8. 4. 2009	ongoing	representative of employees	19/19	Man	Slovenian	1969	Level 5	Electrical technician	Yes	No	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Business Operations Committee/Strategic Development Committee until 6 Feb 2023			Member/Member	2/2, 0/0								
	since 21 Feb 2023 Business Operations Committee			Member	5/5								
Rok Parovel	Member	13. 9. 2016	ongoing	representative of employees	19/19	Man	Slovenian	1987	Level 6	University Graduate in Economics	Yes	No	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	Business Operations Committee/Strategic Development Committee until 6 Feb 2023			Member/Member	2/2, 0/0								
	since 21 Feb 2023 Audit Committee			Member	9/9, 0/0								
Mehrudin Vuković	Member	19. 1. 2020	ongoing	representative of employees	19/19	Man	Slovenian	1972	Level 6/1	Logistics Engineer	Yes	No	No
	Committee member			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR Committee			Member	9/10								

External committee member (audit, HR, remuneration committee, etc.)

Name and surname	Committee	Attendance at committee meetings proportional to the total number of committee meetings	Gender	Citizenship	Year of birth	Education	Professional profile	Membership in management of supervisory bodies of unrelated companies
Simon Kolenc	Audit Committee until 6 Feb 2023	2/2	Man	Slovenian	1977	Level 7	University Graduate in Economics	No
Mateja Treven	Audit Committee since 23 Feb 2023	9/9	Woman	Slovenian	1972	Level 8	Master's Degree in Economics	NLB Banka AD Skopje, independent member of the Supervisory Board, NLB Banka Prishtina, non-executive independent member of the board of directors

4.11.3 Composition and Amount of Remuneration* of Management Board Members in the Financial Year 2023 (in EUR)

Name and surname	Function (Chair. Member)	Fixed income - gross (1)	Variable income - gross			Deffered income (3)**	Severance pay (4)	Bonuses (5)***	Bonus clawback (6)	Total Gross (1+2+3+4+5-6)
			based on quantitative criteria	based on qualitative criteria	Total (2)					
Vojko Rotar	Member of the Management Board - Worker Director	190,462.80	28,416.61	12,178.55	40,595.16	39,266.53	0.00	1,669.75	0.00	271,994.24
Robert Rožac	Member of the Management Board until 31 Dec 2022	13,967.60	16,590.84	7,110.36	23,701.20	0.00	48,463.21	0.00	0.00	86,132.01
Boštjan Napast	President of the Management Board until 30 Jun 2023	122,138.48	19,510.20	8,361.51	27,871.71	0.00	122,255.28	169.67	0.00	272,435.14
Nevenka Kržan	Member of the Management Board until 30 Jun 2023	109,783.52	8,818.84	3,779.50	12,598.34	12,598.34	0.00	169.67	0.00	135,149.87
Nevenka Kržan	President of the Management Board since 1 Jul 2023	89,073.06	0.00	0.00	0.00	0.00	0.00	91.72	0.00	89,164.78

* for the purpose of this disclosure, it is not necessary to disclose travel, accommodation and subsistence expenses because they do not by their nature constitute payment to the Management Board

** deferred payment of the second half of the award under the Act Governing the Remuneration of Managers of Companies with Majority Ownership held by the Republic of Slovenia or Self-Governing Local Communities as at 31 Dec 2023

*** bonus for liability insurance and bonus for use of a company vehicle

4.11.4 Composition and Amount of Remuneration* of Members of the Supervisory Board and its Committees in the Financial Year 2023 (in EUR)

Name and surname	Function (Chair. Deputy. Member. External Member of the Committee)	Performance fees and allowances - gross annual (1)				Supervisory Board and Committee Attendance (2)	Gross Total (1+2)	Travel expenses*
		Basic pay for holding the office	Additional payment for holding the office	Additional payment for special tasks	Total (1)			
Franci Matoz	Chair until 6 Feb 2023	2,794.52	2,308.73	0.00	5,103.25	1,980.00	7,083.25	16.16
Nevenka Pergar Črešnar	Deputy Chair until 6 Feb 2023	2,794.52	1,634.05	0.00	4,428.57	3,300.00	7,728.57	183.63
Andrej Koprivec	Member until 6 Feb 2023	2,794.52	1,357.27	0.00	4,151.79	1,980.00	6,131.79	183.63
Božidar Godnjavec	Member until 6 Feb 2023	2,794.52	1,357.27	0.00	4,151.79	3,300.00	7,451.79	256.40
Tomaž Benčina	Member until 6 Feb 2023 and Deputy Chair since 7 Feb 2023	15,000.00	8,294.65	0.00	23,294.65	7,766.00	31,060.65	2,461.36
Mladen Jovičič	Member	15,000.00	4,263.40	0.00	19,263.40	6,270.00	25,533.40	0.00
Mehrudin Vuković	Member	15,000.00	3,571.43	0.00	18,571.43	6,446.00	25,017.43	15.20
Rok Parovel	Member	15,000.00	4,263.40	0.00	19,263.40	6,842.00	26,105.40	0.00
Simon Kolenc	External Member of the SB's Audit Committee until 22 Feb 2023		1,532.15	0.00	1,532.15	660.00	2,192.15	66.42
Mirko Bandelj	Chair since 7 Feb 2023	12,205.48	5,785.60	0.00	17,991.08	3,190.00	21,181.08	865.56
Jožef Petrovič	Member since 7 Feb 2023	12,205.48	5,785.60	0.00	17,991.08	5,786.00	23,777.08	1,857.67
Boštjan Rader	Member since 7 Feb 2023	12,205.48	5,785.60	0.00	17,991.08	6,138.00	24,129.08	807.03
Borut Škabar	Member since 7 Feb 2023	12,205.48	2,906.13	0.00	15,111.61	4,290.00	19,401.61	0.00
Barbara Nose	Member since 7 Feb 2023	12,205.48	3,985.96	0.00	16,191.44	4,862.00	21,053.44	1,378.74
Mateja Treven	External Member of the SB's Audit Committee since 23 Feb 2023		5,067.86	0.00	5,067.86	1,672.00	6,739.86	376.02

* gross amount

5 Survey of relevant events, novelties and achievements in 2023



FEBRUARY

- At the beginning of February, Luka Koper, d. d., issued a call for sponsorships and donations from the Living with the Port Fund.
- The Management Board of Luka Koper, d. d., convened the 36th General Meeting of Shareholders of Luka Koper, d. d., which was held on 6 February 2023. At the General Meeting, the shareholders recalled the members of the Supervisory Board, Franci Matoz, Nevenka Črešnar Pergar, Andrej Koprivec and Božidar Godnjavec, and appointed new members of the Supervisory Board, i.e. Borut Škabar, Barbara Nose, Jožef Petrovič, Boštjan Rader and Mirko Bandelj, with effect from 7 February 2023.
- On 23 February 2023, the Supervisory Board of Luka Koper, d. d., met for the first time in its renewed composition. At the first, inaugural meeting, the members elected Mirko Bandelj as Chair and Tomaž Benčina as Deputy Chair. All three committees of the Supervisory Board – Audit, HR and Business Operations – were also newly formed.

MARCH

- On 23 March, Luka Koper d. d., organised a business event for Polish business partners in Warsaw. It was attended by more than 150 local logisticians, as well as representatives of the Koper port community.

- At the end of March, the world's largest cruise ship tourism fair 'Seatrade Cruise Global 2023' took place in Miami, where Luka Koper, d. d., presented itself together with other stakeholders involved in nautical tourism activities in Slovenia.

APRIL

- At its meeting on 13 April 2023, the Supervisory Board of Luka Koper, d. d., reviewed the proposal for the use of the accumulated profit proposed by the Management Board and the Supervisory Board to the General Meeting of Shareholders for approval. The Management Board and the Supervisory Board of the Company proposed that the accumulated profit of EUR 50,229,863.63 as at 31 December 2022 be used as follows: a portion of the accumulated profit of EUR 35,000,000.00 shall be allocated for the payment of dividends with a gross value of EUR 2.50 per ordinary share, and the remainder of the accumulated profit of EUR 15,229,863.96 shall remain unappropriated.

MAY

- Between 9 and 12 May, Luka Koper d. d., presented itself at Europe's largest logistics fair, Transport Logistic München.

- At its meeting on 18 May 2023, the Supervisory Board of the company Luka Koper, d. d., took note of the agreement on the early termination of the term and the employment relationship concluded by the company and the President of the Management Board, Boštjan Napast, and based on this agreement adopted the decision on the early termination of the term the president of the board. Boštjan Napast held the position of President of the Management Board until 30 June 2023 inclusive. The Supervisory Board also decided to launch immediately an open call for the appointment of a new Management Board. For the period from 1 July 2023 until the end of the nomination procedure, board member Nevenka Kržan assumed the chairmanship of the Management Board.
- On 20 May, the company organised the traditional Port Day, which attracted 3,000 visitors.
- On 22 May, a summit on ports, logistics, transport and maritime economy in the Adriatic region was held in Trieste, with the active participation of representatives of the Port of Koper.
- From 20 to 23 May, Luka Koper, d. d., as part of a government economic delegation, participated in several events in Vietnam, which represents a significant potential for the port of Koper and Slovenian logistics in general.
- On 25 May, Luka Koper, d. d., announced the convening of the 37th General Meeting of Shareholders for 28 June 2023.

JUNE

- The Business Conference on Logistics took place in Belgrade on 6 June. The event was organised by the Chamber of Commerce and Industry of Slovenia in cooperation with Luka Koper, the SPIRIT Slovenia Public Agency, Slovenian Railways, the Chamber of Commerce and Industry of Serbia and the Slovenian Business Club Belgrade. The Slovenian logistics delegation aimed to find additional opportunities for cooperation with Serbian logistics companies.
- On 8 and 9 June, the company organised a two-day 'CoolWorkshop' at the container and reefer terminals, with a detailed presentation of services. It was attended by representatives of Polish logistics, transport operators, importers and exporters.
- On 21 June, a meeting of North Adriatic ports took place in Trieste, where port representatives signed a Memorandum of Understanding to jointly strengthen port decarbonisation and energy efficiency, paving the way for greater institutional and operational cooperation between North Adriatic ports in the coming years.
- The traditional Österreichischer Logistik Tag+Logistik Future Lab took place in Linz on 20 and 21 June. It is the most important logistics event in Austria, where Luka Koper, d. d., presented itself again this year.
- On 22 June, the Baltic-Adriatic Corridor Coordinator Anne E. Jensen and her colleagues visited the Port of Koper. The purpose of the visit was to review past, current and planned activities being implemented in part or in full within the framework of European projects.
- At the 37th Annual General Meeting held on 28 June 2023, the shareholders:

- Adopted the resolution to earmark EUR 2.50 gross per share for dividends, for which the Company will allocate EUR 35,000,000.00 out of the total accumulated profit for 2022 of EUR 50,229,863.96;
- Approved the remuneration report on the members of the management and supervisory bodies and granted a discharge to the Management Board and the Supervisory Board for 2022;
- Appointed BDO Revizija d. o. o., as the audit firm for the financial years 2023, 2024 and 2025;
- Adopted the remuneration policy for management, supervisory and subsidiary management bodies,
- Rejected the proposal to set the remuneration and attendance fees for the members of the Supervisory Board and of the committees.

JULY

- In the hinterland of Basin III, one of the most important investments in the cat segment at the Port of Koper was completed and put into operation at the beginning of July, i. e., a new storage area for an additional 3,500 vehicles in the area of cassette 5.
- Pursuant to Article 29 of the Articles of Association of Luka Koper, d. d., the Supervisory Board of the company published a vacancy announcement for the position of President of the Management Board (m/f) or Member of the Management Board (m/f).
- Luka Koper, d. d., received the judgement of the High Court of Koper (CPG 50/2023) of 6 July 2023, which rejected the appeals of the plaintiff and all defendants against the judgement of the District Court of Koper (I Pg 265/2021 of 28 Sep 2022). The High Court of Justice thus upheld the judgement of the Court of First Instance regarding the liability for damages of the former members of the Supervisory Board in the case of the purchase of a 10 percent share in the logistics holding Trade Trans Invest (TTI) in the amount of EUR 16,387,100, with interest thereon. The judgement is final.
- On 19 July, Koper was hit by a storm during which the mooring ropes of a container ship snapped, causing the stern section of the ship to move towards the south side of basin I. Adria-Tow tugs were involved in the rescue, stabilising the ship and pushing it along the quayside of the container terminal. High winds and rain caused several other damaging events in the port. No one was injured during the storm.
- In July, the EMAS certificate awarded by the Ministry of Environment, Climate and Energy (MOPE) was renewed. The certification demonstrates the company's compliance with legislative requirements, its continuous progress in the environmental field and its open and transparent communication with the public.

AUGUST

- In mid-August, the company received a permit for 315 new plugs for refrigerated containers, bringing the total number of reefer plugs at the container terminal to more than 1,000.
- On 22 August, the Mito arrived in port to inaugurate the new shipping service of the Japanese shipping company

Ocean Network Express (ONE). The 'Adriatic Israel Butterfly Loop' service connects Koper with Israel, Egypt and Greece on a weekly basis.

- On 31 August, Luka Koper, d. d., announced its dividend policy.

SEPTEMBER

- On 19 September, the millionth passenger in the history of the passenger terminal, which was opened in 2005, arrived at the Port of Koper.
- On 22 September, a donation of 241 pallets of bricks was organised together with the Administration of the Republic of Slovenia for Civil Protection and Disaster Relief as part of the activities to help those affected by the August storms. The brickwork is special in that it is made from excavated marine sediment, which was collected by the Port of Koper over the years during the dredging of the port's basins.
- On 28 September, a delegation from the Ministry of Cohesion and Regional Development, headed by the State Secretary responsible for Cohesion Policy, Mr Marko Koprivec, visited the Port of Koper and met with the company's management. The working meeting was intended to familiarise with implemented activities of the SOPOREM project, as part of which one of the largest solar power plants in Slovenia will be built in the port of Koper.

OCTOBER

- On 6 October, Nevenka Kržan, President of the Management Board of Luka Koper, together with Matjaž Han, Minister of the Economy, Tourism and Sport, attended a round table on logistics and transport at the Austrian Chamber of Commerce and Industry in Vienna. Many leading representatives of Austrian logistics companies participated in the event.
- On 10 October, Luka Koper, d. d., hosted a high-level governmental and economic delegation from Vietnam headed by the Minister of Industry and Trade, H. E. Nguyen Hong Dien. The purpose of the visit was to look for new business opportunities on the Slovenia-Vietnam route, which also represents a great potential for the Port of Koper and Slovenian logistics in general.
- On 10 October, Luka Koper d. d., hosted Martin Candinas, President of the National Council of Switzerland, who was accompanied by Gabriele Pia Schreier, Ambassador of Switzerland in Slovenia and her delegation. The high-ranking guests were welcomed by the company's Management Board, headed by its President Nevenka Kržan, who presented the company's business and development projects to the delegation.
- On 12 October, the new tug Ares of the associated company Adria-Tow, d.o.o. was launched.
- On October 12, the first part of the assessment of ISO 37001/2016 'Anti-bribery management systems' was carried out.
- On 23 October, Luka Koper, d. d., hosted governor of the Austrian region of Styria, Mr. Christopher Drexler, and his delegation, accompanied by the Ambassador of the Republic of Austria to Slovenia, H.E. Elisabeth Ellison-

Kramer and the Managing Director of Cargo Center Graz, Mr Robert Brugger.

- On 24 and 25 October, Luka Koper, d. d., organised traditional events in Vienna and Prague for business partners in these key markets of Luka Koper.

NOVEMBER

- On 7 November, the final conference of the European 5G-Loginnov project was held in Koper, as part of which the development and testing of the next generation 5G mobile network for the needs of ports and logistics took place over the past three years.
- On 9 November, Luka Koper, d. d. and the Vietnamese electric vehicle manufacturer VinFast confirmed their cooperation in the field of transshipment of VinFast vehicles through the Port of Koper by signing an agreement. The partnership between the two companies also provides a solid foundation for the establishment of VinFast's sustainability strategy in the European market.
- On 14 November, Luka Koper, d. d., hosted the Ambassador of Poland, H.E. Krzysztof Olendzki, who was accompanied by a representative of the Polish Port of Gdansk and a representative of the Centre for Eastern Studies. The visit was of a working nature, aiming to identify points of contact and opportunities for cooperation in the coming years.
- On 15 and 16 November, Luka Koper d. d., organised the traditional reception for business partners in Bratislava and Budapest.
- On 23 November, the Supervisory Board of Luka Koper, d. d., approved the business plan for 2024.
- On 30 November, the Supervisory Board of Luka Koper, d. d., at its regular meeting, appointed Gregor Belič and Gorazd Jamnik as new members of the Management Board of the company, whose five-year terms of office started on 1 January 2024. Nevenka Kržan remains on the Management Board as President and Vojko Rotar as Member of the Management Board - Worker Director.
- At the same meeting, the Supervisory Board also discussed and approved the new Strategic Business Plan of the Company and the Luka Koper Group for the period 2024-2028.

DECEMBER

- On 4 December, the container terminal once again surpassed the milestone of 1 million handled contained units (TEUs), confirming the position of Luka Koper, d. d., as the leading container port in the Adriatic. November was a record month for the car and Ro-Ro terminal, with 88,837 vehicles handled, surpassing the previous absolute monthly record.
- On 7 December, the traditional pre-New Year reception of Luka Koper for the port community was organised in Koper.
- On 20 December, Luka Koper, d. d., hosted the Ambassador of Japan to Slovenia, H.E. Akiko Yoshida. The purpose of the visit was familiarisation, as it was aimed at finding opportunities for expanding cooperation and the advantages of using the Slovenian logistics transport route and the port of Koper for Japanese companies.

- On 22 December, the Mayor of the Municipality of Koper, Aleš Bržan, the President of the Management Board of Luka Koper, Nevenka Kržan, and a member of the Management Board - Worker Director of Luka Koper, Vojko Rotar, signed a new agreement on the implementation of mitigation measures to reduce the environmental impact of the port's activities, thus further strengthening the existing good cooperation between the port and the local community.

6 Relevant events after the end of the financial year

JANUARY 2024

- On 10 January, the new external truck terminal at Sermin was officially opened. This is the most modern truck parking facility in Slovenia, providing a high level of service and safety for truck drivers according to EU standards. The truck terminal has 203 parking spaces for trucks, offices for freight forwarders, an info point for announcing port entry and all the necessary infrastructure. The investment has been funded by the European Commission under the Connecting Europe Facility programme in the amount of EUR 4.89 million - the new car park will thus also meet the so-called gold standard level of service and safety for its users. The new terminal, together with the investments that will follow in the coming years, will significantly contribute to the relief of traffic and greater flow on the roads towards the city, as the old truck terminal, located near the city's shopping centre, has closed.
- On 25 January, Nevenka Kržan, President of the Management Board of Luka Koper, Gregor Belič, Member of the Management Board of Luka Koper, Andrej Rajh, State Secretary at the Ministry of Infrastructure, and Gregor Strmčnik, Mayor of the Municipality of Ankaran, signed the three contracts which are the basis for the start of the reconstruction of the Železniška cesta and the development of the Ankaran peripheral canal.
- On 26 January, Luka Koper, d. d., informed potential tenderers of its intention to carry out a public procurement procedure for the construction of the northern part of Pier I and invited them to a professional dialogue.
- On 31 January, Luka Koper, d. d., published a call for sponsorships and donations from the Living with the Port Fund.

FEBRUARY 2024

- On 12 February, the company's Management Board hosted Florence Levy, Ambassador of France in Slovenia. Representatives of Luka Koper presented the development plans to the Ambassador and the delegation, which also took advantage of the visit to see the ship of the French container shipbuilder CMA CGM, T. Roosevelt, which measures 366 metres in length and just over 48 metres in width. With a total capacity of 14,402 TEUs, it is the largest ship of the French ship-owner CMA CGM ever to berth in the Port of Koper and is included in the weekly direct service from the Far East.
- In February, the Municipality of Koper launched a public call for proposals for grants from Luka Koper, d. d., to the residents of Koper's wider urban core for the implementation of measures to reduce the impact of emissions from port operations. In 2024, EUR 320,000 is available for such measures, plus the remaining funds from last year's call for proposals.

MARCH 2024

- Following an audit carried out in January 2024, Luka Koper d. d., received the ISO 37001/2016 certificate in March 2024 for the management system in place for the prevention of corruption.

7 Presentation of the Luka Koper Group and a description of the business model¹⁸

Luka Koper as the only Slovenian multipurpose port is set at the crossroads of transport routes and comprises an integrated marine and coastal area, which accommodates port operations related to cargo and passenger transport services. With a reliable port offering and an extensive network of sea and rail connections, it supports global logistics solutions to the heart of Europe.

The core activity of the port, operated by Luka Koper, d. d., is the provision of reliable, high-quality transshipment and warehousing services for all types of goods, complemented by a range of additional services. The company also ensures the development and maintenance of port infrastructure. Customers are provided with comprehensive logistical support. Its goals are ambitious and are largely being achieved. By implementing the development policy of the port, Luka Koper, d. d., is reinforcing its competitive advantage. In 2023, there were no changes in the performance of the port's activities.

The port is surrounded by residents on two sides, and by natural environment of special importance (Natura 2000) on one side, whereas its external face is embraced by the vulnerable marine ecosystem. Due to its location, Luka Koper, d. d., has been seeking to improve the quality of life in the entire area in which the port is situated for a number of years.

The port's activities are in line with sustainable development guidelines. Its planned development is based on four starting points: increasing infrastructure capacity and capability, accelerating the introduction of the smart port concept, ensuring adequate staffing, and taking care of sustainability aspects and reducing negative impacts on the environment and society. The multi-purpose port model, which is one of the company's key competitive advantages, continues to be maintained.

In addition to the controlling company Luka Koper, d. d., the Luka Koper Group also includes subsidiaries and associates. The companies of the Luka Koper Group operate in the territory of the Republic of Slovenia, whereas Adria Transport Croatia, d. o. o., a company 100%-owned by Adria Transport, d. o. o., operates in the Republic of Croatia. In 2023, there was a change in the composition of the Luka Koper Group, which is reported in more detail in Section 7.3 'Inclusion into consolidated financial statements'.

The Luka Koper Group provides eleven basic services (loading/unloading of ships, loading/unloading of trucks, loading/unloading of wagons, embarkation/disembarkation of passengers, storage, delivery, ship berthing) and a range of complementary services on goods and other services, providing customers with comprehensive logistics support.

Sustainability and development are reported in more detail in the Sustainability Report further on in this document.

¹⁸ GRI 2-1, 2-6

7.1 Company profile of Luka Koper, d. d., as at 9 April 2024¹⁹

Company name	LUKA KOPER, pristaniški in logistični sistem, delniška družba
Trade name	LUKA KOPER, d. d., Vojkovo nabrežje 38, 6000 Koper – Capodistria
Registered office	Koper
Business address	Koper, Vojkovo nabrežje 38, 6000 Koper/Capodistria
Legal form of organisation	Public limited company
	Phone: 00 386 (0)5 66 56 100
	Fax: 00 386 (0)5 63 95 20
	E-mail: portkoper@luka-kp.si
	Website: www.luka-kp.si
	Sustainable development website: http://www.zivetispristaniscem.si
Court register of companies	District Court of Koper, entry no. 066/10032200
Registration number:	5144353000
ID for VAT:	SI 89190033
Share capital	58,420,964.78 EUR
Number of shares	14,000,000 ordinary no-par value shares
Share listing	Ljubljana Stock Exchange, Prime Market
Share ticker symbol	LKPG
President of the Management Board	Nevenka Kržan
Member of the Management Board	Gregor Belič
Member of the Management Board	Gorazd Jamnik
Member of the Management Board - Worker Director	Vojko Rotar
President of the Supervisory Board	Mirko Bandelj
Core business	Seaport and logistics system service provider
Activities performed by the Luka Koper Group	Various service activities

¹⁹ GRI 2-1

7.2 Organisation of the Luka Koper Group and associates²⁰

The Luka Koper Group includes related parties that contribute to the comprehensive range of services provided by the port. The Luka Koper Group includes five companies, i.e., the controlling company and four subsidiaries:

Luka Koper Group as at 31 December 2023

- **Controlling company Luka Koper, d. d.**
- **Subsidiaries**
- Luka Koper INPO, d. o. o., 100%
- Adria Terminali, d. o. o., 100%
 - Adria Investicije, d. o. o., 100%, 100%-owned by Adria Terminali, d. o. o.²¹
- Logis-Nova, d. o. o., 100%
- TOC, d. o. o., 68.13%

Associates

- Adria Transport, d. o. o., 50%
 - Adria Transport Croatia, d. o. o., 50%, 100%-owned by Adria Transport, d. o. o.
- Adria-Tow, d. o. o., 50%
- AdriaFin, d. o. o., 50%
- Avtoservis, d. o. o., 49%

The sustainability report includes 5 companies composing the Luka Koper Group (the controlling company and subsidiaries), each of them under sections pertaining to their operations. Reporting levels are defined for each section in the GRI index. Changes within subsidiaries and associates are reported in more detail in Chapter 31.1 'Bases for the preparation of financial statements'.

7.3 Inclusion into consolidated financial statements²²

The consolidated financial statements of the Luka Koper Group for the year ended 31 December 2023 consist of the financial statements of the controlling company Luka Koper d. d., its subsidiaries and corresponding results of associates.

Subsidiaries included in the consolidated financial statements:

- Luka Koper INPO, d. o. o., 100%
- Adria Terminali, d. o. o., 100%
- TOC, d. o. o., 68.13%

Associates included in the consolidated financial statements:

- Adria Transport, d. o. o., 50%
 - Adria Transport Croatia, d. o. o., 50%, 100%-owned by Adria Transport, d. o. o.
- Adria-Tow, d. o. o., 50%
- AdriaFin, d. o. o., 50%
- Avtoservis, d. o. o., 49%

Companies excluded from the consolidated financial statements as at 31 December 2023:

- Logis-Nova, d. o. o., 100%
- Adria Investicije, d. o. o., 100%

The companies Adria Investicije, d. o. o., and Logis-Nova, d. o. o., were not included in the consolidated financial statements as they operate in a limited scope and are not considered significant for a fair presentation of the Group's financial position.

7.4 Activities of the Luka Koper Group²³

7.4.1 Concession agreement

In 2008, Luka Koper, d. d., concluded with the State the Concession Agreement for the performance of port activity, management, development and regular maintenance of the port infrastructure in the area of the Koper cargo port. The concession agreement was concluded for a period of 35 years, as stipulated in the Maritime Code. The agreed concession fee amounts to 3.5 percent of the Company's sales revenue, excluding port fee income. The concession fee also includes the water right, water charges and other duties related to the use of the sea belonging to the Republic of Slovenia. Luka Koper, d. d., pays the total concession fee to the Republic of Slovenia, which then allocates half of the amount to the two local communities, the Municipality of Koper and since 1 January 2015, also to the Municipality of Ankaran.

Two public utility services are performed in Luka Koper, d. d., i.e., the public utility service of regular maintenance of the port infrastructure intended for public transport and the public utility service of collecting waste from vessels in the Koper port area.

7.4.2 Port and logistics operations

The core port activity of throughput and warehousing is carried out at twelve specialised port terminals, which are organised according to the goods/cargo they receive. Each terminal has its own characteristics depending on its goods-specific work process, technological procedures and technology. The terminals are joined into five profit centres.

²⁰ GRI 2-2

²¹ In accordance with the decision of the sole shareholder, the investment in Adria Investicije d. o. o., was transferred to Adria Terminali d. o. o., as at 31 Dec 2023, as a subsequent contribution recorded in capital reserves.

²² GRI 2-2

²³ GRI 2-6, 413-1

They are described in detail on the website [Services & terminals - Luka Koper d. d. \(luka-kp.si\)](#). The main port activity is carried out at one location, i.e., in the port area.

The onshore part of the concession area consists of 300 ha of land, with 63.1 ha of warehouses and 118.3 ha of open-air storage areas. 30 berths are located on 3,475 metres of the shoreline along 224 hectares of the sea. In terms of logistics operations, the services include:

- Services provided by the collection and distribution centre for all types of cargo,
- Services on goods (sorting, palletising, sampling, protection, labelling, weighing, cleaning and other services), which are regularly improved in line with the development of the transport industry and the needs of clients,
- Integrated logistics solutions.

The services of individual terminals are supplemented by the companies Luka Koper INPO, d. o. o., Adria-Tow, d. o. o., Adria Transport, d. o. o., and Avtoservis, d. o. o., which enables a quick response to the customers' needs.

Luka Koper INPO, d. o. o., performs various services within its three units, service, maritime, and municipal, for the needs of the parent company and other users. While providing these services, the company ensures the employment and training of disabled persons.

Adria-Tow, d. o. o., provides ships and craft towing services, ship supply services, and sea rescue and vessel assistance in the Koper port. The company's fleet consists of five tugs.

Adria Transport, d. o. o., facilitates efficient railway logistics between the Koper port and its hinterland.

Avtoservis, d. o. o., provides full servicing for personal and light commercial vehicles. Their services are available to vehicle importers and exporters as well as freight forwarders using the port of Koper as a logistic solution.

7.4.3 Hinterland logistics operations in Sežana

Adria Terminali, d. o. o., manages the hinterland logistics terminal in Sežana, focusing on the transshipment and warehousing of various kinds of goods. The terminal is well-connected to the railway and road infrastructure.

7.4.4 Other activities

In addition to the core port activities, the Group's operations include the activities of TOC, tehnološko okoljski in logistični center, d. o. o., which provides services in technological and ecological research, as well as analytical laboratory services.

Adria Investicije, d. o. o., (rental and use of real estate on a contractual and real-estate basis) and Logis-Nova, d. o. o., (an agricultural and real-estate company) operate on a very limited scale.

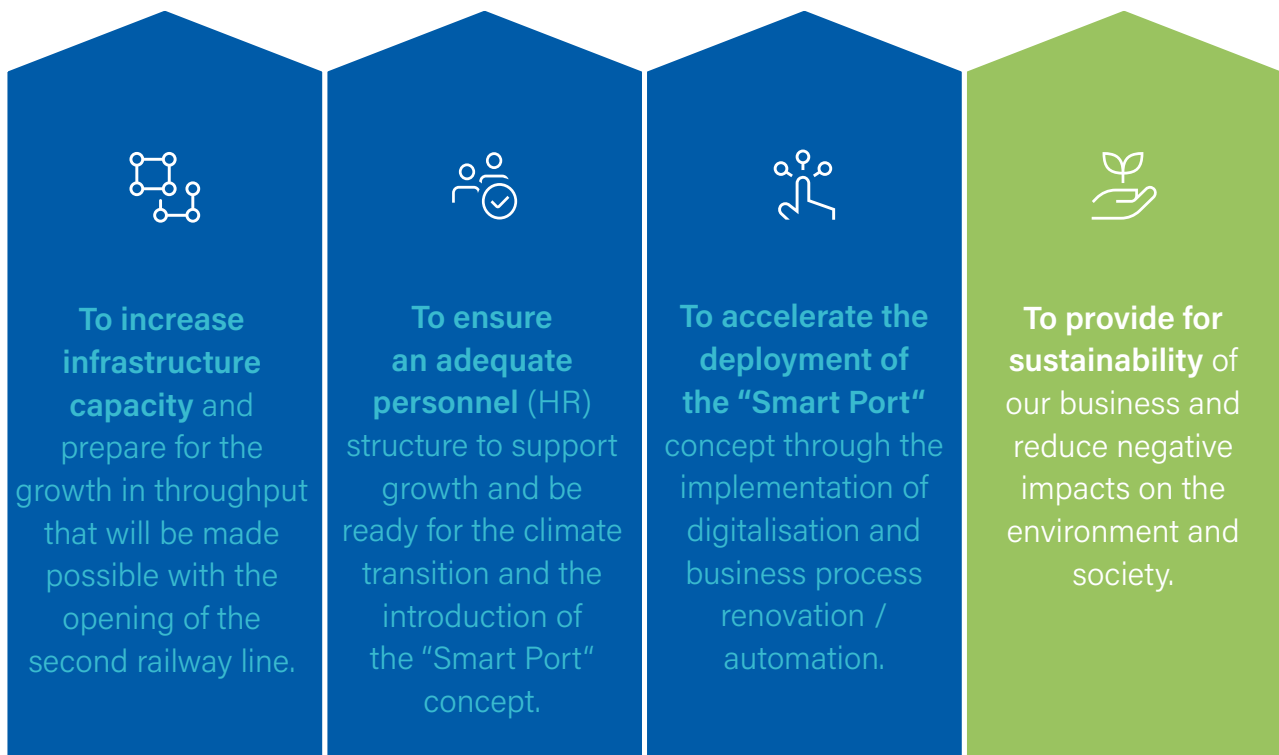


8 Business development strategy²⁴

In 2023, the Luka Koper Group continued to implement activities to achieve the objectives set out in the Strategic Business Plan 2020-2025.

A new Strategic Business Plan for the period 2024-2028 was adopted in 2023. The document takes into account trends in the logistics industry, competition analysis, development expectations and the awareness that only those logistics companies that have a clearly defined sustainable development strategy can expect stable growth in the long term. Over the next five years, the mission of Luka Koper will

continue to be based on providing reliable, high-quality port services in line with sustainable development guidelines - with the aim of becoming the first choice among ports on the European southern transport route. Its planned development is based on four starting points: increasing infrastructure capacity and capability, accelerating the introduction of the smart port concept, ensuring adequate staffing, and taking care of sustainability aspects and reducing negative impacts on the environment and society. The multi-purpose port model, which is one of the company's key competitive advantages, continues to be maintained.



²⁴ GRI 2-12, 3-3

MISSION

To provide **reliable and high quality** port services, in line with sustainable development guidelines.

LUKA KOPER EUROPEAN GREEN WINDOW

To become **the first choice** among ports on the southern European transport route by creating added value for our customers.

VISION

VALUES

We create value for our customers

We focus on our customers by adapting to their needs and creating added value.

We appreciate each other

We work together as a team, learning and being there for each other while solving problems on the way towards our goals.

We take responsibility

We are accountable for our actions and results, and we meet our commitments to our stakeholders with integrity.

We strive for change and continuous improvement

We learn, improve and prepare for changes, because flexibility is our competitive advantage. We strive to improve every day – our services, our company, our community, ourselves.

We act sustainably

We respond boldly to climate change.

To increase our total throughput to **26 million tons by 2028** (3.5% average annual growth from 2023 to 2028) while focusing on our customers' needs in a comprehensive and qualitative manner..

To develop land outside the port area through a strategic partnership model.

To increase total operating revenue to EUR 413 million in 2028 (6.6% average annual growth 2023–2028) by gaining new commodity groups and customers in strategic/new markets, and by focusing the revenue structure on higher value-added commodity groups.

+6,6%

29% EBITDA

9% ROE

To obtain co-financing for investment projects, with a focus on the project to build an onshore electricity supply system on ships.

To invest **785 million EUR** over 5 years until 2028 increase the ports capacity and fluidity in order to be ready for the second railway line opening.

EUR **785** million



2024

2028

To achieve a throughput of 1.1 million vehicles at the Car Terminal in **2028** (4.8% average annual growth 2023–2028).

1.1 million car throughput



1.4 million TEU container throughput

To achieve a throughput of 1.4 million TEUs at the Container Terminal in **2028** (5.5% average annual growth 2023–2028).



SMART PORT

To implement a digital transformation of key processes using new technologies, with the objective of automation and optimization - Smart port (raising digital maturity by at least 1 level). This will enable us to achieve connectivity between all internal in external stakeholders in the logistics chain and increase cost-efficiency.



To maintain environmental sustainability standards (EMAS) and meet sustainability reporting commitments, as well as to **reduce the company's carbon footprint** through measures aimed at improving energy efficiency and increasing the use of renewable energy sources.

Providing customers with a **full range of high quality** port services, thereby achieving a comparative advantage.



Consolidating its position as the leading container port in the Adriatic and the leading car port in the **Mediterranean**.

Developing a multi-purpose port with a focus on developing higher value-added commodity groups and faster turnaround, and finding new commodity groups and markets.



Co-existence with the environment based on sustainable development, ecology and environmentalism.

The Luka Koper Group will use the best available technologies to reduce greenhouse gas emissions and increase energy efficiency, and will accelerate investments in the use of renewable energy sources for its own energy supply.

Development of hinterland infrastructure and efforts to acquire available land in the immediate vicinity (national spatial plan) for the development of activities not related to the concession area.

Upgrading staff skills in digital competences, goal and project management and sustainable development.



2024

2028

Moving towards a smart port by **digitising the port**.



Increasing operational efficiency and optimising capacity utilisation to improve **revenue and cost effectiveness**.



Intensive acceleration of the **investment cycle** to expand operational quayside and storage capacity and improve port throughput.

Keeping pace with changes in the logistics industry by adapting business processes.

The **safety and health of employees** and other port users is a prerequisite for all activities. Luka Koper will reduce occupational injuries and health impacts on its employees through continuous improvements.

Focusing on **innovation and networking** with development institutions to apply new technologies and create a comparative advantage.



Seeking market opportunities for the **creation of capital links** (acquisitions, mergers) towards vertical or horizontal integration.

9 Economic environment and market position

9.1 Analysis of the wider and sectoral environment

Maritime transport is the backbone of global trade, connecting economies around the world. In 2023, it faced a myriad of global challenges such as geopolitical tensions and uncertainties, trade disputes between major economies, new regulations, environmental and technological challenges that pose significant obstacles to maritime transport and related industries such as port operations, logistics, warehousing and land transport.

The resurgence of protectionism and trade tensions between major economies is reshaping global supply chains, prompting companies to diversify sourcing strategies and explore alternative markets. The importance of using flexible supply chains and diversifying sourcing strategies, including 'nearshoring' - choosing suppliers closer to the point of consumption to shorten supply chains and thus minimise risk - is emphasised.

The year 2023 was marked by a cooling global economy and a decline in industrial production and trade, and thus in the volume of goods transported by sea.

9.2 Characteristics of the economic environment in 2023

The impact of the COVID-19 pandemic on the transport of containers by sea gradually faded in 2023. The situation in supply chains, especially in ports, eased gradually, but the sector continued to face challenges in early 2023, such as labour shortages, port congestion and fluctuating demand for goods.

Container freight rates fell drastically at the beginning of the year, dropping back to the levels seen before the outbreak of the COVID-19 pandemic, due to a marked drop in demand as a result of the widespread high cost of living, the uncertain situation in many parts of the world and the changed purchasing habits in the aftermath of the pandemic. Demand for sea freight from overseas markets had cooled considerably due to large inventories of goods by sellers and manufacturers, built up due to fears of irregular deliveries and delays. The situation was exacerbated by excess capacity as shipping companies took delivery of new ships ordered during the prosperity period between 2021 and 2022.

In 2023, there were strikes by railway and port workers. The refurbishment of infrastructure, particularly railways, caused disruptions in land freight transport in many countries.

In 2023, the flow of goods in the global economy was also affected by the continuation of the war in Ukraine, and at the end of the year, the Israeli military intervention in Gaza, and in December attacks by the Houthis on merchant ships in the Red Sea, more precisely in the Bab al Mandab strait, which led to the first diversions of shippers from the Suez Canal route to the route around Africa. In December, we saw an exceptional increase in freight rates due to the longer route around Africa, the associated higher costs and the temporary shortage of shipping space.

9.2.1 Market position²⁵

Despite many challenges due to disruptions in global supply chains and increasingly fierce competition from neighbouring ports, the Port of Koper managed to reach a new milestone in container throughput in 2023, maintaining its position as the leading container terminal in the Adriatic and its high market shares in key hinterland markets. Neighbouring competitor ports recorded a decline in throughput in 2023. Several container shipping companies have introduced additional sea connections between Koper and the Mediterranean ports due to the growing potential in the Mediterranean for the transport of perishable goods, as well as other goods whose production is moving back closer to Europe from the Far East due to the lower logistics risk. There is a growing demand in the market for the transport of various goods in refrigerated containers. Equipping the container terminal with additional plugs for refrigerated containers has enabled further growth of the throughput of such containers in the Port of Koper.

Having achieved record vehicle throughput, Luka Koper, d. d., maintained its position as the largest vehicle terminal in the Mediterranean and consolidated its position among the five largest terminals in Europe. Despite many challenges, such as the lack of warehouse space in the port, the company provided a good enough service to its customers to make them shift existing and new business from other European vehicle terminals to Koper, especially trade flows to the Middle and Far East. Due to the lack of space on ships for transporting vehicles and the low freight rates in container shipping, there has been an increased interest in transporting cars in containers, especially electric cars from the Far East.

²⁵ GRI 2-6

Due to the reduction in container freight rates in 2023, some types of cargo have returned to containers from conventional ships, resulting in a decline in general cargo transshipment. However, there was an increase in the transshipment of project cargoes, primarily destined for the construction of new vehicle and battery factories in the Central European back markets.

Due to climate change and the resulting changes in the conditions for fruit and vegetable production in the European Union, as well as poorer harvests, the port has seen in the transshipment of goods unloaded from refrigerated containers at the port, mainly perishable goods imported from Egypt, from where two new direct container lines were established in the second half of the year.

Within bulk cargo, the transshipment of soybean meal has decreased, as it is being replaced by cheaper wheat and maize feed in livestock feed mixtures due to its high price on the back markets. High energy prices, especially for gas, have led to the closure of aluminium plants in back markets, and the company has abandoned the transshipment of alumina, the raw material for its production.

tribution hub for many countries in Central and Eastern Europe. Most European manufacturers have stopped producing artificial fertilisers due to high gas prices, so the demand for imports from overseas countries remains high. In 2023, the company transhipped more road salt, chemical industry salt and cereals.

Restrictions and disruptions to rail freight traffic continued due to the reconstruction of sections of the Slovenian rail network, which, given the high proportion of freight transported to and from the port by rail, significantly limited the increase in throughput.



10 Performance of the Luka Koper Group in 2023

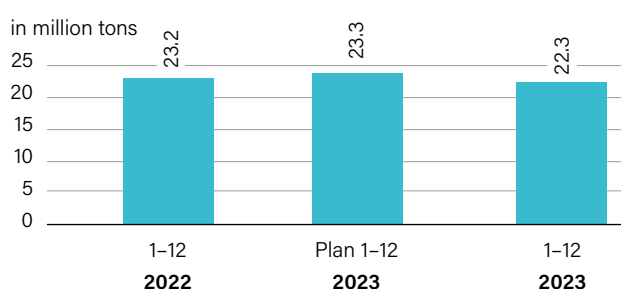
The operating performance of the Luka Koper Group in 2023 exceeded expectations. New milestones were reached in transshipment, with records set in several segments.

10.1 Maritime throughput

Record throughput volumes were achieved in 2023 in both strategic commodity groups, containers and cars, as well as in the passenger terminal, the reefer terminal and the liquid cargo terminal. In the container segment, 1,066,093 container TEUs were handled in 2023, an increase of 5 percent compared to 2022, and 2 percent less than planned. Car transshipment in 2023 amounted to 916,728 cars (in pieces), 14 percent more than in 2022, and 21 percent more than planned. Luka Koper, d. d., has thus consolidated its position and confirmed its primacy among ports in the Adriatic (containers) and the Mediterranean (cars). The passenger terminal welcomed 120,553 passengers to the port in 2023, surpassing the 2019 figure of 115,581.

In 2023, the total maritime throughput (in tons) reached 22.3 million tons of goods, which was 4 percent lower than that achieved in 2022, mainly due to a 15 percent lower throughput of general cargo and a 15 percent lower throughput of the dry bulk and bulk cargoes commodity group. The total maritime throughput was 5 percent less than planned.

Maritime throughput in million tons



Throughput in metric tons per cargo group in 2023 compared to the 2023 plan and 2022

Commodity groups (in metric tons)	2022	Plan 2023	2023	Index 2023/Plan 2023	Index 2023/2022
General cargoes	1,311,121	1,379,360	1,109,907	80	85
Containers	9,659,447	10,389,533	9,800,703	94	101
Cars	1,394,106	1,327,485	1,568,617	118	113
Liquid cargoes	4,644,337	4,100,000	4,498,697	110	97
Dry bulk and bulk cargoes	6,239,783	6,137,500	5,289,610	86	85
Total	23,248,795	23,333,878	22,267,534	95	96

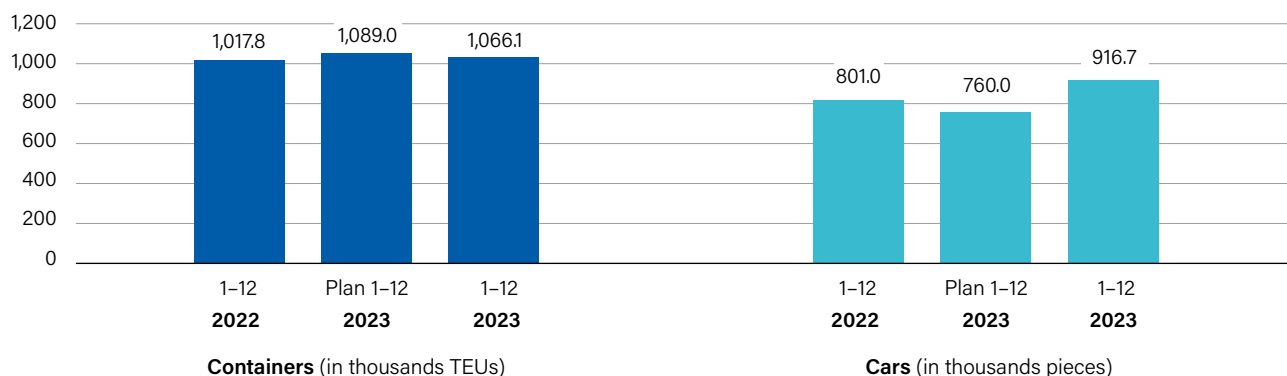
Containers dominate the overall structure of throughput (in tons), accounting for 44 percent in 2023 and increasing by 2.5 percentage points compared to 2022. The share of the car commodity group increased by 1 percentage point, while the share of liquid cargo increased by 0.2 percentage points. The share of general cargoes decreased by 0.7 percentage points and the share of dry bulk and bulk cargoes by 3 percentage points.

In the **general cargo** commodity group, 1.1 million tons of goods were handled in 2023, 20 percent below plan and 15 percent less than in 2022. The reduction in container freight rates had a significant impact on general cargo flows in 2023, as some goods were re-routed to containers, increasing the volume of container loading and unloading services. However, imports of goods by conventional ships decreased, especially in the rubber and steel products commodity groups. Timber exports were higher in the case of timber transshipment.

In the **liquid cargo** commodity group, 4.5 million tons of goods were handled in 2023, 10 percent above plan and 3 percent below the 2022 level. Growth was recorded in all commodity groups, with diesel and aviation fuel standing out, which for the first time since the pandemic exceeded the volumes of previous years. The transshipment of petroleum products in 2023 was slightly lower than the volumes achieved in 2022.

In the **dry bulk and bulk cargoes** commodity group, 5.3 million tons of goods were handled in 2023, 14 percent below plan and 15 percent less than in 2022. Transshipment of bulk cargoes in 2023 was shaped by geopolitical conditions in connection with the prices of energy and energy products and the cancellation of the Italian government's decree to restart thermal power plants. Fertilisers have seen higher transshipment due to reduced domestic production and associated higher imports.

Transshipment of containers and cars



Throughput of containers (TEU) and cars (pieces) in 2023 compared to the 2023 plan and 2022

Commodity groups	2022	Plan 2023	2023	Index 2023/ Plan 2023	Index 2023/2022
Containers – TEU	1,017,808	1,089,010	1,066,093	98	105
Cars – pieces	801,036	760,000	916,728	121	114

At the end of 2023, a new annual historical record in container throughput was achieved at the container terminal with 1,066,093 transhipped container units (TEUs). Container handling was slightly lower than planned and by 5 percent higher than in 2022.

The **container terminal** continued to experience ship delays and arrivals outside the agreed 'time windows' in 2023, but to a lesser extent than the previous year, with a positive impact on occupancy and consequently improved productivity in all operational segments of the terminal. The terminal's responsiveness to these circumstances has helped to further establish the Port of Koper as an increasingly important entry point for cargo from Asia, especially for the rapidly developing economies of Central Europe.

The **car terminal** also achieved a new annual throughput record in 2023, with 916,728 vehicles transhipped, which is 21 percent above plan and 14 percent more than in 2022. Transshipment increased both in exports, mainly to the Middle and Far East, and in imports, in which the share of electric vehicles, the majority of Chinese production, is increasing significantly. The increase in throughput is the result of the redirection of commodity flows, which the car terminal

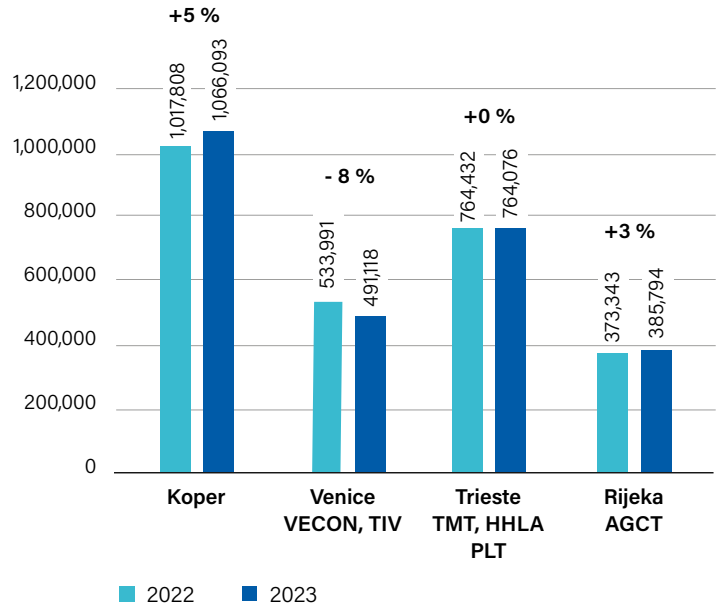
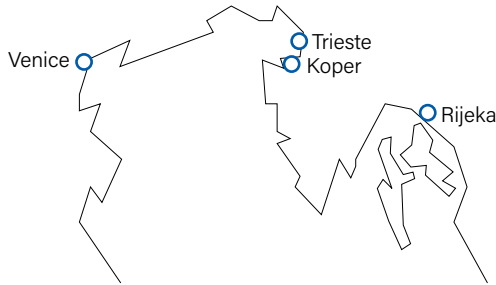
has successfully realised with reliable services and capacities built up in recent years.

The **passenger terminal** reached a new milestone in 2023 after a reduced volume due to the pandemic, as it recorded 78 passenger ship arrivals with a total of 120,538 passengers.

10.1 Comparative analysis with the competition

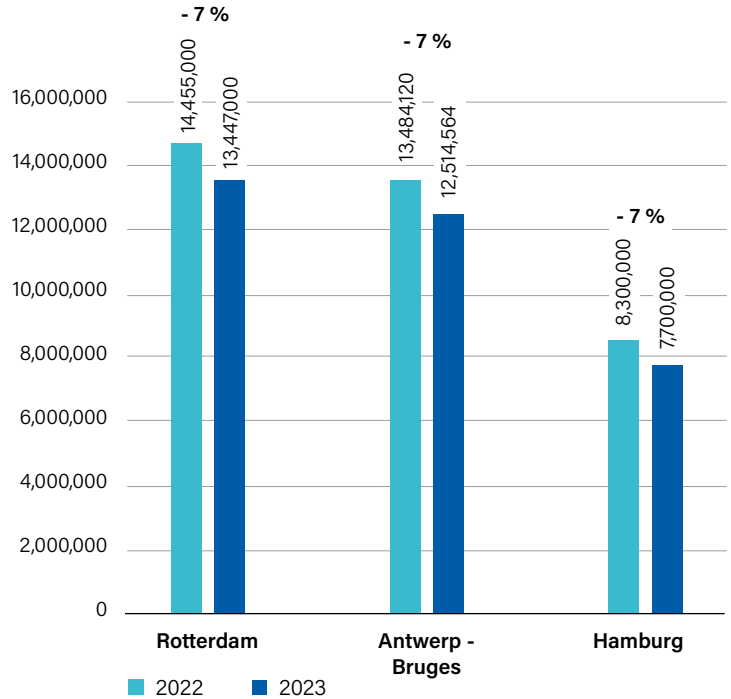
Of the ports in the Northern Adriatic, the growth in container throughput in 2023 compared to 2022 was achieved by Luka Koper d. d., and the Port of Rijeka. The Port of Trieste maintained its 2022 level of throughput, while Venice achieved an 8 percent decrease in 2023 compared to 2022. The absolute highest throughput and also highest growth was achieved by Luka Koper, d. d., with 1,066,093 TEUs, up 5 percent compared to the previous year. In 2023, the three Northern European ports of Rotterdam, Hamburg and Antwerp-Bruges all recorded a 7 percent drop in container throughput compared to 2022.

Throughput of containers in Northern Adriatic ports in TEU²⁶



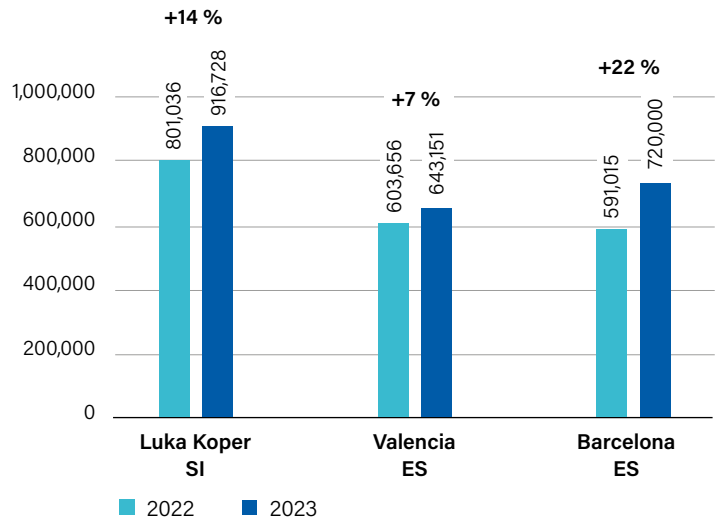
Throughput of containers in three major Northern European ports, in TEU²⁷

In 2023, all three Mediterranean ports achieved growth in car throughput compared to 2022. The highest growth was recorded by the port of Barcelona, i.e. 22 percent, Luka Koper, d. d., achieved a 14 percent increase in car throughput, and the port of Valencia a 7 percent increase. In absolute terms, Luka Koper, d. d., handled the most cars in 2023, with 916,728 vehicles.



26 Source: Websites of the ports in question, and NAPA
 27 Source: Websites of the ports in question, and NAPA

Throughput of cars in three major ports in the Mediterranean

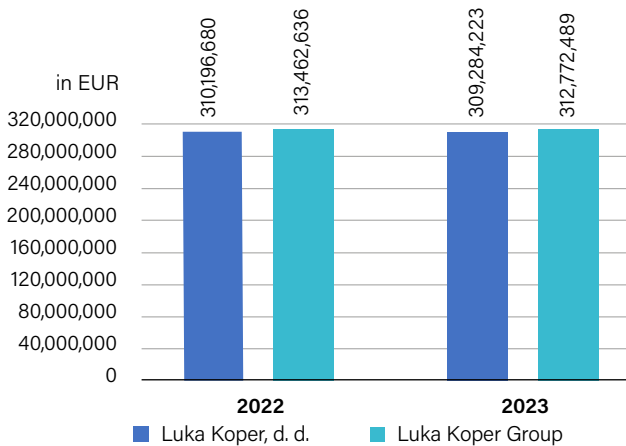


10.2 Financial analysis of the performance of the Luka Koper Group

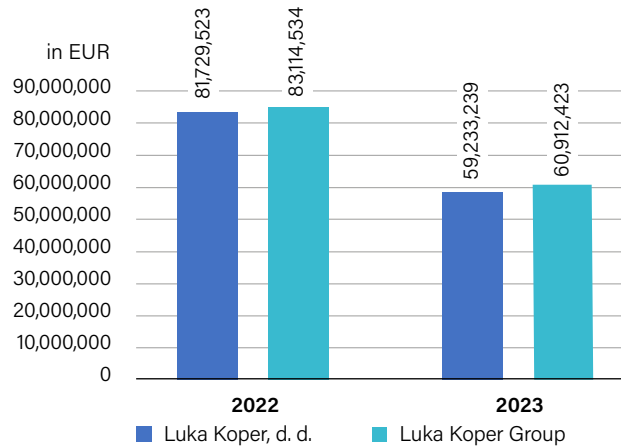
Net sales in 2023 amounted to EUR 312.8 million, which was on a par with the level of revenue achieved in 2022. Within net sales, revenue increased by EUR 20 million due to greater container and car transshipment, greater volume of loading and unloading of containers, greater volume of other additional services on goods and higher service prices. Compared to the previous year, due to the normalisation of the situation on the global logistics market and the shortening of the storage time of containers in the storage facility, revenues from storage fees decreased by EUR 21 million.

In 2023, earnings before interest and taxes (EBIT) amounted to EUR 60.9 million, which was a decrease of 27 per cent or EUR 22.2 million when compared to 2022. The main contributor to the lower earnings before interest and taxes (EBIT) in 2023 was lower storage fees, while higher operating costs of EUR 23.3 million, which were due to inflationary pressures and higher number of employees and agency workers, were mostly offset by the Luka Koper Group with revenues from other services.

Net sales



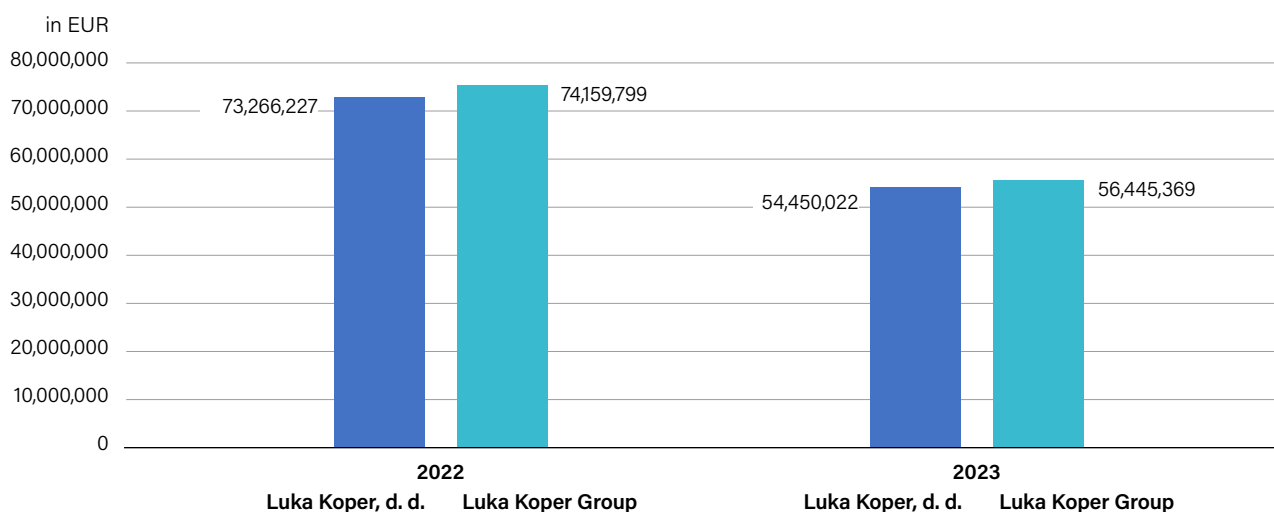
Earnings before interest and taxes (EBIT) of Luka Koper, d. d., and the Luka Koper Group



Operating costs in 2023 amount to EUR 258 million, an increase of 10 percent or EUR 23.3 million compared to 2022. All types of costs increased except for material costs, which decreased by 3 percent or EUR 0.8 million compared to 2022, due to lower costs of spare parts and lower energy costs resulting from lower consumption and lower average fuel prices. The cost of services increased by 15 percent or EUR 10.5 million. Within the cost of services, the cost of port services increased by EUR 4.7 million because of higher business volumes, mainly due to increased car throughput and higher staff costs through agency companies. Higher volume of maintenance work and higher prices resulted in an increase of EUR 3.9 million in maintenance service costs. Labour costs increased by 9 percent or EUR 8.6 million due to higher staff numbers, higher merit payments and the adjustment of salaries to inflation; depreciation and amortisation costs are higher due to new asset acquisitions, while other operating expenses are higher than the previous year mainly due to the establishment of long-term provisions related to lawsuits.

Operating expenses as a percentage of net sales in 2023 amounted to 82.5 percent, up 7.6 percentage points from 74.9 percent in 2022, mainly due to higher operating expenses as a result of inflationary trends. Comparatively, the share of cost of services, labour costs and other operating expenses in net sales increased from 2022 due to a different income structure, whereas the shares of the costs of materials and other amortisation and depreciation expenses remained unchanged. Excluding the one-off impact of higher revenues from storage fees in 2022 which were the result of unique global market conditions and the increased dwell time of goods in warehouses, the share of operating expenses in net sales in 2022 would be 89.8 percent, 7.4 percentage points higher than in 2023. In this case, the share of all types of costs would decrease in 2023, with the exception of other operating expenses, which would remain at the same level.

Net profit or loss of Luka Koper, d. d., and the Luka Koper Group

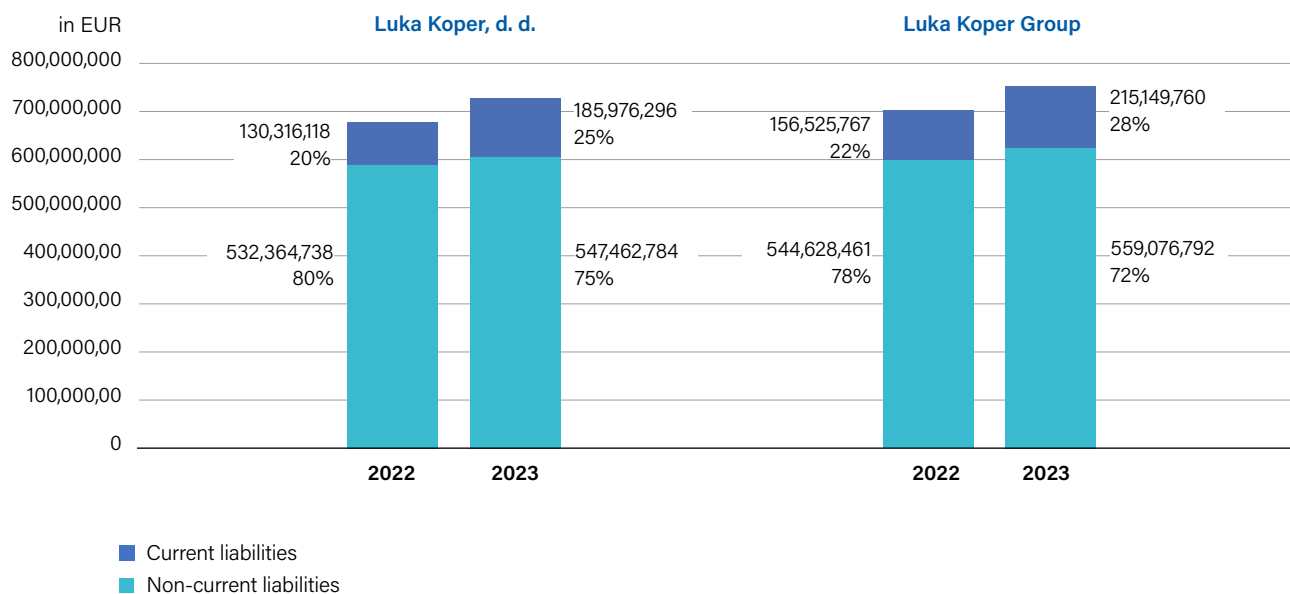


In 2023, net profit or loss amounted to EUR 56.4 million, which was a decrease of 24 percent or EUR 17.7 million when compared to the net profit in 2022. The net profit was positively impacted by the operating result from financing in the amount of EUR 4.7 million, an increase of 51 percent or EUR 1.6 million compared to the previous year. The Group also generates finance income in the financial markets through interest on funds placed in short-term bank

deposits and treasury bills. The results of associates in 2023 amounted to EUR 1.8 million, an increase of 3 percent or EUR 46.1 thousand compared to 2022.

The balance sheet total of the Luka Koper Group as at 31 December 2023 amounted to EUR 774.2 million, an increase of 10 percent or EUR 73.1 million compared to 31 December 2022.

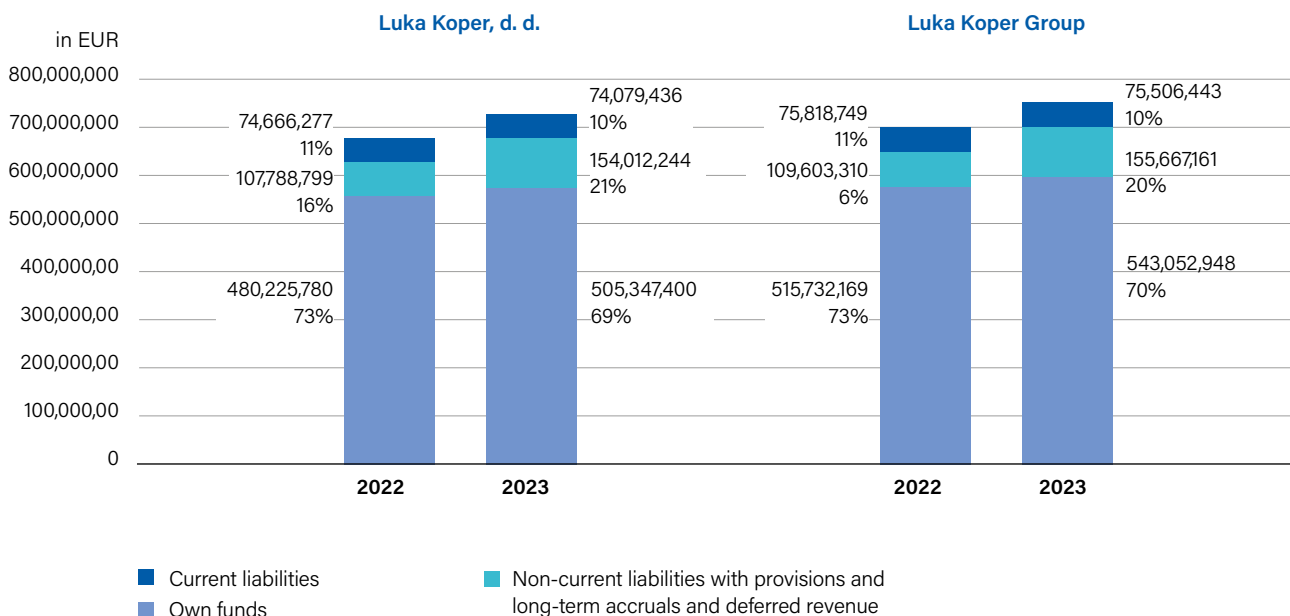
Asset structure of Luka Koper, d. d., and the Luka Koper Group as at 31 December



Non-current assets increased by EUR 14.4 million. The value of property, plant and equipment and other finance investments increased. Current assets increased by EUR 58.6 million due to the placement of cash in short-term bank

deposits (amounting to EUR 30 million at 31 December 2023) and in treasury bills (other finance investments amounting to EUR 39.5 million at 31 December 2023). As a result, the value of cash and cash equivalents decreased.

Structure of liabilities of Luka Koper, d. d., and the Luka Koper Group as at 31 December



The equity of the Luka Koper Group increased by EUR 27.3 million in 2023, which was the net effect of the increase in equity due to the introduction of the net profit for the period of EUR 29.2 million, the increase in the revenue reserves of EUR 27.2 million, the increase in the retained earnings on the disposal of an investment valued through equity in the amount of EUR 2.1 million, and a positive change in the revaluation surplus on investments of EUR 3.8 million and its reduction due to the payment of dividends by the controlling company in the amount of EUR 35 million according to the decision of the Company's General Meeting. The non-current liabilities of the Luka Koper Group, including long-term provisions and long-term accrued costs and deferred revenue, were EUR 46.1 million higher at 31 December 2023 than at 31 December 2022, as non-current financial liabilities increased by EUR 39.7 million due to the net effect of the realised drawdown under the controlling company's long-term credit agreement of EUR 60 million and the regular transfer of the principal amounts from the contractually agreed amortisation plans to current liabilities. Deferred income increased by EUR 2.6 million and provisions by the same amount. As at 31 December 2023, current liabilities of the Luka Koper Group were lower by EUR 0.3 million than the previous year-end. The increase in financial liabilities of EUR 6.9 million is due to the aforementioned drawdown of the new loan, while the increase in trade and other payables of EUR 2.7 million mainly relates to payables to suppliers. The Luka Koper Group had no recognised income tax liabilities as at 31 December 2023, whereas at the previous year-end they amounted to EUR 9.9 million.

As at 31 December 2023, the financial liabilities of the Luka Koper Group amounted to EUR 110 million, and grew EUR 46.3 million from the previous year-end. The increase is due to the net effect of an increase in loan commitments due to the drawdown of a previously granted loan and the regular repayment of principal under contractually agreed amortisation plans.

The liquidity position of the Luka Koper Group is very good, as demonstrated by the cash and cash equivalents balance of EUR 81.6 million as at 31 December 2023, as well as the short-term deposits of EUR 30 million and other finance in-

vestments of EUR 39.5 million, which include treasury bills into which the controlling company has placed part of its liquidity surpluses.

As at 31 December 2023, the net financial debt/EBITDA ratio was 0.3. The Luka Koper Group also had EUR 69.5 million of surplus cash placed in short-term deposits and other finance investments, which are not included in the calculation of net financial debt. If at the end of 2023, the Luka Koper Group had no such placements of surplus cash, but instead only in the form of cash and cash equivalents, it would still show a negative value of the net financial debt/EBITDA indicator, as its value would be -0.4.

Comparison of the results achieved by the Luka Koper Group in 2023 in relation to the plan

In 2023, the Luka Koper Group exceeded its planned financial indicators. Net sales revenues were higher than planned by 8 percent, or by EUR 22.7 million. The main contributor to the higher net sales was storage fee income, which exceeded the planned figure by EUR 19 million, as the business plan had foreseen a reduction in the dwell time of containers due to the calming market conditions. Earnings before interest and taxes (EBIT) were higher than planned by 76 percent, or by EUR 26.4 million. In addition to the higher net sales revenue, the higher earnings before interest and taxes (EBIT) were positively impacted by lower material, labour and depreciation costs, while the higher cost of services was due to an increase in the cost of port services linked to the higher throughput on the car commodity group and the cost of labour placement agencies. In 2023, net profit or loss of the Luka Koper Group amounted to EUR 56.4 million, which was an increase of 75 percent or EUR 24.1 million when compared to the plan.

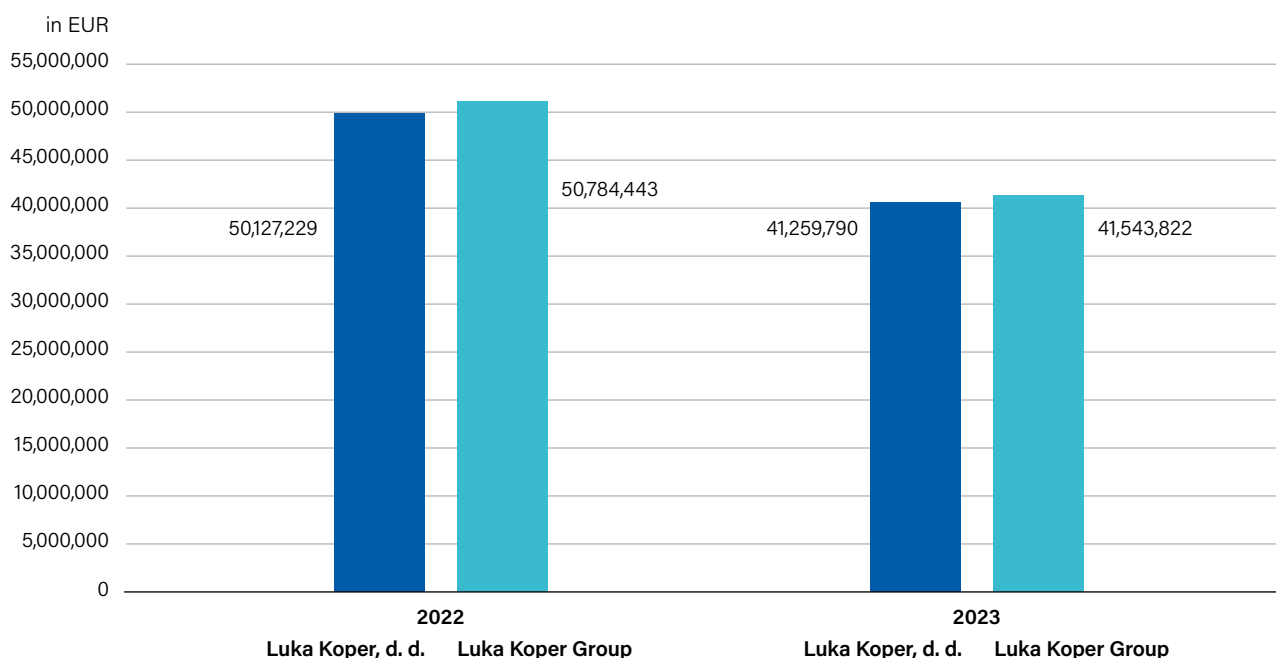
According to the plan, the throughput of the cars commodity group (in pieces) was higher by 21 percent, while the throughput of the containers commodity group (in TEUs) lagged behind the plan by two percent. The total maritime throughput, measured in tons, was 5 percent less than the planned quantities.

11 Investments in non-financial assets²⁸

In 2023, Luka Koper Group continued the development cycle of its two most important strategic commodity groups, making the most significant investments in the container terminal and the car terminal. In 2023, the Luka Koper Group allocated EUR 41.5 million to investments in property,

plant and equipment, investment property and intangible fixed assets,²⁹ which is 18 percent or EUR 9.2 million less than in 2022. Luka Koper, d. d., allocated the amount of EUR 41.3 million to investments in 2023, which accounted for 99.3 percent of investments of the Luka Koper Group.

Investments in property, plant and equipment, investment property and intangible assets of Luka Koper, d. d., and the Luka Koper Group



Several major investments were concluded:

- Construction of a new external truck terminal at the Sermin entrance,
- Development of storage areas in the area of the 5A cassette,
- Installation of new plugs for reefer containers,
- Modernisation of the cooling and fire extinguishing system on methanol tanks,
- Construction of a transformer station to power the new enclosed passages,

Other major investments in 2023:

- Continued transfer of storage blocks at the container terminal,
- Continued upgrade of the dry bulk cargoes terminal in accordance with the ATEX directive,
- Purchase of 8 terminal tractors with trailers for the needs of the container terminal,
- Purchase of 9 new 8 ton forklifts for the general cargo terminal,
- Purchase of an industrial excavator for the needs of the dry bulk cargoes terminal.

²⁸ GRI 203-1

²⁹ Without taking into account advances paid for the equipment

Among the most important investment projects underway in late 2023 were the construction of the 12th berth and the installation of solar power plants, the execution of a public contract for warehouse No 54 and the preparation of documentation and obtaining the relevant permits for the extension of the northern part of Pier I and the development of other areas for the container terminal.

The lower than planned investment expenditure of the Luka Koper Group in 2023 was due to the repetition of procurement procedures as bids exceeded the funds provided or no bids were awarded. The overruns necessitated changes to the port development programme and new consents for infrastructure programmes. Delays in investment implementation were also caused by high occupancy of infrastructure and equipment due to high throughput, which resulted in lower availability for the implementation of investment interventions.

All investments foreseen for the year 2023 were studied from the economic aspect, the aspect of eligibility, energy savings, urgency and from the aspect of legal obligations or other impacts. The decisions on major investments were taken on the basis of the prepared investment studies and conducted analyses of their impact on return on equity.

Environmentally sustainable investments

- In 2023, the Luka Koper Group earmarked EUR 4.8 million, or 11.5 percent of the total investment value, for environmentally sustainable investments, i.e. current environmental, energy, and occupational safety challenges. The following investments were made in the area of environment, energy and occupational safety:
- Upgrade of the dry bulk cargoes terminal in accordance with the ATEX directive - to prevent spontaneous combustion or explosion, ATEX-compliant non-sparking tools and work accessories must be procured in order to maintain the system (equipment for use in potentially explosive atmospheres);
- Upgrade of the cooling and extinguishing system on the methanol tanks - the system posed a risk of environmental contamination due to its deterioration, and a reliable fire-fighting system for extinguishing and cooling the tanks had to be provided;
- Construction of a solar power plant on the roof of the general cargo storage facility in order to increase the share of electricity self-sufficiency of the Port of Koper, thus contributing to the targets of the Republic of Slovenia and the European Union for the reduction of CO₂ emissions;
- Preliminary archaeological surveys for seabed dredging and relocation of marine sediments dredged as a result of the investment operations and maintenance of the appropriate depths in such a way that there is no burden on the environment, cultural heritage and nature;
- Energy renovation of the lighting at the container terminal to reduce the electricity consumption of the renovated lighting by 30 to 40 percent.



12 European projects



In 2023, Luka Koper d. d., implemented projects under the Connecting Europe Facility (CEF), Horizon 2020, Horizon Europe, Territorial Cooperation (Interreg), the European Economic Area Financial Mechanism and the Recovery and Resilience Plan.

Two projects were successfully completed, namely the 5G-LOGINNOV project (Horizon 2020 programme) and the EALING project (CEF programme). In 2023, the company received a total of EUR 2.9 million inflows for ongoing projects from co-financing.

Also, activities continued under the Financial Perspective that started in 2022. In this context, an additional EUR 600,000 has been secured this year from various programmes, to be drawn down over the next three years.

In line with the Company's policy on sustainable development in the port area and taking into account the port's infrastructure needs, the Company has secured funding from the CEF, Interreg, Horizon 2020/Horizon Europe, the Recovery and Resilience Plan and the European Economic Area Financial Mechanism for ongoing projects, namely:

- ACCESS2KOPERPORT (CEF) project for the construction of a new berth, i.e. 12th berth in Basin II, with co-financing of up to EUR 16 million;
- ERIK-PARKING (CEF) project for the construction of a new safe and secure car park for freight vehicles, with an estimated co-financing of up to EUR 4.9 million,
- ACCESSMILE project (Interreg Central Europe) for the procurement and installation of an OCR system for

reading container tags and licence plates of container transport trucks for an amount of EUR 0.3 million;

- SOPOREM project (European Economic Area Financial Mechanism) for the installation of a larger solar power plant with a capacity of 3.3 MWp in the port at warehouses 50 and 51, with co-financing of EUR 1.3 million;
- Luka.DT project - Digital transformation of processes at the Port of Koper, in which Luka Koper d. d., is the recipient of new IT solutions worth approximately EUR 2 million, of which EUR 0.4 million is earmarked for Luka Koper's own activities;
- ATLANTIS project (Critical Infrastructure Security) and NEPHELE project (Container Delivery Optimisation Solutions), where the company will be able to draw up to EUR 0.4 million.

In 2024, the company will start implementing the activities of the RENEWPORT project for co-financing the purchase and installation of a solar power plant on the administrative building of the container terminal for an amount of EUR 0.2 million, and the 5G-SITACOR project for developing a plan for the deployment of its own 5G network in the port.

For two projects submitted to the Interreg ADRION call for proposals - ADRIREC and SUPER-ALFUEL - the results of the evaluation and the decision on co-financing are not yet known or are expected to be known by the end of February 2024. Also, the results of the 4 projects submitted to the Modernisation Fund call for proposals and the GrEn4Tran project submitted to the CEF AFIF call for proposals are also not yet known.

13 A look ahead

13.1 Forecasts of the economic environment in 2024

In a forecast published in January 2024, the IMF30 projects global GDP growth in 2024 to remain at the same level as in 2023, which means 3.1 percent, rising to 3.2 percent in 2025. The forecast for 2024 is 0.2 percentage point higher than the October 2023 forecast due to stronger resilience in the United States and emerging and developing markets, and fiscal support in China. The growth forecast for the period 2024-2025 is, on average, 3.8 percentage points below the average for the period 2000-2019. Inflation is falling faster than expected in most regions, driven by supply growth and tight monetary policy. The global inflation rate is projected to fall from 6.8 percent in 2023 to 5.8 percent in 2024 and to 4.4 percent in 2025, a 0.2 percentage point decrease compared to the October 2023 forecast.

The estimated GDP growth rate for the euro area is 0.5 percent in 2023 and is projected to rise to 0.9 percent in 2024 and 1.7 percent in 2025. In China, the GDP growth rate is expected to fall from 5.2 percent in 2023 to 4.6 percent in 2024, before declining to 4.1 percent in 2025.

Towards the end of 2023, the volume of world trade declined sharply, mainly at the expense of decrease in the EU and the US. According to S&P Global, growth in total world trade volume is expected to be negative in 2023 (-1.7 percent). In 2023, a significant decline was recorded in maritime container traffic (-4.7%). In 2024, the volume of maritime container traffic is expected to grow by 2.1 percent. In the long term, growth in the volume of total world trade is estimated at between 1.8 percent and 3.0 percent. The main uncertainties for the forecast are:

- Geopolitical tensions, especially in the Middle East;
- Tightened financial conditions (high interest rates);
- Food supply shocks;
- Tightening environmental requirements (European Emissions Trading Scheme, European Union Border Carbon Mechanism);
- Weaknesses in banking systems and high inflation, which could lead to wider financial instability.

The outlook for the second most important commodity group, i. e. cars, is also encouraging, with the EIU31

forecasting a 3-percent growth in global passenger car sales in 2024.

IMAD32 forecast GDP growth of 2.8 percent and investment growth of 5.5 percent for Slovenia in 2024. Inflation is expected to fall to just above 3 percent by the end of 2024.

13.2 Performance of the Luka Koper Group in 2024

In 2024, the transshipment of the strategic commodity group containers is planned in the amount of 1,093 thousand TEU, which is 3 percent more than in 2023, while at the same time the transshipment of the strategic commodity group cars is planned to be 2 percent lower, which means 895 thousand vehicles. The total throughput (in tons) is projected to increase by 1 percent to 22.6 million tons in 2024 compared to 2023.

In 2024, Luka Koper, d. d., plans net sales revenues of EUR 320.9 million, while the Luka Koper Group plans net sales revenues of EUR 324.5 million, representing a 4 percent growth compared to 2023. The higher net sales revenue will be driven by projected growth in cargo throughput and sales prices.

Luka Koper, d. d., and the Luka Koper Group are expected to achieve 17 percent lower earnings before interest and taxes (EBIT) in 2024, despite higher projected net sales revenues, due to higher operating costs, which will continue to be affected by inflation. Labour costs will also be affected by additional recruitments in 2023 and 2024. The planned net operating result of Luka Koper, d. d., and the Luka Koper Group in 2024 is 15 percent lower than that achieved in 2023.

The investment plan of Luka Koper, d. d., and the Luka Koper Group for 2024 is in line with the objectives set out in the Strategic Business Plan. Key investment projects in 2024 will be related to continued activities to increase the capacity of the container terminal, construction of additional open-air storage areas for car handling, increasing storage capacity for general cargo handling, construction of a new passenger terminal, construction of solar power plants on roofs of the existing storage facilities, construction of a fire

30 Source: IMF – International Monetary Fund (World Economic Outlook, January 2024) [World Economic Outlook Update, January 2024: Moderating Inflation and Steady Growth Open Path to Soft Landing](#) (imf.org)

31 EIU - Automotive Industry outlook 2024

32 IMAD – Institute of Macroeconomic Analysis and Development of Slovenia (Autumn Forecast of Economic Trends, September 2023)

station, and purchase of equipment. In 2024, the Luka Koper Group will allocate EUR 21 million for sustainable development and social responsibility projects, which is 32 percent of all planned investments.

Until the construction of Track 2, the situation on the Slovenian railway network and maintenance works will affect the

operations of the Luka Koper Group as it poses an obstacle to further growth and causes the loss of part of the business that the company already had in the past. The Group has prepared the 2024 plan on the assumption that the war in the Middle East will not be protracted and will not affect the reduction of the volume of business.

Key operating ratios of Luka Koper, d. d., and the Luka Koper Group in 2024

Items	Luka Koper, d. d.			Luka Koper Group		
	2023	Plan 2024	Index 2023/ Plan 2024	2023	Plan 2024	Index 2023/ Plan 2024
Net sales (in EUR)	309,284,223	320,850,930	104	312,772,489	324,524,911	104
Earnings before interest and taxes (EBIT) (in EUR)	59,233,239	48,872,228	83	60,912,423	50,349,756	83
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	91,496,341	80,969,188	88	93,731,962	83,726,233	89
Net profit or loss (in EUR)	54,450,022	46,551,351	85	56,445,369	48,042,914	85
Added value (in EUR)	193,214,462	203,478,682	105	203,608,146	215,208,187	106
Capital expenditure (in EUR)	41,259,790	66,577,466	161	41,543,822	71,588,933	172
Maritime throughput (in tons)	22,267,534	22,559,000	101	22,267,534	22,559,000	101
Number of employees	1,757	2,141	122	1,922	2,310	120

Indicators	2023	Plan 2024	Index 2023/ Plan 2024	2023	Plan 2024	Index 2023/ Plan 2024
Return on sales (ROS)	19.2%	15.2%	79	19.5%	15.5%	79
Return on equity (ROE)	11.0%	9.2%	84	10.7%	8.9%	83
Return on assets (ROA)	7.8%	6.2%	79	7.7%	6.2%	81
EBITDA margin	29.6%	25.2%	85	30.0%	25.8%	86
EBITDA margin from market activity	30.4%	26.2%	86	30.8%	26.8%	87
Financial liabilities/equity	21.8%	22.3%	102	20.3%	17.2%	85
Net financial debt/EBITDA	0.6	1.1	183	0.3	0.8	267

Items	31. 12. 2023	Plan 31 Dec 2024	Index	31. 12. 2023	Plan 31 Dec 2024	Index 2023/ Plan 2024
Assets (in EUR)	733,439,080	751,651,839	102	774,226,552	772,734,726	100
Equity (in EUR)	505,347,400	513,941,332	102	543,052,948	552,992,476	102
Financial liabilities (in EUR)	110,134,003	114,847,642	104	110,018,551	94,926,716	86

14 Managing risks and opportunities³³

Risk and opportunity management is an important element of the Luka Koper Group's strategy and business performance. The Group uses an advance risk and opportunity management system, which ensures that the key risks and opportunities the Group is exposed to are identified, evaluated, controlled, monitored and duly reported. Although a Risk and Opportunity Management Committee has been appointed, risk and opportunity management is a concern of every employee of the Group within the scope of their duties and responsibilities. Risks and opportunities are recognised 'bottom up', ensuring that all business processes are covered, while the methodology is defined 'top-down', providing for a consistent application of the risk and opportunity management system across the entire Group. In the Luka Koper Group, the risk and opportunity management system is continuously being improved, also by upgrading the inventory of internal controls for individual processes.

The basis of the risk and opportunity management system is the risk and opportunity register, which contains a list of all

identified risks and opportunities, characteristics of particular risks and opportunities, identified measures and control activities, and persons responsible (administrators) for monitoring individual risks and opportunities. The register is kept centrally at the level of the Luka Koper Group in order to systematically monitor and analyse risks, and is updated quarterly. A five-level methodology was worked out for the assessment of both risk and opportunity likelihood and the related consequences. Five dimensions are taken into account in the assessment of consequences, including consequences for health and safety, finances, the environment, the Company's reputation, and compliance. The joint risk and opportunity assessment is the product of the assessment of likelihood and highest possible assessment of consequences. Based on the joint risk and opportunity assessment, all risks and opportunities identified in the register are classified from irrelevant to material according to a five-level scale. The quantitative assessment system ensures that the focus is on the management of key risks and opportunities (overall assessment 10 or above).

Quantitative Risk and Opportunity Assessment Matrix

PROBABILITY	Very high (5)	5	10	15	20	25
	High (4)	4	8	12	16	20
	Medium (3)	3	6	9	12	15
	Low (2)	2	4	6	8	10
	Very Low (1)	1	2	3	4	5
		Very Low (1)	Low (2)	Medium (3)	High (4)	Very high (5)
CONSEQUENCE						

□ irrelevant risk (overall risk assessment = 1-2)

■ less important risk (overall risk assessment = 3-4)

■ moderate risk (overall risk assessment = 5-9)

■ important risk (overall risk assessment = 10-16)

■ material risk (overall risk assessment = 20-25)

In the context of the risk and opportunity management system, the Luka Koper Group regularly monitors exposure to all the perceived and potential new risks and opportunities, and determines and implements the measures to ensure an acceptable level of operational risk and opportunities.

The company has adopted a Risk Appetite Statement. The risk appetite of the Luka Koper Group means the total level of risks that the Luka Koper Group is willing to assume

within its risk-taking capacity in order to achieve its strategic goals and fulfil its business plan. In order to take advantage of the opportunities to achieve its strategic goals while following the highest standards of sustainable development in making current business decisions and running day-to-day operations, the Luka Koper Group is ready to accept risks that are assessed as moderate at best after taking appropriate measures, however:

33 GRI 2-16, 2-23, 2-25

- It is not willing to take risks that could result in serious and fatal injuries to persons and/or high negative impacts on the environment and property;
- It is not willing to take risks arising from breaches of international regulations, national legislation, standards and internal regulations, with an emphasis on compliance with legislation and regulations on security, personal data protection, environmental protection, occupational safety and the prevention of corruption. The operations of the Luka Koper Group are based on the values and principles that oblige us to respect ethical and professional standards.

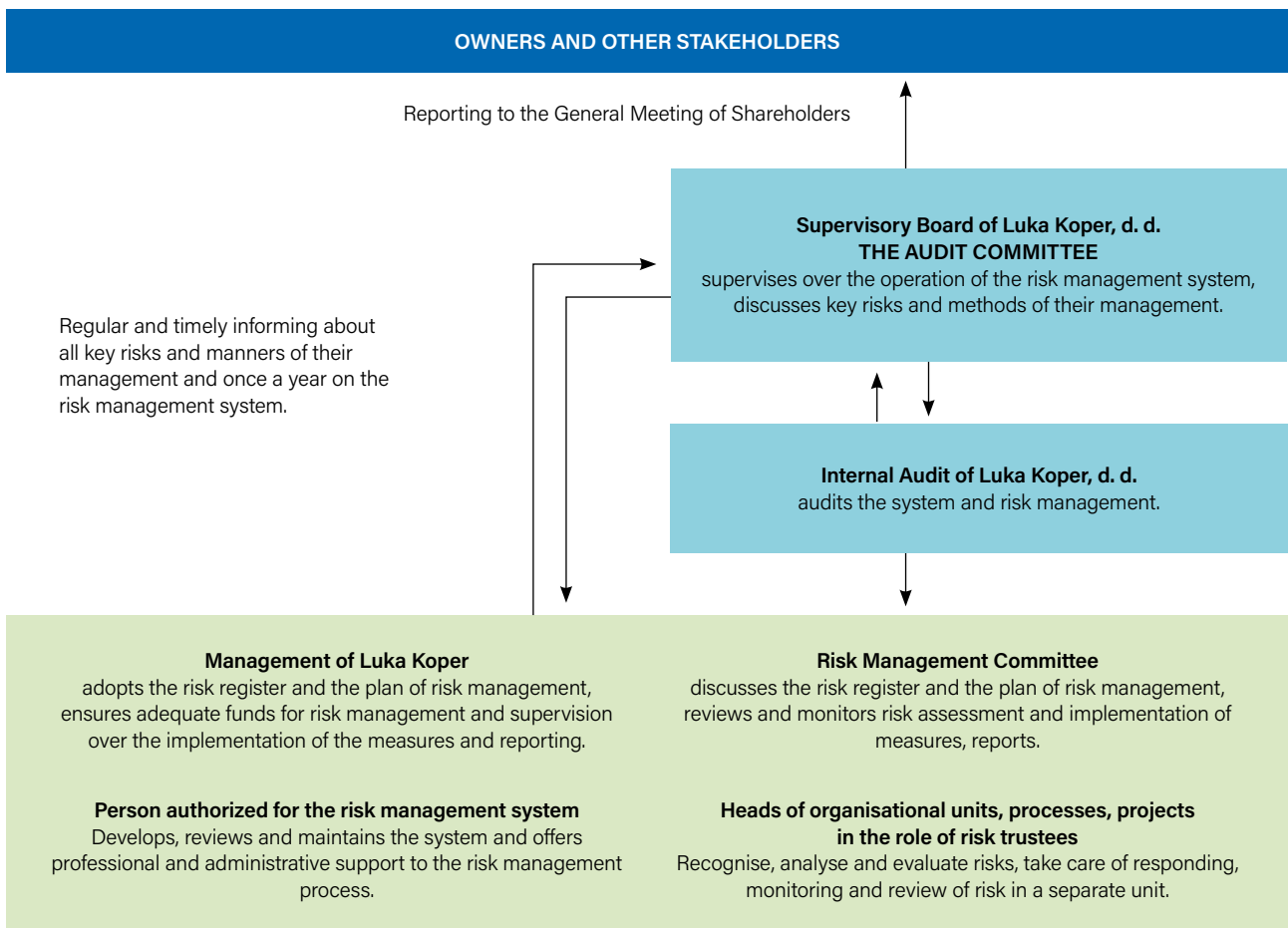
It has a low appetite for financial risks associated with long-term financial stability and for unexpected negative effects stemming from changed market interest rates. The Group must maintain an appropriate level of liquidity and solvency in order to meet its obligations and meet its commitments to banks.

According to the internal documents of the management system, the unwillingness to assume these three types of risks is demonstrated by assessing the probability as 'very rare' and 'rare'. The Risk and Opportunity Management Committee, the Risk and Opportunities Management Officer, the Internal Audit Department, the Compliance Officer,

the Corporate Integrity Officer and other competent departments regularly monitor the compliance of the risk profile with risk appetite and keep the Management Board, the Audit Committee and the Supervisory Board informed through reviews and reports. If the risk appetite is found to be exceeded, proposals for measures to revert the operations to an acceptable level of risk shall be prepared.

14.1 Key roles and responsibilities in the risk and opportunity management system³⁴

The key roles and responsibilities in the risk and opportunity management system have not changed in relation to the preceding year. Risk managers assess risk and opportunities on a quarterly basis and monitor the effects of risk reduction methods. Risk analysis and evaluation by the Risk Manager is carried out whenever risk measures are implemented and when significant changes in the external and internal environment are detected. Based on their findings, the Risk Management Officer reports to the Risk Management Committee, which meets quarterly, and additionally if necessary. The Risk Management Officer and the members of the Committee shall be appointed by the Management Board of Luka Koper, d. d. Risks are reported quarterly to the Management Board and the Audit Committee of the Supervisory Board.



34 GRI 2-13, 2-16

14.2 General risk assessment

The average assessment of residual risk after the measures taken was 7.0 (moderate risk) at 31 December 2023. Risks with the highest risk scores arise from the external environment. The company cannot fully manage these risks with various response methods, however, with the measures taken on the expenditure and revenue side, it reduces the probability and consequences of materialisation.

Risks identified at the first level fall into four main groups. At the second level these are divided into individual topic-related sub-groups. Despite the implemented measures, four risks remain identified as material. The average assessment of residual risk is the highest in the case of strategic risks (9.4) because there are certain risks that the Company cannot manage alone with its measures as they originate in external factors (e.g. deterioration of the economic situation,

government-owned infrastructure, shipowners and logistics operators entering the ownership of terminals in nearby ports). Operational risks with the average score of 6.3 are the largest group in terms of number, including a wide and diversified range of risks (e.g. safety at work, damage to cargo and equipment, information risk). Compliance risks have an average residual risk score of 7.6, representing a smaller set of risks, mainly related to environmental and labour legislation. Financial risks are currently evaluated as posing the smallest threat (4.0), as the company has low indebtedness, a small share of defaulters, secured receivables, and low exposure to foreign currencies. The Luka Koper Group also includes environmental, social and governance aspects (ESG) in its risk register. Due to the nature of its business, the largest number of identified risks are related to environmental aspects. Key risks, assessed according to the residual risk, and the methods of their management are presented in more detail below.

Risk chart of the Luka Koper Group based on the residual risk assessment



14.2.1 Strategic risks

According to their content, strategic risks are of the type that can jeopardize the achievement of set goals. Strategic risks result from the mutual incompatibility of strategic objectives, the business strategy adopted to reach them, the availability of funds for reaching the set objectives, the ownership structure, and the general economic situation.

Strategic risks include the risks of loss of throughput and reduction of revenue due to macroeconomic and geopolitical conditions. The macroeconomic and geopolitical conditions are reported in more detail in Section 13.1 'Forecasts of the economic environment in 2024'.

The impact of the conflict in Israel and Gaza on global supply chains will depend mainly on the escalation and duration of the conflict. Israel is most involved in the electronics (semiconductors), healthcare and defence supply chains. For the Port of Koper, the greatest danger would be the extension of the conflict to Egypt and a possible prolonged

blockade of the Suez Canal, which would jeopardize the entire transshipment on the Koper-Far East route, especially the container terminal, the car and Ro-Ro terminal, and the general cargo terminal. The situation in logistics and supply chains in 2024 has been further worsened with the start of the Red Sea attacks, affecting all stakeholders in logistics and the final customers of goods in industrial production who depend on maritime transport through the Suez Canal. Customers from Austria, Czechia and other Central European markets could be diverted to Northern European ports in the event of a prolonged conflict. Due to the diversion of ships around Africa, some shipping services from the Far East experienced delays in the arrival of ships due to a longer transit time - on average by 10 to 14 days - and the delay also indirectly affects ships that transport cargo in the Mediterranean via transshipment ports.

The Russia-Ukraine conflict has no significant impact on the Company's strategic orientations and objectives. Due to the small scale of operations in the affected region and the consequent low exposure to it, the aggravating circumstances

do not have a material impact on the Group's operating result. There has been no impact on the employees of the Luka Koper Group as the Group has no representatives in the affected regions.

The Group also faces market risks arising from a highly competitive environment and the entry of shipowners and logistics operators into the ownership of nearby port terminals, which may lead to a redirection of part of the cargo to be transhipped. Neighbouring ports also pay considerable attention to boosting competitiveness in rail connections. In recent years, warehousing capacities have been developed in the vicinity of the Port of Koper, in which mainly freight forwarding companies offer CFS services. These can turn out to be the Port's competitors, especially in the segment of loading and unloading containers. On 7 January 2021, Hafem und Logistik AG (HHLA) finalised the process of purchasing a 50.01-percent share in Piattaforma Logistica Trieste in the Port of Trieste. The transshipment activity in the general cargoes, Ro-Ro and container segment will be performed by HHLA PLT Italy. The Management Board of the Port of Rijeka Authority has decided that for the next 50 years, APM Terminals/Enna Logic, owned by the shipping company AP Moller – Maersk, will be the concessionaire of the container terminal. These risks are managed by increasing capacities, constructing the second railway track, and implementing envisaged process improvements through various projects. In 2024, investment projects will continue to be implemented, aimed primarily at increasing the capacity of the container terminal, the car terminal and the general cargo terminal. Nevertheless, the major risk associated with the realisation of investments remains, as an intense investment cycle is planned in the coming period. In this regard, the emphasis will have to be on obtaining approvals in due course for the next set of strategic investments. The risk of delays is also posed by the repetition of procurement procedures arising from overruns in the value of the funds secured due to the rise in the prices of certain raw materials. The identified strategic risks include the risk of not achieving the digital transformation objectives. The risk of timely delivery of investment and other projects is managed through project management and a new Project Office unit established at the end of 2023, as well as continuous training of staff in various fields.

The main strategic risks stemming from the external environment remain the obsolescence and insufficient capacity of the existing railway network and the possibility of prolonged disruptions on the railway track to the Port of Koper, which could affect further growth in transshipment and the development of the Port of Koper. The construction of the second Divača-Koper railway track will contribute to increasing the capacity and reliability of the rail link to the port, which can only be fully exploited if the railway junction in front of the Port of Koper is upgraded at the same time. In 2024, the working group that took on the implementation of measures of the Transcare study to improve IT support, and perform infrastructure interventions and organisational changes, will continue to work. The share of transshipments leaving the port by road has been increasing since 2018.

The company recognises climate risks, which include the impacts of the company's activities on climate change and the impacts of external climate change on the company's business, which can have a significant impact on the company's financial performance. The highest assessed risks are the transition risk, i.e. the risk of tightening environmental policy requirements at EU and Slovenian level, and the physical climate risk, i.e. the risk of storms and extreme weather events, as their frequency and intensity have been increasing. At the end of 2023, the company adopted the 2024-2028 Strategic Business Plan, setting out its strategic objectives for the green transition and all the key projects to be implemented during this period. Projects are integrated annually into business plans, with business improvement programmes planned in line with the internal documents of the management system. Adapting to the requirements of the EU environmental policy may place additional financial burdens on the Company related to investments in the replacement of equipment and the construction of additional infrastructure. In July 2023, strong winds and rain caused some emergencies in the port. No one was injured during these occurrences. In August 2023, despite the precautions taken, a serious work-related injury occurred during a storm recovery operation (roof removal), when a firefighter was struck by lightning. Additional recommendations from the Maritime Administration are also being taken into account and a set of additional risk management measures is being developed in cooperation with external institutions. Financial impacts and other risks and opportunities for the Company's activities related to climate change are mostly recognised as strategic risks and are presented separately in the sustainability report in the Chapter 19.8.7 'Climate change and opportunities'.

14.2.2 Operational risks

Operational risks cover a wide range of the company's operations. A large portion of this comprises risks, the realisation of which is reflected in injuries to people and/or impacts on the environment and property.

Risks related to occupational safety are managed by preventive measures based on workplace risk assessment, training and verification of knowledge, consistent use of personal protective equipment, defined and communicated technological procedures and working instructions that are regularly updated, development of suppliers, continual measurements of workplace conditions, and regular medical examinations. Other measures reducing risks of damage or injury include new investments in modern equipment, regular maintenance of work equipment and infrastructure, and regular measurements of impacts on the environment. Any negative impacts arising from an industrial accident are managed through periodic fire risk assessments, the implementation of recommendations resulting from external and internal inspections and the establishment of its own fire department. The financial consequences of potential events are mitigated by appropriate insurance policies. The plan for 2024 contains an upgrade the information system

for recording and handling extraordinary events in the port, which will enable further processing of events by subject-specific experts, event research, taking action, statistical processing and systematic monitoring of indicators.

Purchase risks related to changes in the prices of key purchasing materials are managed by electricity futures leases, by determining fixed purchase prices for the duration of the contract, harmonising sales prices with the inflation rate, implementing measures to increase the efficient use of energy and systematically increasing own electricity production through solar power plants on buildings. Risks related to the maintenance and ensuring the smooth operation of processes related to the transshipment of goods are managed centrally in the maintenance department within the area of investments, namely through annual and, in certain segments, multi-annual planning, the implementation of maintenance work and preventive inspections, with a central warehouse for spare parts and timely deliveries of spare parts. The risk of insufficient port flow is controlled by a gradual transition to paperless operations in accordance with the adopted 2024-2028 Strategic Business Plan. On the basis of a traffic study carried out in 2023, proposals for investment projects and measures to restrict access to the port will be prepared. Adequate use of labour force is ensured through the appropriate allocation of workers between the profit centres, and information systems for planning and monitoring the port's operational work are being upgraded.

The risk of information security is also shown among the operational risks, but following the measures and control activities taken, it is assessed as moderate, and considered to be managed to an acceptable level. Given the importance of this area, identified by the GRI materiality analysis, the way in which these risks are managed is presented in Chapter 28 'Information Systems Security'.

14.2.3 Financial risks

Financial risks are those that affect the viability of the planned financial categories, primarily the planned future cash flows, and are usually controlled in the process of asset and liability management.

The Group does not currently identify financial risks as key risks; however, the highest rated risk among all financial risks is the fair value risk. As at 31 December 2023, 7.8 percent of the Group's assets were invested in financial investments measured at fair value. Due to the strategic orientation of investing in the development of core business, the Group's portfolio management only involves managing the existing assets. The Group manages this risk by monitoring the situation in the financial markets and their impacts on the portfolio, while active management brings high return on investment.

Management of the fair value risk and other financial risks that include the interest rate risk, liquidity risk, foreign exchange risk, credit risk and risk of adequate capital structure

are assessed as moderate, less important or even irrelevant. Control of these risks is presented in detail in the Accounting Report of Luka Koper, d. d., Note No. 32: 'Financial instruments and financial risk management'.

14.2.4 Compliance risks

In September 2023, the EU adopted Regulation 2023/1805 of the European Parliament and of the Council on the use of renewable and low-carbon fuels in maritime transport, and amending Directive 2009/16/EC, and simultaneously repealed Directive 2014/94/EU (Directive on the deployment of alternative fuels infrastructure). The new Regulation requires EU Member States to ensure a minimum on-shore power supply for container ships and cruise ships in ports by 31 December 2029 at the latest. Luka Koper, d. d., and ELES, d. o. o. are carrying out procedures to obtain spatial-environmental and project documentation for the elaboration of a national spatial plan for the Luka Koper substation and the connecting line to the port, which are necessary for the supply of electricity to ships.

When the Decree on limit values for environmental noise indicators is reconsidered, there is a risk that ships will be redefined as a source of noise in the harbour or that lower limit values will be set, which may result in an inability to comply with the legislative requirements. The risks associated with excessive noise are managed through a noise reduction action plan, which includes a gradual switch to electrically powered technological equipment. As at 1 January 2023, the company has a voluntary Environmental Ship Index (ESI) scheme, which ports use to attract more ships with state-of-the-art engines and cleaner propulsion systems, or to reduce atmospheric emissions by rewarding cleaner and more environmentally friendly ships through lower port dues.

In 2024, activities will probably be concluded that are necessary to ensure compliance with the Rules on Explosion Protection (Official Gazette of the Republic of Slovenia, No. 41/2016). The Rules specify the requirements to be met by equipment and protective systems intended for use in potentially explosive atmospheres. These are mainly used at the bulk and liquid cargo terminal.

With the adoption of the Environmental Protection Act (ZVO-2), which entered into force in April 2022, the deadlines for adapting to the new requirements started to run. The company prepared a plan and started implementing activities to adapt operations to all the additional requirements.

The risk of insufficient areas for disposal of marine sediments or sludge from dredging and seabed maintenance is also recognised. On the basis of the Decree on the Maritime Spatial Plan Slovenia, Luka Koper, d. d., carries out all the necessary activities to carry out a test transfer of sludge with the long-term goal of moving the materials excavated during the seabed dredging back into the sea in the future. This is a sustainable approach, which is also used by other

ports around the world, and will allow the port to continue to develop and adapt its infrastructure to accommodate larger and larger ships with greater draughts, in line with global trends in maritime transport. On land, the construction of cassettes for the disposal of sludge is foreseen in the area of the Ankarana bonifika, which is also earmarked for port expansion under the National Spatial Plan. The necessary documentation for these interventions is being prepared.

The risk of compliance with labour legislation is managed by regular monitoring of changes in legislation, the imple-

mentation of these changes in the systems and processes of the Luka Koper Group, and in the event of any identified non-compliance, remedial measures are prepared and implemented in dialogue with the trade unions and the other social partners.

In the area of fraud and corruption risk, Luka Koper d. d., started the implementation of the ISO 37001:2016 Anti-Bribery Management System standard in 2023, which was completed in the first quarter of 2024. The system is described in more detail in Chapter 27 'Corporate Integrity and Compliance, Protection of Personal Data and Human Rights'



15 The LKPG Share³⁵

Risk and oppThe share of Luka Koper, d. d., is listed on the Ljubljana Stock Exchange, Prime market, under the symbol LKPG. At the end of 2023, it closed trading at 30.2 percent higher than the previous year-end. On the last trading day of 2023, the price per LKPG share was EUR 32.3.

As at 31 December 2023, 8,963 shareholders were entered in the shareholder register, which was 162 more than in 2022. The Republic of Slovenia remains the largest shareholder.

Ten major shareholders as at 31 December

Shareholder	Number of shares as at 31 Dec 2023	Ownership interest as at 31 Dec 2023	Number of shares as at 31 Dec 2022	Ownership interest as at 31 Dec 2022
Republic of Slovenia	7,140,000	51.00%	7,140,000	51.00%
Slovenski državni holding, d. d.	1,557,857	11.13%	1,557,857	11.13%
Kapitalska družba, d. d.	696,579	4.98%	696,579	4.98%
Municipality of Koper	439,431	3.14%	439,431	3.14%
OTP Banka, d. d. – fiduciary account	372,231	2.66%	289,966	2.07%
Citibank N.A. – fiduciary account	259,290	1.85%	309,274	2.21%
Hrvatska poštanska banka, d. d. – fiduciary account	150,082	1.07%	150,182	1.07%
Zagrebačka banka, d. d. – fiduciary account	131,318	0.94%	131,374	0.94%
Raiffaisen Bank International AG	75,100	0.54%	133,236	0.95%
RA-projekt.si, d. o. o.	45,812	0.33%	45,812	0.33%
Total	10,867,700	77.63%	10,893,711	77.81%

Ownership structure of Luka Koper, d. d., as at 31 December

Shareholder	Number of shares as at 31 Dec 2023	Ownership interest as at 31 Dec 2023	Number of shares as at 31 Dec 2022	Ownership interest as at 31 Dec 2022
Republic of Slovenia	7,140,000	51.00%	7,140,000	51.00%
Individuals	2,478,239	17.70%	2,389,601	17.07%
Slovenian Sovereign Holding	1,557,857	11.13%	1,557,857	11.13%
Fiduciary accounts with banks	1,049,117	7.49%	1,008,891	7.21%
Kapitalska družba	702,568	5.02%	702,568	5.02%
Legal entities	468,085	3.34%	447,664	3.20%
Municipality of Koper	439,431	3.14%	439,431	3.14%
Foreign banks	75,100	0.54%	147,238	1.05%
Mutual funds	74,266	0.53%	136,004	0.97%
Brokerage companies	10,462	0.07%	10,462	0.07%
Banks	4,359	0.03%	15,939	0.11%
Foreign legal entities	516	0.00%	4,345	0.03%
Total	14,000,000	100.00%	14,000,000	100.00%

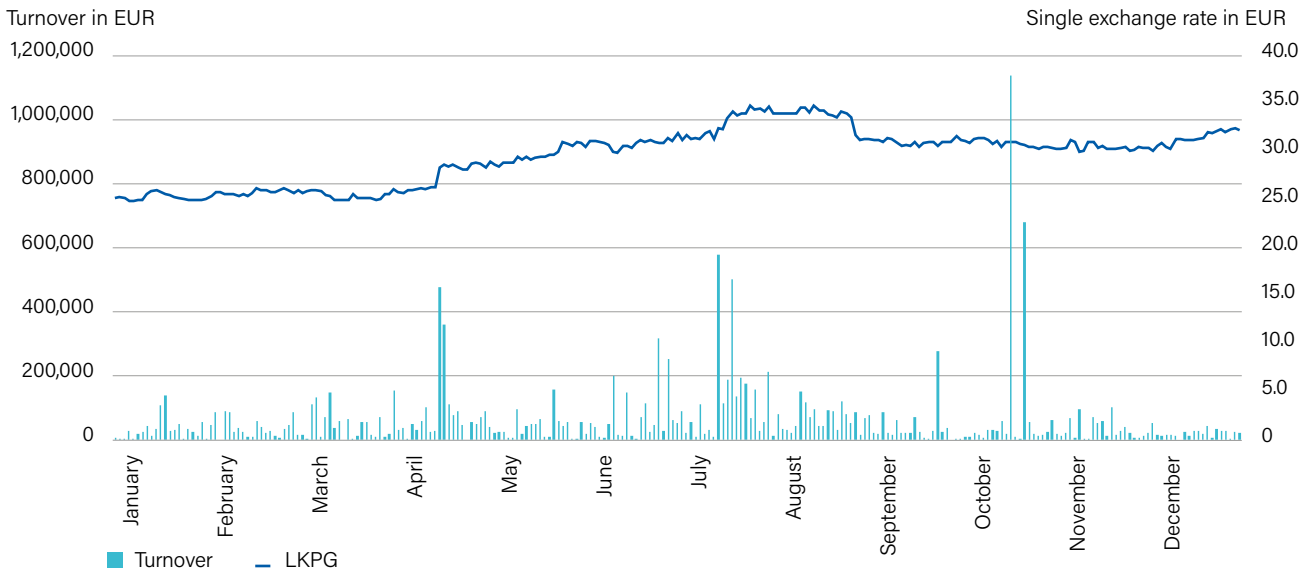
35 GRI 2-1, 2-9

15.1 Share trading

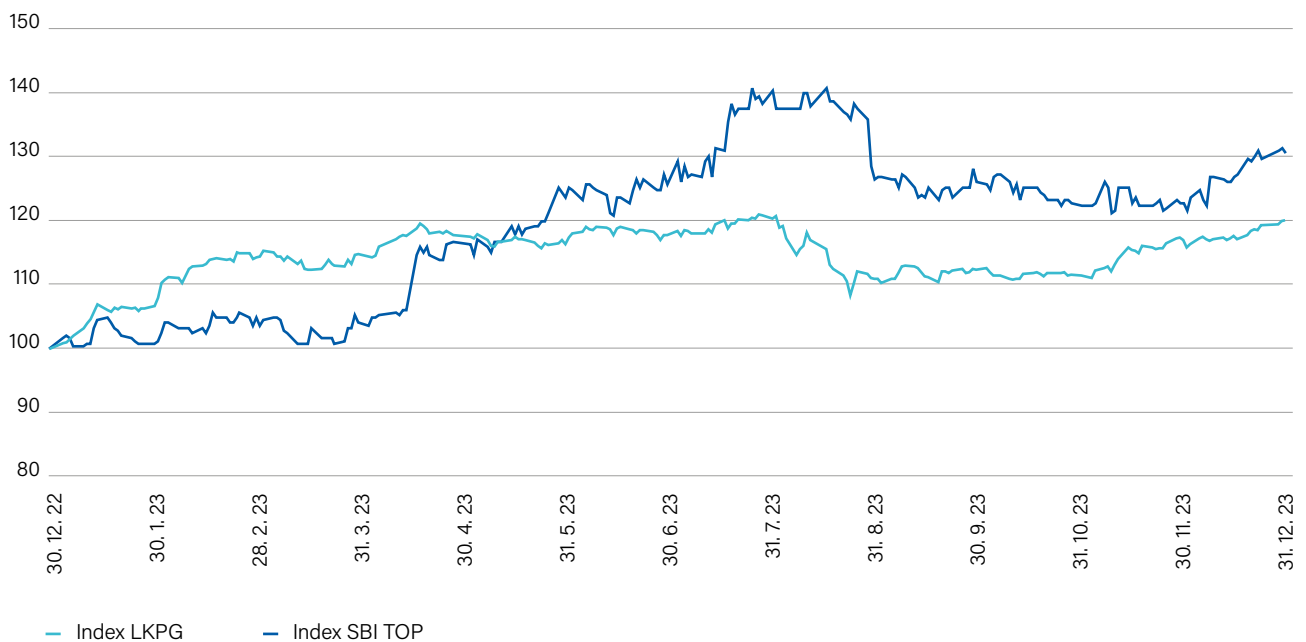
The average daily price of the Luka Koper, d. d., share amounted to EUR 29.58 in 2023. During the year, its value fluctuated between EUR 24.90 and EUR 34.80. The highest market price of the share was EUR 35.00 and the lowest EUR 24.20. Market cap of Luka Koper, d. d., shares as at 31 December 2023 was EUR 452,200,000.

In 2023, the total number of stock-exchange transactions and deals with lots for the LKPG share was 2,570. Total turnover in the period amounted to EUR 14,840,279, whereby 494,856 shares changed owners.

Changes in the daily LKPG share and daily turnover in 2023



Movement of the SBI TOP index and the LKPG index in 2023



Key data on the LKPG share

	2023	2022
Number of shares	14,000,000	14,000,000
Number of ordinary no-par value shares	14,000,000	14,000,000
Share price on the last trading day (in EUR)	32.30	24.80
Book value per share as at 31 Dec (in EUR) ³⁶	36.10	34.30
Price-To-Book (P/B Ratio) ³⁷	0.89	0.72
Earnings per share (EPS) (in EUR) ³⁸	3.89	5.23
Price-to-earnings ratio (P/E ratio) ³⁹	8.30	4.74
Market cap as at 31 Dec (in EUR million) ⁴⁰	452.20	347.20
Total share turnover (in EUR million)	14.84	17.93
Dividend per share (in EUR) ⁴¹	2.50	1.14
Dividend yield (in %) ⁴²	7.74	4.60

15.2 Dividend policy

In August 2023, the Company's Management Board and Supervisory Board adopted the Company's dividend policy, in line with which the Company aims to balance shareholders' expectations of reasonable dividend yields and the Company's aspiration to use its accumulated profit to finance its development and sustainability plans, thereby ensuring the long-term success and stability of its business.

The dividend is based on the sufficient amount of the company's accumulated profit. The company's Management Board and Supervisory Board propose, as a rule, that up to 50 percent of the net profit be used to pay out dividends. Any remaining accumulated profit is expected to remain unallocated.

15.3 Cross-linkages with other companies

As at 31 December 2023, Luka Koper, d. d., did not hold an interest of at least 5 percent in any company which owns shares of Luka Koper, d. d. The shareholders holding at least 5 percent of the LKPG shares are the Republic of Slovenia (51.00 percent) the Slovenian Sovereign Holding (11.13 percent).

Pursuant to Article 48a of the Book-Entry Securities Act, Kapitalska družba, d. d., in 2022 became the holder of an additional 5,989 LKPG shares, which otherwise do not have voting rights and are kept in a separate account in KDD. Thus, Kapitalska družba, d. d., holds a total of 702,568 LKPG

shares, representing 5,02 percent of the Company's total issued shares, but its ownership share, which guarantees voting rights, remains unchanged, i. e. 4.98 percent.

15.4 Shares owned by Members of the Supervisory Board and the Management Board

	Shareholder	Ownership 31 Dec 2023
Supervisory Board	Rok Parovel, Member of the Supervisory Board	8

	Shareholder	Ownership 1 Jan 2024
Management Board	Gorazd Jamnik, Member of the Management Board	10

As at 31 December 2023, other Members of the Supervisory Board and the Management Board held no shares of the Company.

15.5 Own shares, authorised capital, conditional capital increase

As at 31 December 2023, Luka Koper, d. d., held no own shares. The applicable Company's articles of association do not provide for categories of authorised capital up to which

³⁶ Book value per share = equity / number of shares.

³⁷ Price-To-Book (P/B Ratio) = closing price / book value of the share.

³⁸ Earnings per share (EPS) = net earnings / number of shares.

³⁹ Current share price to earnings per share (P / E) ratio = closing price / earnings per share (EPS).

⁴⁰ Market capitalization = closing price * number of shares.

⁴¹ Dividend per share = balance sheet profit used to pay dividends / number of ordinary shares.

⁴² Dividend yield = dividend per share / closing price

the Management Board could increase the share capital. The Company also had no basis for conditional increase in the share capital.

15.6 Rules on restrictions on trading and presentation of trading in shares of the Company and related parties

According to the recommendations of the Ljubljana Stock Exchange, Luka Koper, d. d., adopted the Rules on Trading in Issuer's Shares, which is an additional guarantee to keep the interested public equally informed on all significant business events, and is an important element in strengthening the confidence of investors and the reputation of Luka Koper. The purpose of the Rules is to enable the persons subject to it trading in shares of the Company and to prevent any possible trading based on insider information. At the same time, the Rules enable mandatory reporting on the sale and purchase of the Company's shares to the Securities Market Agency in accordance with the law.

15.7 Communications with investors

Luka Koper, d. d., communicates with its investors regularly and keeps them informed on Company news through various communication tools and channels:

MEETINGS WITH INVESTORS

Each year, the company participates in meetings with investors organised by the Ljubljana and Zagreb Stock Exchange, which take the form of individual meetings. Information for investors is available at <https://luka-kp.si/eng/lkpg-share>.

WEBSITE

A special chapter on the website headed "For Investors" is devoted to shareholders and investors; there, they can find up-to-date information regarding the LKPG share, ownership structure, current interim, annual and past operating reports, information published on SEO-net, material for General Meetings of Shareholders, and answers to most frequently asked questions regarding shares.

SEOnet

Pursuant to legislation, shareholders and the public are kept informed of operational results and all important business events in a timely manner via SEO-net, an electronic media outlet of the Ljubljana stock exchange; whilst information is also provided to shareholders and investors through other communication channels.

PORT BULLETIN

Each month, brokerage companies and analysts are sent a copy of the Port Bulletin, which also covers other issues related to operations of the company and developments in the port.

PORT SHAREHOLDER

Once a year, in the period prior to the General Meeting of Shareholders, Luka Koper, d. d., issues the Port Shareholder,

a publication focusing on business results of the previous year, which is sent to all the shareholders.

CONTACT PERSON:

Rok Štemberger
Investor Relations
Phone: (00) 386 (0)5 66 56 140
E-pošta:rok.stemberger@luka-kp.si

15.8 Calendar of relevant publications in 2024

Periodic publications and other price sensitive information will be published on the Ljubljana Stock Exchange website via the SEO-net electronic information system (www.ljse.si) and on the website of Luka Koper, d. d., <https://www.luka-kp.si/en/investors/financial-calendar/>. Any changes to expected dates of individual releases will be duly communicated through our website.



2

SUSTAINABILITY REPORT

Luka Koper's commitment to sustainable development is a guarantee that its future development will be friendly to local residents, the natural environment, and its employees.

2023 Highlights

19.1 hours training/
employee in the Luka Koper
Group

2.6 turnover rate in the
Luka Koper Group



Green Transition Strategy
updated

EMAS certified obtained

Renewed agreement with
the Koper Municipality on
the **implementation of
mitigation measures**

Moving to **training with
digital tools**

ISO 37001 'Anti-bribery
management systems'
standard implemented

16 On the Sustainability Report

16.1 Non-financial statement

The sustainability report of Luka Koper, d. d., and the Luka Koper Group meets all the terms determining the publication of a non-consolidated and consolidated non-financial statement. In line with the Companies Act (ZGD-1), the Sustainability Report of Luka Koper, d. d., and the Luka Koper Group for 2023 takes into account the requirement to publish a statement on non-financial operations as set out in the provisions of Article 56, paragraph 12, and Article 70c of the Companies Act. The Sustainability Report of Luka Koper, d. d., and the Luka Koper Group also complies with the requirements of the 'Guidelines on non-financial reporting (methodology for reporting non-financial information)', which were adopted and published in the Official Journal of the European Union in July 2017, and follows the provisions of the 'Directive on disclosure of non-financial and diversity information by certain large undertakings and groups' and provisions of the 'Taxonomy Regulation' (EU) 2020/852.

16.2 Sustainability report according to ESG sustainability aspects

The Sustainability Report of Luka Koper, d. d. and the Luka Koper Group covers the management of impacts according to ESG sustainability aspects:

E (environment) - the environmental aspect of sustainable development

S (social) - the social aspect of sustainable development

G (governance) - the governance aspect of sustainable development

ESG is the collective name for a set of standards that companies use to assess their relationship with the environment, society and the governance of their organisation.

Environmental standards show the company's attitude to environmental protection. Corporate social responsibility demonstrates the company's attitude towards its stakeholders. Governance refers to the management, good practices, control mechanisms and ethical conduct of business.

Luka Koper, d. d. and the Luka Koper Group manage ESG factors through the Global Reporting Initiative (GRI) standards and by pursuing the United Nations Global Sustainable Development Goals.

16.3 Sustainability report according to GRI Sustainability Reporting Standards⁴³

The 2023 report has been prepared in accordance with the GRI Global standards for sustainability reporting, specifically, the revised standards (Foundation 2021), effective from 1 January 2023. In devising the report and defining the material content, the following was used:

- **UNIVERSAL STANDARDS**
 - GRI 1: Foundation 2021: Requirements and principles for reporting in accordance with the GRI Standards.
 - GRI 2: General disclosures: Disclosures about the organisation.
 - GRI 3: Material Topics: Disclosures about the organisation's material topics.
- **TOPIC STANDARDS**
 - GRI 201 to 418: chosen standards according to the organisation's defined material topics.

Reporting refers to the Luka Koper Group. For certain topics that have not yet been implemented at Group level, it is stated specifically to which company or companies of the Group they apply. Data has not changed from previous reports. The changes with respect to 2022 relate to changes in the ownership of Adria Investicije, d. o. o. (reported in detail in Section 7.2 'Organisation of the Luka Koper Group and associates') and changes in the management of the company (reported in detail in Section 4.6 'The Management Board of Luka Koper, d. d.').

16.3.1 Principles of sustainable reporting

In collecting data and composing the 2023 Sustainability Report, the following reporting principles were taken into account:

- Accuracy,
- Balance,
- Clarity,
- Comparability,
- Perfection,
- Sustainable context,
- Timeliness,
- Verifiability.

⁴³ GRI 2-4

16.3.2 Reporting periods⁴⁴

The Luka Koper Group has been reporting on sustainability on an annual basis since 2000, with the first GRI-compliant sustainability report being produced for the 2017 financial year. The Sustainability Report is prepared each year for the same reporting period as the business report and financial statements, i.e., for the calendar year starting on 1 January and ending on 31 December. The preceding sustainability report was prepared for 2022 and made public on 14 April 2023. The 2023 report is prepared in accordance with the revised GRI standards (Foundation 2021). In the spirit of commitment to sustainable development, the Luka Koper Group has upgraded the contents of the 2023 sustainability report regarding the recognised materiality and will continue to do so in the future. The 2023 Sustainability Report will be made public in the context of the 2023 Annual Report on 18 April 2024. The GRI organisation will also be informed about the publication of the Sustainability Report for 2023 in April 2024.

Contact point

The Sustainability Report is part of the 2023 Annual Report of the Luka Koper Group and is available at:

<https://luka-kp.si/eng/annual-reports>

Additional information on sustainability activities is available at:

www.zivetispristaniscem.si

Contact person for information on the Sustainability Report:

T: +386 5 665 61 00
E: zsp@luka-kp.si

16.3.3 How to approach the Sustainability Report

Background information on the report is presented in the first chapters of the Sustainability Report, while information on the Luka Koper Group is presented in Chapter 7, 'Presentation of the Luka Koper Group and description of the business model', which puts the Group in a broader sustainability context and outlines its sustainability management. In subsequent chapters, the Luka Koper Group reports on its operations in important areas of sustainable development in 2023 on the basis of the previously identified material topics. The GRI indicator number in the footer connects GRI indicators with the text.

16.3.4 External verification of sustainability report⁴⁵

In March 2023, Luka Koper, d. d., concluded a three-year contract for the external verification of the sustainability report with SIQ Ljubljana, an independent institution that is not connected to Luka Koper, d. d. The sustainability report for the year 2023 was thus submitted to SIQ Ljubljana for external verification of reporting in accordance with the GRI standards (Foundation 2021). The recommendations of the GRI external audit from 2023 were taken into account in preparing the 2023 report. SIQ Ljubljana issues a verification report on the verification of the sustainability report with a declaration forming part of this report. The management of Luka Koper, d. d., was not involved in the external verification of the sustainability report.



⁴⁴ GRI 2-3

⁴⁵ GRI 2-5



Sustainability Report Assurance Statement

Objective and scope of assurance

In accordance with the current GRI Sustainability Reporting Standards, SIQ Ljubljana (hereinafter SIQ) was engaged by **Luka Koper, d.d.**, Vojkovo nabrežje 38, 6000 Koper, Slovenia, to conduct an independent external assurance of the "Annual Report 2023, Luka Koper Group and Luka Koper, d.d." (hereinafter Report). The objective was to assure interested parties of Luka Koper, d.d. and the Luka Koper Group, that the presented Report accurately, reliably, and comprehensively reflects the reported information on sustainable development within the company and the Group. The scope was limited to assessing the performance and quality of information included in the report for the reporting period of the calendar year 2023, aligning with the disclosures of the GRI standards (Consolidated Reporting Standards on Sustainable Development, including all applicable versions for reports published in 2024).

Limitations

The Report refers to the Luka Koper Group and the parent company Luka Koper, d.d. to the extent and limitations as detailed in Chapter 16.3 and in individual disclosures within the Report. While it is a joint report, certain disclosures pertain solely to either parent company Luka Koper, d.d. or the Luka Koper Group. Stakeholders contributed to the materiality analysis via an online survey resulting in 52 questionnaires (25 % response). Luka Koper, d.d. conducted a materiality analysis based on these results, culminating in a Materiality Matrix outlined in Chapter 17.5. The methodology for determining material content is described in Chapter 17 of the Report, comprising four steps. As the graphic design of the Report was in progress at the time of the assurance, we assured the accuracy of references to various chapters and pages of the Report in force at the time of the assurance (March 18, 2024) in the GRI Table of Contents (Chapter 29).

Methodology

Stakeholders did not participate in the assurance process, as this was not requested by the contracting authority. The assurance process entailed reviewing the Report of the company and the Group, conducting interviews with the responsible company representatives, and assurance with respect to the documentation and other company data. SIQ used a high level of reliability approach throughout the process, focusing on the areas it considers to be the most important for Luka Koper d.d., Luka Koper Group, and its stakeholders. The data in the financial statement were not audited.

Responsibilities and Independence

Management of Luka Koper, d.d. and the Luka Koper Group is responsible for the data presented in the Report and for setting assessment criteria. It is also responsible for collecting, classifying, and certifying data, and for reporting. SIQ and its representatives were not involved in processing and presentation of the Report. The SIQ representatives are responsible for the independent assurance of the Report's compliance with the GRI Standards and the actual state. The evidence obtained are sufficient and appropriate as a basis for the preparation of this assurance statement, included in the Report.

Conclusions

The Report was examined to ensure compliance with reporting standards and principles, including mandatory disclosures as GRI 1 basics and report quality, GRI 2 general disclosures and GRI 3 determination of material topics, list of material topics and management of individual material topics. Within the scope of the assurance, various reported GRI thematic indicators were evaluated, the company determined 18 specific standard areas in its Report, as part of the materiality analysis. Disclosures concerning management approaches and performance indicators confirm the sustainability-oriented nature of both the parent company and the Luka Koper Group.

Based on our independent assurance engagement, no issues were identified to indicate non-compliance with GRI Standards or lack of credibility in the reported information regarding the management systems and sustainable operations of Luka Koper, d.d., and the Luka Koper Group for the defined reporting period. Considering the above limitations and assurance methodology, we confirm that the Report, including environmental, social and management performance, meets the requirements of the GRI Sustainability Reporting Standards. By opting for independent external assurance of the Sustainability Report for the parent company and the Luka Koper Group, the management of Luka Koper, d.d. underscores the significance of sustainable development, contributing to the establishment of internationally comparable best practices in sustainable development reporting. Sustainable development aligns with strategic objectives outlined in Luka Koper Strategic Guidelines.

Recommendations

During the assurance process, several opportunities were identified for enhancing operations and reporting in sustainable development, detailed in a separate Assurance Report OSV 00325/2024.

Ljubljana, 18th March 2024

Ana Margetič
Management Systems Assessment SIQ



Gregor Schoss
Director SIQ

17 Process to determine material topics⁴⁶

In line with the requirements of the GRI Standards, in 2023, Luka Koper reviewed the material topics identified in the 2022 Annual Report and took into account the changes in impacts in the four steps of the material topic identification process:

- Step 1: Understand the organisation's context
- Step 2: Identify actual and potential impacts
- Step 3: Assess the significance of the impacts
- Step 4: Prioritise the most significant impacts for reporting

Luka Koper documented the process of determining the material topics of reporting in the 2023 Annual Report and the identified changes in impacts compared to 2022. The Management Board, which approved the 2023 set at its meeting on 12 December 2023, and the Supervisory Board, which approved the 2023 set at its meeting on 18 December 2023, were also involved in the process of defining the material topics of reporting and the set of identified impacts and material topics to be reported.

17.1 Step 1: Understand the organisation's context

As part of understanding the organisation's context, the following was done:

- Overview of the organisation's activities,
- Review of business relationships,
- Overview of the sustainability context,
- Review of stakeholders.

17.1.1 Stakeholders of Luka Koper⁴⁷

Luka Koper is all the people in any way connected to the port.



With its activity, the port of Koper affects various groups of people who, in turn, themselves affect the port's operation. Stakeholders of Luka Koper are defined and recognized in the Corporate Governance Policy of Luka Koper, d. d., which is available on the website Corporate documents - Luka Koper d. d. (luka-kp.si), and in the framework of individual business processes of the Company.

From the wide range of stakeholders with whom the Luka Koper Group cooperates and develops sustainable relationships, and who are defined in the Corporate Governance Policy of Luka Koper, d. d. and in the framework of the Company's individual business processes, key stakeholders and their ways of involvement in the operations of the Luka Koper Group were identified based on strategic guidelines.

⁴⁶ GRI 2-12, 2-13, 2-14, 2-16, 2-29, 3-1, 3-2

⁴⁷ GRI 2-29, 3-2

Key stakeholders	Communication tools	Frequency of engagement	
SHAREHOLDERS	<ul style="list-style-type: none"> Website SEOnet Gatherings General Meeting Annual report 	<ul style="list-style-type: none"> Investor conferences Port Bulletin Port Shareholder Press conferences 	Upon publishing business reports and, if necessary, upon meetings with the investor audience
CUSTOMERS AND OTHER MEMBERS OF THE PORT COMMUNITY	<ul style="list-style-type: none"> Website TinO business information system Notifications and other service messages Telephone contacts Personal contacts Fairs and conference 	<ul style="list-style-type: none"> Organisation of target business events Customer satisfaction survey Port Bulletin LinkedIn Port Days Gatherings 	Daily communication via networks, if necessary, through personal contacts, survey every two years, Port days once a year, conferences, fairs, target business events
PUBLIC AUTHORITIES	<ul style="list-style-type: none"> Web portals 	<ul style="list-style-type: none"> Reports 	Regularly
SUPPLIERS	<ul style="list-style-type: none"> 'Best Supplier' event 	<ul style="list-style-type: none"> PSP portal 	Daily
EMPLOYEES	<ul style="list-style-type: none"> Survey on employee satisfaction Port Bulletin Quality teams Chat room Intranet Meetings 	<ul style="list-style-type: none"> Gatherings Evaluation of managers Annual interviews Assessment of mutual cooperation between units 	Daily
SOCIAL ENVIRONMENT	<ul style="list-style-type: none"> Port Day "Living with the Port" portal Meetings with representatives of local communities 	<ul style="list-style-type: none"> Social networks Port Bulletin 	Occasionally, as needed
ENVIRONMENTAL ORGANISATIONS	<ul style="list-style-type: none"> "Living with the Port" portal Environmental reports 	<ul style="list-style-type: none"> Expert councils 	Occasionally

Recognised activities of the Luka Koper Group and impact on stakeholders

Activities of the Luka Koper Group	Impact on stakeholders
<ul style="list-style-type: none"> Carrying out cargo handling port operations Carrying out maritime passenger traffic Port management and administration Management and development of port infrastructure not intended for public transport Carrying out public utility service of regular maintenance of the port infrastructure intended for public transport Carrying out public utility service of collecting of waste from vessels Logistics services and distribution Mooring/unmooring of ships Technological and ecological research 	<p>Employees</p> <p>Public authorities</p> <p>Customers, port community</p> <p>Suppliers</p> <p>Environmental organisations</p> <p>Social environment</p> <p>Shareholders</p>

17.2 Step 2: Identify actual and potential impacts

The impacts of the organisation on the economy, the environment and people, including impacts on their human rights, have been identified based on a review of activities, business relationships, sustainability context, recognised

impacts on stakeholders, documents (adopted policies, strategies, codes, regulations, rules of procedure, statements, guidelines, etc.) and information from legal and other reviews, inspections, stakeholder initiatives, complaints mechanisms, risk management and public announcements. The identified impacts included actual and potential as well as negative and positive impacts.

17.3 Step 3: Assess the significance of the impacts

Criteria have been set and impact assessments have been carried out by the company, based on the requirements of the GRI standards. The financial impact was also assessed under the size and breadth of impact criterion.

All impacts were assessed on a scale:

- 1 – low (of little importance)
- 2 – medium (of medium importance)
- 3 – high (of very importance)

17.4 Step 4: Prioritise the most significant impacts for reporting

The assessed impacts were ranked in order of importance from the most to the least important and grouped into topics.

To verify its identified impacts and material topics, the company created an online survey in November 2023 and sent it to just over 210 addresses of its recognised stakeholders. 52 stakeholders responded (approx. 25-percent response).

Key stakeholders	Participation in preparation of sustainability report - survey	Number of completed questionnaires
Shareholders	YES	9 questionnaires completed
Customers and other members of the port community	YES	24 questionnaires completed
Public authorities	YES	3 questionnaires completed
Suppliers	YES	6 questionnaires completed
Employees	YES	2 questionnaires completed
Social environment	YES	4 questionnaires completed
Environmental organisations	YES	4 questionnaires completed

Impacts highlighted by stakeholders

The importance of content increases with colour - the darker the colour, the more important the content.

Impacts	ESG	Shareholders	Suppliers	Social environment	Public authorities	Customers and other members of the port community	Environmental organisations	Employees
Occupational safety and health	S							
Fire, explosion	E							
Wastewater generation	E							
Spills of hazardous substances	E							
Waste management	E							
Dust emissions into the atmosphere	E							
Noise emissions	E							
Energy consumption	E							
Business compliance and corporate integrity, compliance with laws	G							
Marine pollution	E							
Information Systems Security	G							
Human rights, discrimination and diversity	G							
Dispersal of material outside the port	E							
Risk of serious injury at work	S							
Drinking water consumption	E							
Inability to provide (timely) services to customers (IT system downtime, delays in service delivery, weather restrictions, strikes, etc.)	S							
Employee engagement	S							
Leadership continuity (too frequent changes in the company management)	G							
Reliability and quality of Luka Koper's service (focus on the customer, partnership relationship, resolution of complaints)	S							
Impact on biodiversity	E							
Minor injuries at work	S							
Radioactive and electromagnetic radiation	E							
Economic value created and distributed and employment in activities indirectly influenced by the Luka Koper Group (pilotage, towage, ship supply, ship maintenance, maritime agents, control houses, freight forwarding, transport, public administration services...)	G							
Light pollution	E							
Inability to expand the port area	G							
Procurement of materials and services from suppliers	G							
Digitisation of business (automation and computerisation) Smart port	S							
Occupational diseases	S							
Recruitment in the Luka Koper Group	S							
Training and education of employees	S							
Socially responsible activities (sponsorships, donations, mitigation measures)	S							
Payment of transshipment fee	G							
Motivating employees with minor benefits	S							
Cooperation with educational institutions	S							
Payment of fee for the use of building land	G							
Wages and salaries	G							
Payment of the concession tax	G							
Payment of income tax, taxes and contributions from employee remuneration	G							
Investments in financial instruments	G							
Payment of dividends to owners	G							
Membership fees to associations	G							

17.5 Materiality matrix and identified impacts⁴⁸

Materiality matrix - identified impacts assessed by Luka Koper and by stakeholders, showing changes compared to 2022

Vplivi	ESG	Important for stakeholders 2023	Important for stakeholders 2022	Important for Luka Koper 2023	Important for Luka Koper 2022
Occupational safety and health	S	2.9	2.9	3.0	3.0
Fire, explosion	E	2.8	2.9	2.5	2.0
Wastewater generation	E	2.8	2.7	2.0	2.0
Spills of hazardous substances	E	2.8	2.9	2.0	1.0
Waste management	E	2.8	2.8	3.0	3.0
Dust emissions into the atmosphere	E	2.8	2.8	2.5	3.0
Noise emissions	E	2.8	2.7	3.0	3.0
Energy consumption	E	2.7	2.7	2.5	2.0
Business compliance and corporate integrity, compliance with laws	G	2.7	2.8	3.0	3.0
Marine pollution	E	2.7	2.9	2.5	2.0
Information Systems Security	G	2.7		2.5	
Human rights, discrimination and diversity	G	2.7	2.8	3.0	3.0
Dispersal of material outside the port	E	2.7	2.7	1.5	1.0
Risk of serious injury at work	S	2.7	2.7	3.0	3.0
Drinking water consumption	E	2.7	2.7	2.5	2.0
Inability to provide (timely) services to customers (IT system downtime, delays in service delivery, weather restrictions, strikes, etc.)	S	2.7	2.6	2.0	1.0
Employee engagement	S	2.7	2.7	2.5	2.0
Leadership continuity (too frequent changes in the company management)	G	2.7		2.5	
Reliability and quality of Luka Koper's service (focus on the customer, partnership relationship, resolution of complaints)	S	2.7	2.7	3.0	3.0
Impact on biodiversity	E	2.6	2.7	2.0	2.0
Minor injuries at work	S	2.6	2.5	2.0	2.0
Radioactive and electromagnetic radiation	E	2.6	2.8	2.0	1.0
Economic value created and distributed and employment in activities indirectly influenced by the Luka Koper Group (pilotage, towage, ship supply, ship maintenance, maritime agents, control houses, freight forwarding, transport, public administration services...)	G	2.6	2.6	2.5	3.0
Light pollution	E	2.6	2.7	2.0	1.0
Inability to expand the port area	G	2.6	2.7	3.0	3.0
Procurement of materials and services from suppliers	G	2.6	2.4	2.5	3.0
Digitisation of business (automation and computerisation)	S	2.5		3.0	
Smart port					
Occupational diseases	S	2.5	2.6	1.5	1.0
Recruitment in the Luka Koper Group	S	2.5	2.2	3.0	3.0
Training and education of employees	S	2.5	2.6	2.5	3.0
Socially responsible activities (sponsorships, donations, mitigation measures)	S	2.4	2.5	2.5	2.0
Payment of transshipment fee	G	2.3	2.3	2.5	3.0
Motivating employees with minor benefits	S	2.3	2.3	2.0	2.0
Cooperation with educational institutions	S	2.3	2.6	2.0	1.0
Payment of fee for the use of building land	G	2.3	2.2	2.5	3.0
Wages and salaries	G	2.2	2.3	3.0	3.0
Payment of the concession tax	G	2.2	2.3	2.5	3.0
Payment of income tax, taxes and contributions from employee remuneration	G	2.2	2.3	2.5	3.0
Investments in financial instruments	G	2.1		2.0	
Payment of dividends to owners	G	2.1	1.9	3.0	3.0
Membership fees to associations	G	1.8	1.8	1.5	1.0

The impacts coloured blue were newly identified in 2023, relative to those identified in 2022. The materiality threshold has been set at the same level as in 2022, at a score greater than or equal to 2.0.

48 GRI 3-2

For stakeholder importance, the average of all stakeholder ratings is calculated. The importance for Luka Koper was assessed by the Company's management and the working group.

Based on the impacts identified and assessed by the Company and stakeholders, the Company has identified 24 material topics for reporting in the 2023 Sustainability Report, with the changes shown in relation to 2022:

- 1 Indirectly created and distributed economic value (GRI 203 Indirect Economic Impacts)
- 2 Directly distributed economic value (payment of duties, taxes, dividend payments, etc.) (GRI 201 Economic Performance, GRI 202 Market Presence, GRI 203: Indirect Economic Impacts, GRI 204 Procurement Practices)
- 3 Quality of service delivery (GRI 201 Economic Performance)
- 4 Human rights, discrimination and diversity (GRI 405 Diversity and Equal Opportunity, GRI 406 Non-discrimination)
- 5 Occupational health and safety (GRI 403 Occupational Health and Safety)
- 6 Business compliance and prevention of corruption (GRI 205 Anti-corruption)
- 7 Employment (GRI 401 Employment)
- 8 Emissions into the environment (GRI 305 Emissions)
- 9 Training and education (GRI 404 Training and Education)
- 10 Waste management (GRI 306 Waste)
- 11 Restrictions on the expansion of the port area (GRI 203 Indirect Economic Impacts)
- 12 Socially responsible activities (GRI 203 Economic Performance, GRI 413 Local Communities)
- 13 Benefits for employees (GRI 401 Employment)
- 14 Employee engagement (GRI 401 Employment)
- 15 Resource use and climate transition (GRI 302 Energy)

- 16 Biodiversity (GRI 304 Biodiversity)
- 17 Fire safety (GRI 305 Emissions)
- 18 Drinking water consumption and effluents (GRI 303 Water and Effluents)
- 19 Information systems security (Chapter 28 'Information systems security')
- 20 Leadership continuity (GRI 2 Governance)
- 21 Digital transformation (Chapter 24 Business digitalisation)
- 22 Financial instruments (GRI 201 Economic performance)
- 23 Cooperation with educational institutions (GRI 401 Employment)
- 24 Quality of service delivery (GRI 201 Economic Performance)

According to previous reporting, the following changes in the reporting of material topics occurred in 2023:

- Four new impacts were identified in 2023:
 - Information Systems Security
 - Leadership continuity (too frequent changes in the company management)
 - Business digitalisation (automation and computerisation) for the transition to the smart port concept
 - Investments in financial instruments
- Four new material topics were identified from among the new impacts identified:
 - Cyber security
 - Leadership continuity
 - Digitisation
 - Financial Instruments
- In 2023, two impacts were assessed higher than in 2022 and thus identified as material topics:
 - Cooperation with educational institutions
 - Quality of services delivered

17.6 Material topics, grouped by ESG sustainability aspects

ESG	Important reporting topics	Highest score
E – ENVIRONMENTAL ASPECT	Waste management	3.0
	Emissions into the environment	3.0
	Fire safety	2.5
	Resource use and climate transition	2.5
	Drinking water consumption and effluents	2.5
	Biodiversity	2.0
S – SOCIAL VIEW	Occupational safety and health	3.0
	Quality of service delivery	3.0
	Digitisation	3.0
	Employment	3.0
	Employee engagement	2.5
	Training and education	2.5
	Socially responsible activities	2.5
	Kakovost opravljenih storitev	2.0
	Benefits for employees	2.0
	Cooperation with educational institutions	2.0
G – GOVERNANCE ASPECT	Business compliance and prevention of corruption	3.0
	Human rights, discrimination and diversity	3.0
	Restrictions on the expansion of the port area	3.0
	Directly distributed economic value (payment of duties, taxes, dividend payments, etc.)	3.0
	Information Systems Security	2.5
	Leadership continuity	2.5
	Indirect economic value generated and distributed	2.5
	Financial Instruments	2.0

The impacts have been grouped into 24 material topics.

18 Luka Koper Group and sustainable development guidelines⁴⁹

In relation to sustainable development, the Luka Koper Group has adopted various policies, strategies, codes, rules, rules of procedure and statements that address all areas of business:

- Corporate Governance Policy of Luka Koper, d. d., (21 Jan 2022)
- Code of Ethics of the Luka Koper Group, (1 Oct 2019)
- Code of Conduct for Business Partners of the Luka Koper Group, (11 Jul 2022)
- Business continuity policy of Luka Koper, d. d., (24 Jul 2018)
- Sales policy of Luka Koper, d. d., (23 Dec 2022)
- Corporate integrity strategy of Luka Koper Group companies, (1 Oct 2019)
- Managing conflicts of interest policy of the Luka Koper Group, (21 Jan 2020)
- Policy on health and safety in the port and energy efficiency, (March 2019)
- Security policy of Luka Koper, d. d., (August 2015)
- Quality policy, (June 2022)
- Procurement policy, (5 May 2023)
- Diversity Policy of the Management Board and the Supervisory Board of Luka Koper, d. d., (27 Nov 2020)
- Remuneration Policy for the Management and Supervisory Bodies of Luka Koper, d. d. and the Management Bodies of the Subsidiaries in the Luka Koper Group, (25 May 2023)
- Rules of Procedure of the Corporate Integrity Officer and the Corporate Integrity Violations Committee and for handling the reports of breaches in the Luka Koper Group, (25 Sep 2023)
- Rules of Procedure of the Operations Compliance Officer, (19 May 2021)
- Risk appetite statement, (17 Mar 2020)
- Sponsorships and donations strategy, (24 Aug 2023)
- Rules on gifts and hospitality in Luka Koper Group companies, (22 Sep 2023)
- Rules of Procedure of the Management System of Luka Koper, d. d. for the Prevention of Corruption, (25 Sep 2023, amendments 23 Jan 2024)
- Corruption Prevention Policy, (24 Aug 2023)

The following strategy documents were in force in 2023:

- 2020-2025 Strategic Business Plan
- Strategic orientations of development in the environmental field,

- Sustainable development and social responsibility strategy of Luka Koper, d. d.,
- 2020–2025 IT strategy.

At the end of 2023, a new Strategic Business Plan for the period 2024-2028 was adopted, which also included a digital transformation strategy for the transition towards the smart port concept.

With its policies, Luka Koper, d. d., communicates to the internal and external public the company's general orientation for a specific area or content of its operations. The purpose of each policy is to define the foundations of the system it governs. Each policy is clear, understandable and up-to-date, and published in an appropriate manner. Each policy by itself and all of them together communicate the Company's central purpose to ensure a sustainable future for itself. They are based on the vision, mission, values and ethics. The established policies are regularly reviewed and maintained by the Company. Each individual policy has its own guardian, who has a responsibility to ensure that the policy is up-to-date and consistent with the company's vision, mission, values and ethics, and to take into account all relevant aspects of the internal and external environment. Policies can change when it is assumed with a high degree of certainty that changes will take place in the context of the organisation, i.e., important aspects of its internal and external environment.

The Management Board of the Company controls the management of sustainable development by reviewing, updating, adopting, and confirming the above-mentioned documents, in particular the Sustainable development and social responsibility strategy of Luka Koper, d. d., which is published on the website [Živeti s pristaniščem - Poročila in dokumenti \(zivetispristaniscem.si\)](https://zivetispristaniscem.si) and will be updated in 2024.

Sustainability reporting is done regularly through monthly, quarterly and annual reports, which are presented to the Management Board at its meetings. Annual Reports of the Luka Koper Group and Luka Koper, d. d., including the Sustainability Report, are published on the website [Annual Reports - Luka Koper d. d. \(luka-kp.si\)](https://AnnualReports-LukaKoperd.d.luka-kp.si), after prior approval by the Management Board and the Supervisory Board at their regular meetings, where the competent departments present the contents.

⁴⁹ GRI 2-12, 2-13, 2-14, 2-17, 2-23, 2-24, 2-25, 3-3

Professional support in terms of content and in managing the recognised impacts of sustainable development is provided to the Company's Management Board and Profit Centres by individual specialised departments, organised by the area of expertise, from fundamental management functions to specialist knowledge required to carry out specific activities. Luka Koper, d. d., has also adopted an internal act governing the delegation of powers to a lower level. The powers themselves and their delegation, or the extent of the powers delegated by the Management Board to the staff, which includes in particular heads of organisational units and authorised representatives, are also regulated in the employment contract, the job description and the powers conferred by the Management Board as soon as the employees take up these functions. In addition, individual powers are granted for individual areas and specific positions of authorised representatives in the company, specifying the content of the authorisation, its scope and duration. A Management Representative for Environment and Occupational Health and Safety and an Environmental Protection Officer are appointed to implement the programmes and achieve the objectives in the field of environmental protection and occupational health and safety. In Luka Koper, the area of corporate integrity is overseen by the Corporate Integrity and Operations Compliance, Protection of Personal Data and Human Rights Officer and the Corporate Integrity Violations Committee. A Risk and Opportunities Management Officer has been appointed for the risks and opportunities management system, and a Register of Risks and Opportunities has been established, including opportunities to achieve strategic objectives while taking into account the highest standards of sustainable development. Significant impacts on the Company's business in terms of negative impacts on stakeholders are communicated to the Management Board and the Supervisory Board through the submission and consideration of regular reports: on risk management, of violations of corporate integrity, compliance, occupational health and safety, environmental protection, fire safety, etc.

The design of the management system for the prevention of corruption and operations compliance and the implementation of planned activities in subordinate processes is reviewed by the Operations Compliance Officer. It prepares a report on the inspections, which is communicated to the company's Management and Supervisory Boards. The Management Board regularly reviews the effectiveness of the system to compare the planned and achieved targets and determine the necessary measures for improvement. It provides qualified personnel and the necessary resources for the operation of the system and ensures that internal audits are carried out. The functioning of the system is reviewed regularly by the Supervisory Board in the context of the reports it receives. With regard to the management of non-conformities, this process is further specified in internal non-conformity management rules, while service and process improvements are planned on the basis of the adopted corporate policy, the vision and business objectives, customer requirements, self-assessments and audit findings,

improvement proposals, as well as data analysis and management review.

The Management Board is kept informed of information on sustainable development through the quarterly work programmes, various reports, and management review prepared by relevant staff and authorities, and through the adoption of measures to improve the management of sustainable development.

The management of the company also receives regular training in the field of sustainable development. In 2023, a member of the Management Board - Worker Director - completed 63 hours of sustainability training. Members of the Management Board are enrolled in the Leadership Academy training, most of the modules of which will be delivered in 2024 and are also invited to the e-learning content of the Knowledge Room.

The Company is also committed to complying with applicable legislation, codes of reference and adopted policies. It meets and embeds these commitments in responsible business conduct in all its activities and in business relationships within the organisation by regularly updating internal procedures and enshrining these principles in internal acts and business contracts. The commitments foresee a review of business partners and an external review of the Corporate Governance Statement once every three years, and also include respect for human rights. Human rights issues are discussed in more detail in chapter 27.3 'Respect for human rights.' Sustainable investments are reported in more detail in Chapter 11 'Investments in non-financial assets.'

18.1 Sustainable development strategy⁵⁰

Sustainable development is development that meets the needs of society without compromising the needs of future generations. Sustainability in the maritime industry means ensuring safe, efficient and reliable transport of goods while reducing environmental impacts and increasing resource efficiency (IMO, 2013). Sustainable ports are those ports that, in accordance with their sustainable strategic orientations and activities, meet the current and future needs of ports and their stakeholders, while protecting and conserving human and natural resources (AAPA, 2007). Luka Koper, d. d., operates a port that is surrounded by residents on two sides, and by natural environment of special importance (Natura 2000) in its hinterland, whereas its external face is embraced by the vulnerable marine ecosystem. Due to its location, it has been seeking to improve the quality of life in the entire area in which the port is situated for a number of years. In its operations and development issues, Luka Koper takes into account the principles of sustainable development and responsible environmental management, with sustainable development being one of the key strategic directions of the Group. The Sustainable Development and

50 GRI 3-3

Social Responsibility Strategy of Luka Koper, d. d. is the umbrella document for the management of social responsibility and sustainable development. The document is published on the website [Živeti s pristaniščem - Poročila in dokumenti \(zivetispristaniscem.si\)](http://zivetispristaniscem.si) and will be updated in 2024.

18.2 Luka Koper Group is addressing Sustainable Development Goals

Being aware that the port is an important sustainable development stakeholder whose impacts on the environment and

society may be both positive and negative, the Luka Koper Group has decided to accede to addressing global sustainable development goals in the context of comprehensive sustainability reporting. Sustainable Development Goals (SDG) have been adopted by all United Nations member states, their purpose being to pursue the development of the entire society, economy, science and civil society – which will play an important role in reaching the key objectives of the entire Company by 2030. The United Nations Sustainable Development Goals and strategic orientations have been set out by the Republic of Slovenia in the Slovenian Development Strategy 2030⁵¹.

*Sustainable Development Goals*⁵²



⁵¹ [Implementation of the Development Strategy of Slovenia 2030 GOV.SI](http://www.gov.si)

⁵² http://www.unis.unvienna.org/unis/sl/topics/sustainable_development_goals.html#MoreInfo

18.2.1 With its efforts, the Luka Koper Group is pursuing 14 sustainable development goals

Development policy of the Republic of Slovenia 2030	Sustainable Development Goals	Sustainable guidelines of the Luka Koper Group
 <p>Inclusive, healthy, safe and responsible society</p>	   	<ul style="list-style-type: none"> • Protection of dignity and equal treatment regardless of gender, age, racial, religious, national, social, political affiliation, marital status, financial status, sexual orientation and other personal circumstances. • Respect for human rights. • Healthy and safe working environment. • Decent pay for work. • Healthy and active life of employees and the wider community. • Doing business in accordance with the law and high ethical standards.
 <p>Highly productive economy creates added value for all</p>	  	<ul style="list-style-type: none"> • Achieving good business results. • Providing competitive services with advanced technologies. • Promoting knowledge and skills for quality work. • Rational use of resources. • Achieving beneficial effects on the economy.
 <p>Learning for and through life</p>		<ul style="list-style-type: none"> • Educating and training of employees. • Supporting the education and employability of young people (scholarships, work placements) and people with disabilities, and providing quality jobs. • Promoting lifelong learning for the general public.
 <p>Well-preserved natural environment</p>	     	<ul style="list-style-type: none"> • Care for the natural environment. • Sustainable management of natural resources. • Employee health promotion. • Low-carbon circular economy. • Sustainable development of the wider community.
 <p>High level of cooperation competence and governance efficiency</p>	   	<ul style="list-style-type: none"> • Multi-stakeholder dialogue and cooperation. • Socially responsible projects and partnerships. • Transparency and business efficiency.

Sustainability guidelines of the Luka Koper Group are based on the United Nations sustainable development goals and the development orientations of the Republic of Slovenia until 2030. Sustainable development goals mainly refer to Luka Koper, d. d., however, other Group companies also pursue them as per their areas of operation.

Managing the Environmental Impacts of Sustainable Development

ESG	Important reporting topics	Chapter
E - ENVIRONMENTAL ASPECT	Waste management	19.9 Waste management
	Emissions into the environment	19.8 Emissions/immission from services
		19.10 Noise emissions
		19.14 Light pollution
		19.16 Sea water protection
		19.18 Radioactivity of consignments
	Fire safety	19.7 Environmental risk management and emergency response
Resource use and climate transition	19.11 Energy use and energy efficiency	
Drinking water consumption and effluents	19.12 Drinking water and groundwater management	
	19.13 Wastewater management	
Biodiversity	19.15 Biodiversity	

Strategic orientations of Luka Koper by environmental aspect

At the end of 2023, a new 2024-2028 Strategic Business Plan for Luka Koper, d. d., and the Luka Koper Group was adopted, in which Luka Koper, d. d., set itself the objective of maintaining environmental sustainability standards (EMAS) and meeting sustainability reporting commitments, as well as reducing the company's carbon footprint through measures to increase energy efficiency and a greater share of renewable energy sources. A summary of the document is published on the company's website.

Major strategic environmental projects include:

- Replacement of existing fossil-fuelled port machinery and plant with alternative, more environmentally friendly machinery and plant;
- Construction of an onshore power supply (OPS) system;
- Construction of solar power plants (up to 10 MW).

Strategic orientations – environmental aspect

1. Climate transition

- Machinery will be updated in line with the development of alternative energy propulsion technologies.
- Refrigerants will be replaced with those containing substances that are less harmful to ozone.
- New buildings will be constructed as nearly zero-energy buildings and existing administrative buildings will be renovated to be made more energy efficient.
- Renewable energy will be used to heat and cool the premises.
- The share of energy from renewable sources will be increased.
- Passenger vehicles for use in the port will be primarily electric.
- Advanced technologies and gauges will be used to optimise transport routes and the operation of ground equipment.
- Resource use will be monitored continuously, and measures will be implemented to increase energy efficiency and reduce the carbon footprint.
- Ways will be developed to use resources more efficiently.

2. Emissions into the environment

- Emissions to the environment and the state of the environment will continue to be monitored continuously, and measurement systems and programmes will be upgraded.
- Transparent communication with stakeholders on environmental management will continue.
- Modern systems to reduce emissions to the environment will continue to be built and existing systems will be updated in line with technological developments.
- Systems to mitigate emissions from the port will be installed or renovated in contact areas.
- The system of financial incentives for ships that cause less emissions into the environment will be maintained and upgraded.
- An onshore power supply (OPS) system for ships will be installed.
- Light pollution will continue to be reduced by installing LED luminaires and optimising light sources.
- A modern environmental portal will be developed to display and monitor environmental measurements.

3. Waste management

- E-mobility will be introduced for waste collection at the port.
- Waste reduction systems and circular economy solutions will be put in place.
- New (more modern) facilities will be built to collect waste generated in the port.

4. Biodiversity

- Pollutants in the sea will continue to be monitored and measurement equipment will be upgraded.
- The state of flora and fauna will continue to be monitored.
- Good status of water bodies will be ensured.

5. Fire safety

- An effective fire safety system will be ensured.
- Modern fire detection systems will be installed.
- The ability to intervene in the event of a disaster on land or at sea will be continuously improved.
- A new fire station will be built.

6. Marine sediment management

- Alternative options for dealing with marine sediment will continue to be explored.
- Modern techniques for dredging and relocation of sediment will be ensured.
- The quality of marine sediment will be monitored.

19 Long-term sustainability of the natural environment⁵³

Port boundaries



The port area

The Koper port is a cargo port set in an integrated marine and coastal area, where port operations related to cargo as well as passenger transport are carried out. The port area is defined in the Concession Agreement for the performance of port activity, management, development and regular maintenance of the port infrastructure No 2411-08-800011 of 8 Sep 2008.

The environmental part of the sustainability report covers the data of Luka Koper, d. d., operating at the site of the port of Koper, for the period from 1 January 2023 to 31 December 2023. Where available, the results are shown for a three-year period, whereas older data is available in the reports linked below. It also contains annual comparisons of environmental indicators with the aim of showing environmental performance. The chapters in the sustainability report that provide verified environmental management information are indicated by the sign



The data provide a credible and faithful reflection of the Company's environmental management system. In March 2024, the SIQ Slovenian Institute of Quality and Metrology verified the assertions and established that the system meets the requirements of the Regulation (EC) No 1221/2009 (EMAS).

Previous Environmental reports are available in the following links:

[Živeti s pristaniščem - Poročila in dokumenti \(zivetispristaniscem.si\)](https://www.luka-kp.si/eng/environmental-friendly-policy)

<https://www.luka-kp.si/eng/environmental-friendly-policy>



**Environmental Verifier's Declaration on verification and validation activities
No O-012**

Slovenian Institute of Quality and Metrology,
with EMAS environmental verifier registration number SI-V-0001,
accredited for the scope (NACE: 52.22, 52.24),

declares to have verified that the organization:

LUKA KOPER, d.d.

Vojkovo nabrežje 38, 6000 Koper, Slovenia
with registration number Reg.No. SI-00004,

meet all requirements of the Regulation (EC) No 1221/2009 of the European Parliament and of the Council of 25 November 2009 on the voluntary participation by organizations in a Community eco-management and audit scheme (EMAS).

By signing this document, we declare that:

- the verification and validation have been carried out in full compliance with the requirements of Regulation (EC) No. 1221/2009, (EU) No. 2017/1505 and (EU) No. 2018/2026;
- the outcome of the verification and validation confirms that there is no evidence of non-compliance with the applicable legal requirements relating to the environment;
- the data and information in the environmental statement »**Annual report 2023 Luka Koper Group and Luka Koper, d. d., chapter 19: Long-term sustainability of the natural environment**«, 18.3.2024, reflects a reliable, credible, and correct image of all organisation's activities, within the scope specified in the Environmental Statement.

This document is not equivalent to EMAS registration. EMAS registration can only be granted by a Competent Body under Regulation (EC) No. 1221/2009. This document shall not be used as a stand-alone piece of public communication.



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Gregor Schoss:
Direktor SIQ Ljubljana



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AKREDITACIJA**
SIST EN ISO/IEC 17021-1
SI-V-0001

19.1 Environmentally sustainable economic activities, environmentally sustainable investments, income and expenses

EU Taxonomy Regulation

In accordance with the Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088), which entered into force on 12 July 2020, and its annexes, and in accordance with Commission Delegated Regulation 2021/2178 of 6 July 2021 supplementing the Taxonomy Regulation and the guidelines of the Securities Market Agency (AVTP), both the Luka Koper, d. d., and the Luka Koper Group are obliged to publish key 2023 performance indicators derived from services linked to economic activities that can be considered sustainable. For the financial year 2023, Luka Koper, d. d., and the Luka Koper Group reports indicators for economic activities included in the EU taxonomy.

Most of the activities of the Luka Koper Group are currently not included in the scope of Annexes I and II to Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing the Taxonomy Regulation, nor in the scope of Annexes I, II, III and IV to Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities. This means that most of the activities of the Luka Koper Group are currently not reportable under the EU taxonomy.

The EU Taxonomy, a single classification system, defines a list of economic activities that are considered sustainable on the basis of technical criteria, in line with the EU Sustainability Objectives. The following objectives have been set at EU level (EU Regulation 2020/852):

- (a) Climate change mitigation;
- (b) Adaptation to climate change;
- (c) Sustainable use and protection of water and marine resources;
- (d) Transition to a circular economy;
- (e) Pollution prevention and control;
- (f) Protection and conservation of biodiversity and ecosystems;

where only for objectives Climate change mitigation (a) and Climate change adaptation (b), a Delegated Regulation (EU 2021/2139) has been adopted on technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation and adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives. At the end of 2023, this was followed by Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities. For these reasons, Luka Koper Group reports below only those taxonomic activities that it identified in the Delegated Regulations.

Determining the activities included in the EU taxonomy

In order to identify harmonised activities, the Luka Koper Group has carried out a comprehensive review of activities and determined, based on the available reporting attributes, which of them can make a significant contribution to these objectives.

While transshipment and warehousing are not identified as economic activities that significantly contribute to climate change adaptation and mitigation or other objectives in the EU taxonomy, the Delegated Regulation identifies a number of activities in the taxonomy, which the Luka Koper Group undertakes to adapt to and mitigate climate change and contribute to other objectives. By virtue of its own activities, the Luka Koper Group directly enables other activities (e. g. maritime, road and rail transport) to make a significant contribution to one or more of the environmental objectives set out in the Delegated Regulation.

As certain activities of the companies in the Luka Koper Group are currently not yet reportable under the EU taxonomy, the resulting shares of investments and costs are relatively small in relation to their total volume. No taxonomy related revenue is recognised in the Luka Koper Group at this time.

Luka Koper Group will continue to upgrade its reporting system in order to ensure full disclosures in accordance with the Taxonomy Regulation and to follow the reporting guidelines.

Recognised activities under the objective of climate change mitigation and adaptation

4.1 Electricity generation using solar photovoltaic technology

Under activity 4.1 'Electricity generation using solar photovoltaic technology', the Luka Koper Group has included the activity of construction or operation of electricity generation facilities that produce electricity using solar photovoltaic technology, as solar power plants are being installed in line with its sustainability strategy. The electricity generated is entirely used for own consumption and therefore the Luka Koper Group does not derive any revenue from this activity. With regard to this activity, the Luka Koper Group reports on investments in the construction of solar power plants. The activity fully meets the criteria for a substantial contribution to climate change adaptation.

4.9 Transmission and distribution of electricity

The activity 4.9 'Transmission and distribution of electricity' includes the activity of construction and operation of transmission systems that transport the electricity on the high-voltage and extra high-voltage interconnected system, and the construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems, as the Luka Koper Group itself is investing in infrastructure which will be upgraded in the future to allow the connection of cargo and passenger ships to the electricity grid and, as a consequence, contribute significantly to the reduction of greenhouse gas emissions in the port area. In 2022 and 2023, this activity also includes the activity of installation of transmission and distribution transformers that comply with the Tier 2 requirements (from 1 July 2021) of Annex I of Commission Regulation (EU) No 548/2014 and, medium power transformers with highest voltage for equipment not exceeding 36 kV, with AAA0 level requirements on no-load losses set out in standard EN 50588-1, as two such systems were installed in 2022 and 2023.

5.2 Renewal of water collection, treatment and supply systems

The activity 5.2 'Renewal of water collection, treatment and supply systems' includes renewals of water collection, treatment and distribution systems and also the infrastructure for water collection, treatment and distribution for domestic and industrial needs, since in the port area, the Luka Koper Group invests itself in drinking water supply infrastructure and contributes to reducing water losses and mitigating climate change through continuous upgrades. The activity fully meets the criteria for a substantial contribution to climate change adaptation.

5.5 Collection and transport of source-separated fractions of non-hazardous waste

This activity is taxonomically acceptable but not yet environmentally sustainable according to the criteria set, i.e. it is an activity not aligned with the taxonomy.

6.2 Freight rail transport

The Activity 6.2 'Freight rail transport' is not included because the Luka Koper Group does not carry out the activities of purchasing, financing, leasing, renting and operating freight transport on mainline rail networks and short line freight railways using trains and wagons with zero direct tailpipe CO₂ emissions when operated on tracks with the necessary infrastructure, or, where such infrastructure is not available, using a conventional engine (bimode) and not dedicated to the transport of fossil fuels. Also not included in this activity is the activity of moving trainsets within the port area, which are also carried out with a locomotive with zero CO₂ emissions (from the tailpipe), as these are internal movements within the port, which are not considered as short line freight transport.

6.5 Transport by motorbikes, passenger cars and light commercial vehicles

The activity covers the purchase, financing, rental, leasing and operation of vehicles classified in categories M1 (232) and N1 (233), which fall within the scope of Regulation (EC) No 715/2007 of the European Parliament and of the Council (234), or in category L (two- and three-wheel vehicles and quadricycles) (235). Electric vehicles and electric scooters were purchased in 2023. The activity fully meets the criteria for a significant contribution to climate change mitigation, as it produces 0 kgCO₂e/km.

6.6 Freight transport services by road

The Luka Koper Group does not report the activity 6.6 'Freight transport services by road'. Although the Luka Koper Group purchases, finances, leases, rents and operates vehicles classified as N1, N2 or N3, which fall within the scope of EURO VI, step E or its successor, the Luka Koper Group does not carry out transport with these vehicles by roads, only within the port (worksites) where there are no categorised roads.

6.10 Sea and coastal freight water transport, vessels for port operations and auxiliary activities

The Luka Koper Group does not report activities 6.10 'Sea and coastal freight water transport, vessels for port operations and auxiliary activities' because it does not carry out any activities of purchase, financing, chartering (with or without crew) and operation of vessels designed and equipped for transport of freight or for the combined transport of freight and passengers on sea or coastal waters, whether scheduled or not, and does not carry out the purchase, financing, renting and operation of vessels required for port operations and auxiliary activities, such as tugboats, mooring vessels, pilot vessels, salvage vessels and ice-breakers. While the Luka Koper Group has mooring vessels, they do not have zero direct CO₂ (tailpipe) emissions or hybrid propulsion.

6.16. Infrastructure enabling low carbon water transport

The Activity 6.16 'Infrastructure enabling low carbon water transport' includes the construction, modernisation, operation and maintenance of infrastructure that is required for zero tailpipe CO₂ operation of vessels or the port's own operations, as well as infrastructure dedicated to transshipment with

zero CO₂ (tailpipe) emissions. Under this activity, the Luka Koper Group has included infrastructure designed for the operation of vessels with zero direct tailpipe CO₂ emissions, i. e. infrastructure intended for electrical power supply and hydrogen refuelling. Infrastructure has been built in the port area to provide electrical power to tug vessels, electric RTGs at the Container Terminal and ship-to-shore cranes. In 2022, two electric ship-to-shore super postpanamax STS cranes and 3 electric RTG cranes were procured, representing equipment for the handling of cargo between different modes of transport, terminal infrastructure and superstructures for loading, unloading and handling of goods with zero CO₂ emissions (from the tailpipe). The annual maintenance costs of the port machinery and the transport systems with zero CO₂ emissions are also shown. The activity fully meets the criteria for a substantial contribution to climate change mitigation.

7.3 Installation, maintenance and repair of energy efficient equipment

The activity 7.3 'Installation, maintenance and repair of energy efficient equipment' includes individual renovation measures comprising installation, maintenance or repair of energy efficiency equipment. Economic activities in this category include one of the following individual measures provided that they comply with minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that Regulation:

- (a) addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure air-tightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive);
- (b) replacement of existing windows with new energy efficient windows;
- (c) replacement of existing external doors with new energy efficient doors;
- (d) installation and replacement of energy efficient light sources;
- (e) installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies;
- (f) installation of low water and energy using kitchen and sanitary water fittings which comply with technical specifications set out in Appendix A to Annex I, in case of shower solutions, mixer showers, shower outlets and taps, have a max water flow of 6 L/min or less attested by an existing label in the Union market.

In 2022, the equipment in the internal rail transport facility was upgraded and activities d, e and f were carried out. In 2023, energy-efficient light sources were installed and replaced, and ventilation, heating and cooling systems were upgraded.

7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)

The set of activities includes the installation, maintenance and repair of electric vehicle charging stations in buildings (and in parking spaces attached to buildings), which we implemented in 2023 in some areas of the port. The activity fully meets the criteria for a substantial contribution to climate change mitigation.

7.7 Acquisition and ownership of buildings

This activity is taxonomically acceptable, but not yet environmentally sustainable according to the criteria set, as these buildings are not classified in efficiency class A, so it is an activity not aligned with the taxonomy.

Identified activities under the objectives of sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and conservation of biodiversity and ecosystems

Based on the criteria set out, we have identified only one activity that makes a significant contribution to the objective from what is included in Annex III of Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

2.3 Collection and transport of hazardous waste

The activities include separate collection and transport of non-hazardous and hazardous waste aimed at preparing for re-use or recycling, including the construction, operation and upgrade of facilities involved in the collection and transport of such waste, such as civic amenity centres and waste transfer stations, as a means for material recovery. Under this heading we show net turnover, capital expenditure (CAPEX) and operating expenses (OPEX) for the separate collection and transport of hazardous waste activity, as we have already shown the non-hazardous waste collection and transport activity under the identified activity.

5.5 Collection and transport of source-separated fractions of non-hazardous waste

We estimate that the activity significantly contributes to the transition to a circular economy, as waste is collected separately by fraction in the port, reused or recycled, the quantity and quality of waste is continuously monitored and assessed, and reported to stakeholders. The activity does not hinder the achievement of a good environmental condition

of sea waters or does not deteriorate sea waters that are already in a good environmental condition, which is established on the basis of the measurements carried out.

Key performance indicators

Key performance indicators derived from products or services related to the economic activities included in the taxonomy have been calculated for both Luka Koper d. d. and the Luka Koper Group, namely for net sales revenue, capital expenditures (CAPEX) and operating expenses (OPEX).

The understanding of the approach used in the directives related to the EU Taxonomy is still subject to some uncertainties of interpretation, which could lead to changes in reporting when the EU subsequently clarifies it. There is a risk that key performance indicators presented as Taxonomy-aligned may need to be assessed differently. Our understanding is given below.

Key performance indicators for net sales revenue of Luka Koper, d. d.

The denominator of the calculated indicators takes into account the net sales revenue of Luka Koper, d. d., which amounted to EUR 309.3 million in 2023. The net sales revenue of Luka Koper d. d. is presented in the accounting part of the report in item 30.1 'Income statement' and described in item 33 'Additional notes to the income statement' in Note 1 'Net sales revenue.'

In the numerator of the calculated indicators, under net sales revenue for the activity of collection and transport of hazardous waste (NACE 38.11, E38.12 and F42.9), only the revenue recorded at cost items SM 6655 Land-based waste, SM 6660 public utility service of collecting waste from vessels and SM 6670 Wastewater treatment recorded on the basis of the services directly attributable to this activity is taken into account, and the remaining revenue is recorded based on hazardous waste collected in the total quantity of waste collected; for the activities of collection and transport of fractions of non-hazardous waste separated at source (NACE E38.11), only the revenue recorded at cost item SM 6655 Land-based waste, SM 6660 public utility service of collecting waste from vessels and SM 6670 Waste water treatment recorded on the basis of services directly attributable to this activity is taken into account, and the remaining revenue is recorded on the basis non-hazardous waste collected in the total amount of waste collected; and the activity of purchase and ownership of buildings (NACE L68) only takes into account the net sales revenue recorded on the basis of the manual records of revenue in the rent accounts and cost centres related to investment property shown in Note 13: 'Investment property'. Each accounting document recorded in the SAP IT system can only be assigned to one cost centre and account, which allows us to avoid double counting.

Net sales revenue from environmentally sustainable Taxonomy-aligned activities amounted to EUR 0.5 million in 2023, or 0.2 percent of total net sales. This was contributed by the activity of collection and transport of fractions of hazardous waste (NACE 38.11, E38.12 and F42.9).

Net sales revenue from activities that are Taxonomy-eligible but are not environmentally sustainable (non-Taxonomy-aligned) amounted to EUR 2 million in 2023, or 0.6 percent of total net sales. Collection and transport of source-separated fractions of non-hazardous waste (NACE E38.11) contributed EUR 0.7 million or 0.2 percent of total net sales revenue. The activity of acquisition and ownership of buildings (NACE L68) contributed EUR 1.3 million or 0.4 percent of the total net sales, which is shown in the accounting part of the report in Note 13 'Investment property.'

Net sales revenue from activities that are Taxonomy-eligible amounted to EUR 2.5 million in 2023, or 0.8 percent of total net sales.

Net sales revenue from activities that are Taxonomy-non-eligible amounted to EUR 306.8 million in 2023, or 99.2 percent of total net sales.

Key performance indicators for capital expenditure (CAPEX) of Luka Koper, d. d.

The denominator of the calculated indicators takes into account the capital expenditure of Luka Koper, d. d., which amounted to EUR 41.3 million in 2023. Capital expenditure (CAPEX) of Luka Koper d. d. is presented in the accounting part of the report, Note 12 'Property, plant and equipment' and Note 14 'Intangible assets.'

The numerator of the calculated indicators takes into account the capital expenditure (CAPEX) allocated to each of the identified taxonomic activities based on the recorded value of each investment in the PPM Clarity investment management information system, where each investment is assigned a single investment number, and environmentally sustainable investments are additionally marked as OIP - Operational Improvement Programme. All investments marked as OIP were reviewed and linked to only one Taxonomy activity, and an additional 5 investments not marked as OIP were linked to each of the identified Taxonomy activities. This helped the company to avoid double counting.

Capital expenditure (CAPEX) from environmentally sustainable Taxonomy-aligned activities amounted to EUR 1 million in 2023, or 2.4 percent of total capital expenditure (CAPEX). Collection and transport of hazardous waste (NACE E38.11, E38.12 and F42.9) contributed EUR 0.2 million or 0.5 percent of the total capital expenditure (CAPEX). Generation of energy using photovoltaic technology (NACE D35.11 and F42.22) contributed EUR 0.4 million, or 1.0 percent of total capital expenditure (CAPEX). The electricity transmission and distribution activity (NACE D35.12 and D35.13) contributed EUR 0.04 million or 0.1 percent of total capital expenditure (CAPEX). The transport by motorcycles, passenger cars and light commercial vehicles (NACE H49.32, H49.39 and N77.11) contributed EUR 0.1 million or 0.2 percent of total capital expenditure (CAPEX). The activity of installation, maintenance and repair of energy efficient equipment (NACE F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 or C33.12) contributed EUR 0.2 million or 0.5 percent of total capital expenditure (CAPEX). The activity of installation, maintenance and repair of charging stations

for electric vehicles in buildings (and in parking spaces attached to buildings) (F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28) contributed EUR 0.04 million or 0.1 percent of total capital expenditure (CAPEX). The data is shown in the accounting part of the report in Note 12 'Property, plant and equipment.'

Capital expenditure (CAPEX) from activities that are Taxonomy-eligible but not environmentally sustainable (not aligned with the Taxonomy) amounted to EUR 0.05 million in 2023, or 0.1 percent of total capital expenditure (CAPEX). This was contributed by acquisition and ownership of buildings (NACE L68), which is shown in the accounting part of the report in Note 13 'Investment property.'

Capital expenditure (CAPEX) from activities that are Taxonomy-eligible amounted to EUR 1.03 million in 2023, or 2.5 percent of total capital expenditure (CAPEX).

Capital expenditure (CAPEX) from activities that are Taxonomy non-eligible amounted to EUR 40.3 million in 2023, or 97.5 percent of total capital expenditure (CAPEX).

Key performance indicators for operating expenses (OPEX) of Luka Koper, d. d.

The denominator of the calculated indicators takes into account the operating expenses (OPEX) of Luka Koper, d. d., namely the cost of spare parts and maintenance services and costs related to waste collection, which amounted to EUR 19.9 million in 2023. The operating expenses (OPEX) of Luka Koper d. d. are presented in the accounting part of the report, in Note 4 'Cost of material' and Note 5 'Cost of services.'

The numerator of the calculated indicators takes into account the operating expenses (OPEX) allocated to the hazardous waste collection and transport activities (NACE E38.11, E38.12 and F42.9) on the basis of the costs recorded in cost centres SM 6655 Land-based waste, SM 6660 public utility service of collecting waste from vessels and SM 6670 Wastewater treatment, recorded based on the hazardous waste collected in the total amount of waste collected. The numerator of the calculated indicators takes into account the operating expenses (OPEX) allocated to the activity of renovation of water collection, treatment and distribution systems (NACE E36.00 and F42.99) on the basis of the accounting documents recorded in the four internal maintenance orders and the cost accounts for spare parts and maintenance services in the SAP information system. The numerator of the calculated indicators takes into account the operating expenses (OPEX) allocated to the activity of infrastructure to enable low-carbon transport on waterways (NACE F42.91, F71.1 or F71.20) on the basis of the accounting documents recorded in internal maintenance orders and the cost accounts for spare parts and maintenance services in the SAP information system. The costs of only those technical sites where it was possible to connect infrastructure, machinery and transport systems enabling zero CO2 emissions were selected. For the activity of purchase and ownership of buildings (NACE L68), operating expenses (OPEX) are taken into account on the basis of the manual

cost records in the rent and cost centre accounts related to investment property shown in Note 13: 'Investment property.' Each accounting document recorded in the SAP IT system can only be assigned to one cost centre and account, which allows us to avoid double counting.

Operating expenses (OPEX) from environmentally sustainable Taxonomy-aligned activities amounted to EUR 4.8 million in 2023, or 24.1 percent of total operating expenses (OPEX). Collection and transport of hazardous waste (NACE E38.11, E38.12 and F42.9) contributed EUR 0.8 million or 4 percent of the total operating expenses (OPEX). Renovation of water collection, treatment and distribution systems (NACE E36.00 and F42.99) contributed EUR 0.9 million, or 4.5 percent of total operating expenses (OPEX). Infrastructure enabling low carbon water transport (NACE F42.91, F71.1 or F71.20) contributed EUR 3.1 million or 15.6 percent of total operating expenses (OPEX). The data is shown in the accounting part of the report in Note 5 'Cost of services.'

Operating expenses (OPEX) from activities that are Taxonomy-eligible but not environmentally sustainable (not aligned with the taxonomy) amounted to EUR 1.1 million in 2023, or 5.5 percent of total operating expenses (OPEX). The activity of collection and transport of source-separated fractions of non-hazardous waste (NACE E38.11) contributed EUR 0.5 million or 2.5 percent of total operating expenses (OPEX). The activity of acquisition and ownership of buildings (NACE L68) contributed EUR 0.6 million or 3 percent of the total operating expenses (OPEX), which is shown in the accounting part of the report in Note 13 'Investment property.'

Operating expenses (OPEX) from activities that are Taxonomy-eligible amounted to EUR 5.9 million in 2023, or 29.6 percent of total operating expenses (OPEX).

Operating expenses (OPEX) from activities that are taxonomy non-eligible amounted to EUR 14.0 million in 2023, or 70.4 percent of total capital expenditure (CAPEX).

Key performance indicators for net sales revenue of the Luka Koper Group

The denominator of the calculated indicators takes into account the net sales revenue of the Luka Koper Group, which amounted to EUR 312.8 million in 2023. The net sales revenue of the Luka Koper Group is presented in the accounting part of the report in item 30.1 'Income statement' and described in item 33 'Additional notes to the income statement' in Note 1 'Net sales revenue.'

In the numerator of the calculated indicators, under net sales revenue for the activity of collection and transport of hazardous waste (NACE 38.11, E38.12 and F42.9), only the revenue recorded at cost items SM 6655 Land-based waste, SM 6660 public utility service of collecting waste from vessels and SM 6670 Wastewater treatment recorded on the basis of the services directly attributable to this activity is taken into account, and the remaining revenue is recorded based on hazardous waste collected in the total quantity of waste collected; for the activities of collection and transport of fractions of non-hazardous waste separated at source

(NACE E38.11), only the revenue recorded at cost item SM 6655 Land-based waste, SM 6660 public utility service of collecting waste from vessels and SM 6670 Waste water treatment recorded on the basis of services directly attributable to this activity is taken into account, and the remaining revenue is recorded on the basis non-hazardous waste collected in the total amount of waste collected; and the activity of purchase and ownership of buildings (NACE L68) only takes into account the net sales revenue recorded on the basis of the manual records of revenue in the rent accounts and cost centres related to investment property shown in Note 13: 'Investment property'. Each accounting document recorded in the SAP IT system can only be assigned to one cost centre and account, which allows us to avoid double counting.

Net sales revenue from environmentally sustainable Taxonomy-aligned activities amounted to EUR 0.5 million in 2023, or 0.2 percent of total net sales. This was contributed by the activity of collection and transport of fractions of hazardous waste (NACE 38.11, E38.12 and F42.9).

Net sales revenue from activities that are Taxonomy-eligible but are not environmentally sustainable (not aligned with the taxonomy) amounted to EUR 1.5 million in 2023, or 0.5 percent of total net sales. Collection and transport of source-separated fractions of non-hazardous waste (NACE E38.11) contributed EUR 0.7 million or 0.2 percent of total net sales revenue. The activity of acquisition and ownership of buildings (NACE L68) contributed EUR 0.8 million or 0.3 percent of the total net sales, which is shown in the accounting part of the report in Note 13 'Investment property'.

Net sales revenue from activities that are Taxonomy-eligible amounted to EUR 2 million in 2023, or 0.6 percent of total net sales.

Net sales revenue from activities that are Taxonomy-non-eligible amounted to EUR 310.8 million in 2023, or 99.4 percent of total net sales.

Key performance indicators for capital expenditure (CAPEX) of the Luka Koper Group

The denominator of the calculated indicators takes into account the capital expenditure (CAPEX) of the Luka Koper Group which amounted to EUR 41.5 million in 2023. Capital expenditure (CAPEX) of the Luka Koper Group is presented in the accounting part of the report, Note 12 'Property, plant and equipment' and Note 14 'Intangible assets'.

The numerator of the calculated indicators takes into account the capital expenditure (CAPEX) allocated to each of the identified taxonomic activities based on the recorded value of each investment in the PPM Clarity investment management information system, where each investment is assigned a single investment number, and environmentally sustainable investments are additionally marked as OIP - Operational Improvement Programme. All investments marked as OIP were reviewed and linked to only one Taxonomy activity, and an additional 5 investments not marked as OIP were linked to each of the identified Taxonomy activi-

ties. This helped the company to avoid double counting.

Capital expenditure (CAPEX) from environmentally sustainable Taxonomy-aligned activities amounted to EUR 1 million in 2023, or 2.4 percent of total capital expenditure (CAPEX). Collection and transport of hazardous waste (NACE E38.11, E38.12 and F42.9) contributed EUR 0.2 million or 0.5 percent of the total capital expenditure (CAPEX). Generation of energy using photovoltaic technology (NACE D35.11 and F42.22) contributed EUR 0.4 million, or 1.0 percent of total capital expenditure (CAPEX). The electricity transmission and distribution activity (NACE D35.12 and D35.13) contributed EUR 0.04 million or 0.1 percent of total capital expenditure (CAPEX). The transport by motorcycles, passenger cars and light commercial vehicles (NACE H49.32, H49.39 and N77.11) contributed EUR 0.1 million or 0.2 percent of total capital expenditure (CAPEX). The activity of installation, maintenance and repair of energy efficient equipment (NACE F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 or C33.12) contributed EUR 0.2 million or 0.5 percent of total capital expenditure (CAPEX). The activity of installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces attached to buildings) (F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28) contributed EUR 0.04 million or 0.1 percent of total capital expenditure (CAPEX). The data is shown in the accounting part of the report in Note 12 'Property, plant and equipment'.

Capital expenditure (CAPEX) from activities that are Taxonomy-eligible but not environmentally sustainable (not aligned with the Taxonomy) amounted to EUR 0.05 million in 2023, or 0.1 percent of total capital expenditure (CAPEX). This was contributed by acquisition and ownership of buildings (NACE L68), which is shown in the accounting part of the report in Note 13 'Investment property'.

Capital expenditure (CAPEX) from activities that are Taxonomy-eligible amounted to EUR 1.03 million in 2023, or 2.5 percent of total capital expenditure (CAPEX).

Capital expenditure (CAPEX) from activities that are Taxonomy non-eligible amounted to EUR 40.5 million in 2023, or 97.5 percent of total capital expenditure (CAPEX).

Key performance indicators for operating expenses (OPEX) of the Luka Koper Group

The denominator of the calculated indicators takes into account the operating expenses (OPEX) of the Luka Koper Group, namely the cost of spare parts and maintenance services and costs related to waste collection, which amounted to EUR 19.9 million in 2023. The operating expenses (OPEX) of the Luka Koper Group are presented in the accounting part of the report, in Note 4 'Cost of material' and Note 5 'Cost of services'.

The numerator of the calculated indicators takes into account the operating expenses (OPEX) allocated to the hazardous waste collection and transport activities (NACE E38.11, E38.12 and F42.9) on the basis of allocating the costs recorded in cost centres SM 6655 Land-based waste, SM

6660 public utility service of collecting waste from vessels and SM 6670 Wastewater treatment, recorded based on the hazardous waste collected in the total amount of waste collected. The numerator of the calculated indicators takes into account the operating expenses (OPEX) allocated to the activity of renovation of water collection, treatment and distribution systems (NACE E36.00 and F42.99) on the basis of the accounting documents recorded in the four internal maintenance orders and the cost accounts for spare parts and maintenance services in the SAP information system. The numerator of the calculated indicators takes into account the operating expenses (OPEX) allocated to the activity of infrastructure to enable low-carbon transport on waterways (NACE F42.91, F71.1 or F71.20) on the basis of the accounting documents recorded in internal maintenance orders and the cost accounts for spare parts and maintenance services in the SAP information system. The costs of only those technical sites where it was possible to connect infrastructure, machinery and transport systems enabling zero CO₂ emissions were selected. For the activity of purchase and ownership of buildings (NACE L68), operating expenses (OPEX) are taken into account on the basis of the manual cost records in the rent and cost centre accounts related to investment property shown in Note 13: 'Investment property'. Each accounting document recorded in the SAP IT system can only be assigned to one cost centre and account, which allows us to avoid double counting.

Operating expenses (OPEX) from environmentally sustainable Taxonomy-aligned activities amounted to EUR 5 million in 2023, or 25.1 percent of total operating expenses (OPEX).

Collection and transport of hazardous waste (NACE E38.11, E38.12 and F42.9) contributed EUR 1 million or 5 percent of the total operating expenses (OPEX). Renovation of water collection, treatment and distribution systems (NACE E36.00 and F42.99) contributed EUR 0.9 million, or 4.5 percent of total operating expenses (OPEX). Infrastructure enabling low carbon water transport (NACE F42.91, F71.1 or F71.20) contributed EUR 3.1 million or 15.6 percent of total operating expenses (OPEX). The data is shown in the accounting part of the report in Note 5 'Cost of services'.

Operating expenses (OPEX) from activities that are Taxonomy-eligible but not environmentally sustainable (not aligned with the taxonomy) amounted to EUR 1.2 million in 2023, or 6 percent of total operating expenses (OPEX). The activity of collection and transport of source-separated fractions of non-hazardous waste (NACE E38.11) contributed EUR 0.6 million or 3 percent of total operating expenses (OPEX). The activity of acquisition and ownership of buildings (NACE L68) contributed EUR 0.6 million or 3 percent of the total operating expenses (OPEX), which is shown in the accounting part of the report in Note 13 'Investment property'.

Operating expenses (OPEX) from activities that are Taxonomy-eligible amounted to EUR 6.2 million in 2023, or 31.2 percent of total operating expenses (OPEX).

Operating expenses (OPEX) from activities that are Taxonomy non-eligible amounted to EUR 13.7 million in 2023, or 68.8 percent of total capital expenditure (CAPEX).

Proportion of net sales revenue related to Taxonomy-aligned economic activities - disclosure by Luka Koper d. d., for the year 2023 with comparison to 2022, for the achievement of all goals

		Substantial Contribution Criteria								DNSH criteria (Does Not Significantly Harm)										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Economic Activities	Code #	Absolute turnover	Proportion of turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned proportion of total turnover 2023	Taxonomy aligned proportion of total turnover 2022	Category (enabling activity)	Category (transitional activity)
		EUR million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
2.3 Collection and transport of non-hazardous and hazardous waste	KG 2.3. NACE: E38.11, E38.12, F42.9	0,5	0.2%	N/EL	N/EL	N/EL	100,0%	N/EL	N/EL	N/A	Y	Y	_	Y	N/A	Y	0,2%	/		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0,5	0.2%														0.2%	/		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
5.5 Collection and transport of non-hazardous waste in source segregated fractions	BPS 5.5 NACE: E38.11	0,7	0.2%																	
7.7 Acquisition and ownership of buildings	BPS and PPS 7.7 HACE: L68	1,3	0.4%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		2,0	0.6%																	
Total (A.1+A.2)		2,5	0.8%														0.2%	/		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		306,8	99.2%																	
Total (A+B)		309,3	100.0%																	

/ The regulation did not apply in 2022

N/EL ... Taxonomy non-eligible activity for the relevant objective

N/A ... DNSH criteria are not defined for the objective concerned

- not relevant

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate change mitigation: CCM;

- Climate Change Adaptation: CCA;

- Water and Marine Resources: WTR;

- Circular Economy: CE;

- Pollution Prevention and Control: PPC;

- Biodiversity and ecosystems: BIO

Proportion of capital expenditure (CAPEX) related to Taxonomy-aligned economic activities - disclosure by Luka Koper d. d. for the year 2023 with comparison to 2022, for the achievement of all goals

Substantial Contribution Criteria										DNSH criteria (Does Not Significantly Harm)										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Economic Activities	Code #	Absolute turnover	Proportion of turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned proportion of total turnover 2023	Taxonomy aligned proportion of total turnover 2022	Category (enabling activity)	Category (transitional activity)
		EUR million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																				
2.3 Collection and transport of non-hazardous and hazardous waste	KG 2.3, NACE: E38.11, E38.12, F42.9	0,2	0.5%	N/EL	N/EL	N/EL	100,0%	N/EL	N/EL	N/A	Y	Y	_	Y	N/A	Y	0.5%	/		
4.1 Electricity generation using solar photovoltaic technology	PPS 4.1, NACE: D35.11 and F42.22	0,4	1.0%	N/EL	100,0%	N/EL	N/EL	N/EL	N/EL	N/A	_	N/A	Y	N/A	Y	Y	1.0%	1.0%		
4.9 Transmission and distribution of electricity	PPS 4.9, NACE: D35.12 and D35.13	0,04	0.1%	N/EL	100,0%	N/EL	N/EL	N/EL	N/EL	N/A	_	N/A	Y	Y	Y	Y	0.1%	0.1%	E	
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	BPS 6.5, NACE: H49.32, H49.39 and N77.11	0,1	0.2%	100,0%	N/EI	N/EL	N/EL	N/EL	N/EL	_	Y	N/A	Y	Y	N/A	Y	0.2%	/		T
6.16 Infrastructure enabling low carbon water transport	BPS 6.16, NACE: F42.91, F71.1 and F71.20	0	0	100,0%	N/EI	N/EL	N/EL	N/EL	N/EL	_	Y	Y	Y	Y	Y	Y	0	50.0%	E	
7.3 Installation, maintenance and repair of energy efficiency equipment	BPS 7.3, NACE: F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 or C33.12	0,2	0.5%	100,0%	N/EL	N/EL	N/EL	N/EL	N/EL	_	Y	N/A	N/A	Y	N/A	Y	0.5%	0.4%	E	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	BPS 7.4, NACE: F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28	0,04	0.1%	100,0%	N/EL	N/EL	N/EL	N/EL	N/EL	_	Y	N/A	N/A	N/A	N/A	Y	0.1%	0	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,0	2.4%														2.4%	51.5%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																				
7.7 Acquisition and ownership of buildings	BPS and PPS 7.7, HACE: L68	0,05	0.1%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0,05	0.1%																	
Total (A.1+A.2)		1,03	2.5%														2.4%	51.5%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Capex of Taxonomy-non-eligible activities		40,3	97.5%																	
Total (A+B)		41,3	100.0%																	

/ The regulation did not apply in 2022

N/EL ... Taxonomy non-eligible activity for the relevant objective
N/A ... DNSH criteria are not defined for the objective concerned
- not relevant

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate change mitigation: CCM;
- Climate Change Adaptation: CCA;
- Water and Marine Resources: WTR;
- Circular Economy: CE;
- Pollution Prevention and Control: PPC;
- Biodiversity and ecosystems: BIO

Proportion of operating expenses (OPEX) related to Taxonomy-aligned economic activities - disclosure by Luka Koper d. d. for the year 2023 with comparison to 2022, for the achievement of all goals

		Substantial Contribution Criteria								DNSH criteria (Does Not Significantly Harm)										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Economic Activities	Code #	Absolute turnover	Proportion of turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned proportion of total turnover 2023	Taxonomy aligned proportion of total turnover 2022	Category (enabling activity)	Category (transitional activity)
		EUR million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
2.3 Collection and transport of non-hazardous and hazardous waste	KG 2.3, NACE: E38.11, E38.12, F42.9	0,8	4.0%	N/EL	N/EL	N/EL	100,0%	N/EL	N/EL	N/A	Y	Y	_	Y	N/A	Y	4.0%	/		
5.2 Renewal of water collection, treatment and supply systems	PPS 5.2, NACE: E36.00 and F42.99	0,9	4.5%	N/EL	100,0%	N/EL	N/EL	N/EL	N/EL	N/A	_	Y	N/A	N/A	Y	Y	4.5%	3.8%		
6.16 Infrastructure enabling low carbon water transport	BPS 6.16, NACE: F42.91, F71.1 or F71.20	3,1	15.6%	100,0%	N/EL	N/EL	N/EL	N/EL	N/EL	_	Y	Y	Y	Y	Y	Y	15.6%	10.1%	O	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		4,8	24.1%														24.1%	13.9%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
5.5 Collection and transport of non-hazardous waste in source segregated fractions	BPS 5.5, NACE: E38.11	0,5	2.5%																	
7.7 Acquisition and ownership of buildings	BPS and PPS 7.7, HACE: L68	0,6	3.0%																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,1	5.5%																	
Total (A.1+A.2)		5,9	29.6%														24.1%	13.9%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities		14,0	70.4%																	
Total (A+B)		19,9	100.0%																	

/ The regulation did not apply in 2022
N/EL ... Taxonomy non-eligible activity for the relevant objective
N/A ... DNSH criteria are not defined for the objective concerned
- not relevant

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:
- Climate change mitigation: CCM;
- Climate Change Adaptation: CCA;
- Water and Marine Resources: WTR;
- Circular Economy: CE;
- Pollution Prevention and Control: PPC;
- Biodiversity and ecosystems: BIO

Luka Koper Group

Proportion of net sales revenue related to Taxonomy-aligned economic activities - disclosure by the Luka Koper Group for the year 2023 with comparison to 2022, for the achievement of all goals

1	2	3	4	Substantial Contribution Criteria						DNSH criteria (Does Not Significantly Harm)						17	18	19	20	21
				5	6	7	8	9	10	11	12	13	14	15	16					
Economic Activities	Code #	Absolute turnover	Proportion of turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safe-guards	Taxonomy aligned proportion of total turnover 2023	Taxonomy aligned proportion of total turnover 2022	Category (enabling activity)	Category (transitional activity)
		EUR million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
2.3 Collection and transport of non-hazardous and hazardous waste	KG 2.3. NACE: E38.11, E38.12, F42.9	0,5	0.2%	N/EL	N/EL	N/EL	100,0%	N/EL	N/EL	N/A	Y	Y	-	Y	N/A	Y	0,2%	/		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0,5	0.2%														0,2%	/		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
5.5 Collection and transport of non-hazardous waste in source segregated fractions	BPS 5.5 NACE: E38.11	0,7	0.2%																	
7.7 Acquisition and ownership of buildings	BPS and PPS 7.7 HACE: L68	0,8	0.3%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,5	0.5%																	
Total (A.1+A.2)		2,0	0.6%														0,2%	/		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		310,8	99.4%																	
Total (A+B)		312,8	100.0%																	

/ The regulation did not apply in 2022

N/EL ... Taxonomy non-eligible activity for the relevant objective

N/A ... DNSH criteria are not defined for the objective concerned

- not relevant

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:

- Climate change mitigation: CCM;

- Climate Change Adaptation: CCA;

- Water and Marine Resources: WTR;

- Circular Economy: CE;

- Pollution Prevention and Control: PPC;

- Biodiversity and ecosystems: BIO

Proportion of capital expenditure (CAPEX) related to Taxonomy-aligned economic activities - disclosure by the Luka Koper Group for the year 2023 with comparison to 2022, for the achievement of all goals

		Substantial Contribution Criteria								DNSH criteria (Does Not Significantly Harm)										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Economic Activities	Code #	Absolute turnover	Proportion of turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned proportion of total turnover 2023	Taxonomy aligned proportion of total turnover 2022	Category (enabling activity)	Category (transitional activity)
		EUR million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)																				
2.3 Collection and transport of non-hazardous and hazardous waste	KG 2.3, NACE: E38.11, E38.12, F42.9	0,2	0.5%	N/EL	N/EL	N/EL	100,0%	N/EL	N/EL	N/A	Y	Y	_	Y	N/A	Y	0.5%	/		
4.1 Electricity generation using solar photovoltaic technology	PPS 4.1, NACE: D35.11 and F42.22	0,4	1.0%	N/EL	100,0%	N/EL	N/EL	N/EL	N/EL	N/A	_	N/A	Y	N/A	Y	Y	1.0%	1.0%		
4.9 Transmission and distribution of electricity	PPS 4.9, NACE: D35.12 and D35.13	0,04	0.1%	N/EL	100,0%	N/EL	N/EL	N/EL	N/EL	N/A	_	N/A	Y	Y	Y	Y	0.1%	0.1%	E	
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	BPS 6.5, NACE: H49.32, H49.39 and N77.11	0,1	0.2%	100,0%	N/EI	N/EL	N/EL	N/EL	N/EL	_	Y	N/A	Y	Y	N/A	Y	0.2%	/		T
6.16 Infrastructure enabling low carbon water transport	BPS 6.16, NACE: F42.91, F71.1 and F71.20	0	0	100,0%	N/EI	N/EL	N/EL	N/EL	N/EL	_	Y	Y	Y	Y	Y	Y	0	50.0%	E	
7.3 Installation, maintenance and repair of energy efficiency equipment	BPS 7.3, NACE: F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22 or C33.12	0,2	0.5%	100,0%	N/EL	N/EL	N/EL	N/EL	N/EL	_	Y	N/A	N/A	Y	N/A	Y	0.5%	0.4%	E	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	BPS 7.4, NACE: F42, F43, M71, C16, C17, C22, C23, C25, C27 or C28	0,04	0.1%	100,0%	N/EL	N/EL	N/EL	N/EL	N/EL	_	Y	N/A	N/A	N/A	N/A	Y	0.1%	0	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,0	2.4%														2.4%	51.5%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																				
7.7 Acquisition and ownership of buildings	BPS and PPS 7.7, HACE: L68	0,05	0.1%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0,05	0.1%																	
Total (A.1+A.2)		1,03	2.5%														2.4%	51.5%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Capex of Taxonomy-non-eligible activities		40,5	97.5%																	
Total (A+B)		41,5	100.0%																	

/ The regulation did not apply in 2022
N/EL ... Taxonomy non-eligible activity for the relevant objective
N/A ... DNSH criteria are not defined for the objective concerned
- not relevant

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- Climate change mitigation: CCM;
- Climate Change Adaptation: CCA;
- Water and Marine Resources: WTR;
- Circular Economy: CE;
- Pollution Prevention and Control: PPC;
- Biodiversity and ecosystems: BIO

Proportion of operating expenses (OPEX) related to Taxonomy-aligned economic activities - disclosure by the Luka Koper Group for the year 2023 with comparison to 2022, for the achievement of all goals

		Substantial Contribution Criteria								DNSH criteria (Does Not Significantly Harm)										
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Economic Activities	Code #	Absolute turnover	Proportion of turnover	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum Safeguards	Taxonomy aligned proportion of total turnover 2023	Taxonomy aligned proportion of total turnover 2022	Category (enabling activity)	Category (transitional activity)
		EUR million	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
2.3 Collection and transport of non-hazardous and hazardous waste	KG 2.3, NACE: E38.11, E38.12, F42.9	1,0	5.0%	N/EL	N/EL	N/EL	100,0%	N/EL	N/EL	N/A	Y	Y	_	Y	N/A	Y	5.0%	/		
5.2 Renewal of water collection, treatment and supply systems	PPS 5.2, NACE: E36.00 and F42.99	0,9	4.5%	N/EL	100,0%	N/EL	N/EL	N/EL	N/EL	N/A	_	Y	N/A	N/A	Y	Y	4.5%	3.8%		
6.16 Infrastructure enabling low carbon water transport	BPS 6.16, NACE: F42.91, F71.1 or F71.20	3,1	15.6%	100,0%	N/EL	N/EL	N/EL	N/EL	N/EL	_	Y	Y	Y	Y	Y	Y	15.6%	10.3%	O	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		5,0	25.1%														25.1%	14.1%		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
5.5 Collection and transport of non-hazardous waste in source segregated fractions	BPS 5.5, NACE: E38.11	0,6	3.0%																	
7.7 Acquisition and ownership of buildings	BPS and PPS 7.7, HACE: L68	0,6	3.0%																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,2	6.0%																	
Total (A.1+A.2)		6,2	31.2%														25.1%	14.1%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities		13,7	68.8%																	
Total (A+B)		19,9	100.0%																	

/ The regulation did not apply in 2022
N/EL ... Taxonomy non-eligible activity for the relevant objective
N/A ... DNSH criteria are not defined for the objective concerned
- not relevant

The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the Section number of the activity in the relevant Annex covering the objective, i.e.:
- Climate change mitigation: CCM;
- Climate Change Adaptation: CCA;
- Water and Marine Resources: WTR;
- Circular Economy: CE;
- Pollution Prevention and Control: PPC;
- Biodiversity and ecosystems: BIO

19.2 About the environmental management system⁵⁴

Technical support to the Management Board of the Company and Profit Centres is provided by specialised departments organised according to the fundamental management functions and the specific needs of the activities. Individual organisational units are responsible for the implementation of programmes and the achievement of environmental protection goals, while the programmes involving several units and a common infrastructure are the responsibility of the health and ecology protection department. The department performs an advisory, supervisory, development and operational role. In accordance with the requirements of ISO 14001 and EMAS and the Company's strategy, a representative of the Management Board for the environment and occupational safety and health and an environmental protection officer are appointed.

The environmental management system is designed so as to derive from the strategic orientations of the company, where strategic targets are determined. The Company's policy and commitment is shown in more detail in the Chapter 19.4 'Policy on safety and health in the port and energy efficiency'. Environmental aspects are reviewed and evaluated as part of the annual planning process on a yearly basis. These aspects are elements of activities, products and services with significant impacts on the environment or impacts on our activity (e.g. climate change). The criteria for evaluating the significance of environmental aspects include year-on-year progress, compliance with the law and compliance with the adopted internal standards, cost increase, and public opinion. To indicate significance in the evaluation process, a colour scale is used (red, yellow, green). An environmental aspect is considered significant when any of its criteria is evaluated red or at least three criteria are evaluated yellow. In analysing environmental aspects, all the activities are considered (in terms of indirect and direct impacts on the environment). The environmental aspects evaluated as significant are shown below. The Environmental report also discusses other identified environmental aspects, with the aim of providing a complete overview of the Company's environmental management and activity.

For the environmental aspects evaluated as significant, annual quantifiable targets are set and operational improvement programmes (OIP) are developed to facilitate the process of meeting the targets and make it more efficient. OIP is a measure that is taken to control an identified environmental aspect, to prevent or mitigate negative impacts, to ensure remediation of the impact, and to control actual and potential positive impacts. OIP can be an investment, a cost (e.g. study, maintenance interventions, measurement) or an organizational measure. These are included in the Company's annual business plan. The implementation of improvement programmes is reviewed annually and also reported on in this report, separately in each section. The achievement of the set targets is monitored quarterly and reported

to the Management Board. The adequacy of the established environmental management system is examined and evaluated also as part of regular internal assessments and management reviews and external quality system audits. The effectiveness of the measures implemented is further monitored by reviewing the OIPs implemented, by monitoring the objectives and the specific indicators set, which are also presented for each environmental aspect in the chapters of the report. They are monitored and shown over the years to identify trends and assess progress. The results of the environmental management system are communicated to stakeholders in various ways (e. g. through the annual report that is made public, through quarterly reports published on the stock exchange, through on-line measurements of noise, dust particles, sea quality, etc.). Initiatives and cooperation with stakeholders influence the scope of the implementation of the environmental management system, as well as the scope of reporting.

19.3 Living in harmony with the environment⁵⁵

Luka Koper, d. d., has always been concerned for improving the quality of life in the entire area in which the port is situated, and has been aware of the vulnerability of the natural environment. Being aware of the port's impact on the environment, Luka Koper, d. d., has committed in its policies to sound management of the environment, hoping to preserve it for future generations. The processes of monitoring and reducing environmental impacts are part of regular activities. To this end, Luka Koper, d. d. works with competent specialised institutions.



Natura 2000 sites nearest to the port

54 GRI 2-13, 3-3

55 GRI 3-3, 304-1, 304-2, 304-3, 304-4



Nearby underwater meadows (dwarf eelgrass or *Zostera noltei* and little Neptune grass or *Cymodocea nodosa* in the direction of Ankaran)

Coexisting with the port in its immediate vicinity is the natural reserve known as Škocjanski Zatok (extending over 122.7 ha). The largest brackish wetland in Slovenia, the reserve is of vital importance for its remarkable profusion of flora and fauna. An agreement was signed with the manager of Škocjanski Zatok, DOPPS-Birdlife Slovenia, based on which the signatories cooperate in the preservation and management of ecosystems in order to:

- Strengthen ecosystem services arising from nature and biodiversity as a stream of benefits for area stakeholders;
- Reduce pressures that negatively affect ecosystems, either as a result of the use of their services or due to the indirect impacts of human activities;
- Improve the capacity of key actors to tackle environmental vulnerability and preserve ecosystems and their services;
- Support key actors with strategies, methods, resources and tools for effective conservation and management of ecosystems;
- Include an integrated management approach and an approach involving local communities in the management system.

The area is home to a huge number of endangered plant and animal species. The 2018 census identified 1,575 species from the IUCN⁵⁶ Red List and from the list of nationally protected endangered animal and plant species. We estimate that all of them may be potentially endangered as a result of the port's operation. Species abundance data were provided by the manager of the Škocjanski Zatok slough. To observe the indirect impacts of the port on the area of Škocjanski Zatok, the monitoring of impacts (noise, air quality) has been established for several years, with measuring devices placed in the immediate vicinity of the slough. The measurement results are made public and presented in a report. In 2021, we established water quality monitoring in the strait that crosses the port and connects Škocjanski Zatok to the sea (the results are reported in Chapter 19.15 'Biodiversity'). Part of the storm sewer from the port area flows into the strait, which can affect the water quality in Škocjanski Zatok.

For quite some time, we have had a shared notification system for cases of uncontrolled spills that could affect the water quality in Škocjanski Zatok. For many years, the site where water crosses from the strait to Škocjanski Zatok has had a fixed lock which is now reconstructed.

Uncontrolled pollution at sea is monitored with three installed sensors (the results are presented in the Chapter 19.16 'Marine protection'). A radar system was installed in 2022 and tested in 2023 to identify potential oil slicks even more reliably.

A coastal marsh at Sv. Nikolaj (extending over 7.27 ha), rare for its brackish marsh plants, and a unique *Posidonia oceanica* seagrass meadow in Žusterna are located near the port. While *Posidonia oceanica* is a common seagrass species in the Mediterranean, the small area (1 km) off the Slovenian coast between Koper and Izola is its only habitat in the Gulf of Trieste. In 2023, we mapped the *Posidonia oceanica* seagrass meadow (determined its extent) and in 2024, we will establish the monitoring of its condition.

At a greater distance from the port is the Debeli Rtič park (5.26 ha), which is also part of the Natura 2000 area. The port marine area is located in an ecologically important area, a sensitive area affected by eutrophication and a sensitive area of bathing water; therefore, we already have a system in place to monitor the quality of the sea, which is presented in the Chapters 19.15 'Biodiversity' and 19.16 'Marine protection'.

In the direction of Ankaran, outside the concession area of the port, underwater meadows (dwarf eelgrass or *Zostera noltei* and little Neptune grass or *Cymodocea nodosa*) are found at depths of up to 5 meters. The meadows are not classified as protected areas, but their status may be affected by port operations. This is reported in Chapter 19.15 'Biodiversity'.

The Rižana River flows into the port water area (extending over 2.1 million m²) with a high content of suspended particles, which contributes to the siltation of the seabed in port basin II. Sea currents also contribute considerably to continuous application of the material to all port basins. In port waters, a certain depth has to be maintained on a regular basis to allow safe navigation and mooring of ships. Seabed dredging is carried out as necessary, and the material pumped out is deposited in settling pits provided for this purpose on land, but their capacities are not sufficient. Regardless of the activity of dredging and shipping, many animal and plant marine species are present in the port area, and this topic is presented in the Chapter 19.16 'Marine protection'. In 2021, an analysis of the abundance and species richness of organisms living in marine sediment was carried out for the first time and the results were presented in previous reports.

Koper city centre and part of the settlements Ankaran and Bertoki are also situated in the immediate vicinity of the port.

19.3.1 Significant environmental aspects in 2023

Environmental aspects evaluated as significant	Explanation of the nature of impact	
WATER CONSUMPTION / WASTEWATER / SEA	<ul style="list-style-type: none"> • Drinking water consumption 	<ul style="list-style-type: none"> • Drinking water consumption and losses in the water supply network affect the already limited quantities of drinking water on the Coast.
ATMOSPHERIC EMISSIONS	<ul style="list-style-type: none"> • Dust emissions/immissions from services 	<ul style="list-style-type: none"> • Handling of the bulk material can result in dust, causing some of the pollutants in the air to increase.
ENERGY / INTERNAL TRANSPORT	<ul style="list-style-type: none"> • Internal transport powered by diesel engines • Electricity and fuel consumption 	<ul style="list-style-type: none"> • The use of fuel in the transport process results in the release of greenhouse gases into the air. • Raba električne energije posredno vpliva na nastajanje. Electricity use indirectly affects the generation of pollutants, but this refers to locations where electricity is generated from non-renewable energy sources.
NOISE / ODOUR	<ul style="list-style-type: none"> • Generation of noise in the port • Noise emissions from freight and passenger ships 	<ul style="list-style-type: none"> • Every activity results in noise, which spreads into the environment and causes disturbance.
OTHER ENVIRONMENTAL ASPECTS	<ul style="list-style-type: none"> • Seabed dredging and disposal of marine sediments 	<ul style="list-style-type: none"> • To ensure the safety of navigation and in the event of certain interventions, the seabed has to be dredged, whereby the sediment excavated is deposited ashore. Due to the salinity of the material, the surfaces are no longer suitable for farming, and the deposited marine sediment has poor load carrying capacity and tends to sink.
OTHER ENVIRONMENTAL ASPECTS	<ul style="list-style-type: none"> • Fire safety 	<ul style="list-style-type: none"> • A high level of fire safety is highly crucial for the smooth operation of the entire port.
OTHER ENVIRONMENTAL ASPECTS	<ul style="list-style-type: none"> • Biodiversity conservation 	<ul style="list-style-type: none"> • Biodiversity conservation is a major environmental aspect since the port coexists with the Škocjanski zatok nature reserve; in the immediate vicinity, there is also a coastal marsh at Sv. Nikolaj, rare for its brackish marsh plants, and a unique <i>Posidonia oceanica</i> seagrass meadow in Žusterna.
WASTE	<ul style="list-style-type: none"> • Port- and ship-generated waste 	<ul style="list-style-type: none"> • High rate of separate collection and re-use of waste (circular economy).

The table above shows environmental aspects evaluated as significant. In order to reduce the impacts of the identified environmental aspects, this year the traditional Luka Koper environmental workshop was again organised to decide on annual activities (improvement programmes) and review the progress made towards achieving the environmental targets, which are presented in more detail in the Chapter 19.3.2 'Environmental targets in 2024'.

A survey was carried out at the European Ports Association level to identify the relevant environmental aspects, which are shown in the figure below (<https://www.espo.be>).



The Regulation (EC) on the voluntary participation by organisations in the Community eco-management and audit scheme (EMAS) states that significant direct and indirect environmental aspects have to be reported together with the main performance indicators for the following environmental areas:

- Energy,
- Materials,
- Water,
- Waste,
- Land use related to biodiversity,
- Emissions.

Energy, water, waste and land use with regard to biodiversity and emissions are reported later in this report. The material indicator is not shown because it is estimated as not crucial and important in storage and transshipment activities. In addition, we show more in-depth information related to

climate change, as recommended by the European Commission in its Guidance on non-financial reporting: Supplement on reporting climate-related information (2019/C 209/01), as well as information on how and to what extent our activities are linked to economic activities that are considered environmentally sustainable, in accordance with Articles 3 and 9 of the Taxonomy Regulation (Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088) in conjunction with Commission Delegated Regulation (EU) 2021/2139.

In general, climate change is managed through a recognised important environmental aspect - energy/internal transport (energy use) and a recognized risk - climate change. The report additionally discusses fire safety in the port, light pollution and the management of marine sediments.

19.3.2 Environmental targets in 2023

The most important environmental targets:

- Pass the verification of compliance with the EMAS regulation, and the ISO 50001 and ISO 14001 standards;
- Reduce total dust emissions on all ten port locations to 200 mg/m² per day, and limit the deviations to no more than 5 measurements throughout the year;
- Maintain PM₁₀ concentrations (particles up to 10 µm) across the entire port area below 30 µg/m³ (in the direction of Ankaran, Koper and Bertoki);
- Maintain the share of separately collected waste, excluding waste from vessels, at 93 percent;
- Reduce the night-time noise level in the direction of Koper to 48 dBA;
- Maintain the noise level in front of the closest buildings outside the port at 58 dB during the day and 53 dB in the evening;
- Achieve the target specific consumption of energy sources despite the purchase of additional machinery and new electricity consumers: fuel at 0.1290 l/t, electricity at 0.7960 kWh/t, and drinking water at 2.5 l/t;
- Ensure that no (inspection or internal) measures will be required for the developments;
- Prevent all instances of sea pollution outside the port water area;
- In case of fire interventions and injury accidents, ensure that the intervention time of the professional fire brigade is less than 3.5 minutes (from receiving the notification until arrival at the scene);
- Prevent any major industrial accidents altogether;
- Implement all inspection decisions in the field of fire safety;
- Preserve the range of the area of underwater meadows (*Cymodocea nodosa*, *Zostera noltei*) compared to the 2018 reference period;
- Maintain the quality of water in the strait that connects Škocjanski Zatok with the sea and crosses the port, by monitoring the mineral oil content, the amount of which should not exceed 50 µg/l.



19.3.3 Realisation of environmental objectives in the period 2021–2023⁵⁷

The table presents the objectives and their realisation; the content is explained in more detail in the relevant chapters of the report.

Section No	Important environmental aspect	OBJECTIVE	Target value 2023	Results for 2021–2023 (Values achieved)			Realisation 2023
				2021	2022	2023	
19.8	Dust emissions/immissions from services	Reduce total dust immissions for each measurement	200 mg/m² day up to 5 exceedances	120 7 exceedances	114 10 exceedances	104 6 exceedances	
19.8	Dust emissions/immissions from services	Maintain immission particle size below 10 µm in the entire port area	< 30 µg/m³	Bertoki-17 Ankaran-15 Koper-16	Bertoki-21 Ankaran-16 Koper-16	Bertoki-14 Ankaran-22 Koper-14	
19.9	Waste management	Maintain the percentage of waste collected separately excluding ship-generated waste	> 93%	93,6*	93,6*	93,9	
19.10	Noise generation in port, noise emitted by cargo and passenger ships	Reduce the noise level at night in the direction of the city of Koper	Night 48 dB	53	54	54	
19.10	Noise generation in port, noise emitted by cargo and passenger ships	Maintain the noise level in front of the closest buildings outside the port at 58 dB during the day and 53 dB in the evening.	Evening 53 dB	Bertoki-37 Ankaran-44 Koper-54	Bertoki-37 Ankaran-46 Koper-55	Bertoki-36 Ankaran-45 Koper-56	
19.10	Noise generation in port, noise emitted by cargo and passenger ships	Maintain the noise level in front of the closest buildings outside the port at 58 dB during the day and 53 dB in the evening.	Day 58 dB	Bertoki-39 Ankaran-45 Koper-54	Bertoki-38 Ankaran-45 Koper-56	Bertoki-38 Ankaran-45 Koper-56	
19.11	Electricity and fuel consumption	Maintain specific energy consumption on par with the year before despite increases in transshipment and storage capacities.	0,7960 kWh/t	0,7740**	0,7332**	0,8377	
19.12	Drinking water consumption	Maintain specific energy consumption on par with the year before despite increases in throughput and storage capacities.	2,5 l/t	2,29**	2,09**	2,255	
19.11	Internal transport powered by diesel engines	Maintain specific energy consumption on par with the year before despite increases in throughput and storage capacities	0,1290 l/t	0,1195**	0,1267**	0,1271	
19.17	Seabed dredging and disposal of marine sediments	Developments	0 actions	0	0	0	
19.16	Marine pollution	Prevent all instances of sea pollution outside the port water area	0 contaminations	0	0	0	
19.7	Fire safety	Ensure that the intervention time of the fire brigade is as short as possible (from receipt of the notification to arrival at the location) for fire interventions and injury accidents.	< 3,5 min	2,97	2,98	2,83	
19.7	Fire safety	Prevent any major industrial accidents altogether	0 large industrial accidents	0	0	0	
19.7	Fire safety	Implement inspection decisions fully.	0 unimplemented inspection decisions	0	0	0	
19.15	Biodiversity conservation	Preserve water quality in the strait that connects Škocjanski Zatok with the sea and crosses the port	Mineral oil content < 50 µg/l	<20	<20	<20	
19.15	Biodiversity conservation	Preserve the range of the area of underwater meadows (<i>Cymodocea nodosa</i> , <i>Zostera nolti</i>) - measurement every three years	Same area compared to the 2018 reference period	/#	/#	***	

KEY:

- Target not attained
- Target attained
- Target partially attained
- Target is new

NOTES:

- * The target for 2021 was >91% and for 2022 >92%.
- ** In 2021, the targets were 0.7658 kwh/t for electricity, 0.1249 l/t for fuel, and 4.9 l/t for drinking water. As of 2021, target values and specific consumption of fuel, electricity and drinking water are calculated on the basis of total throughput.
- ** In 2022, the targets were 0.7918 kwh/t for electricity, 0.1214 l/t for fuel, and 4.9 l/t for drinking water. As of 2021, target values and specific consumption of fuel, electricity and drinking water are calculated on the basis of total throughput.
- *** The determination of the extent of seagrass meadows was not implemented in 2023 and will be carried out in 2024, after which the frequency of verification will be increased control will be carried out every 2 years.

19.4 Policy on safety and health in the port and energy efficiency⁵⁸

In Luka Koper, d. d., an environmental policy is in place and its adequacy is regularly reviewed. In March 2019, the Policy on safety and health in the port and energy efficiency was updated. It is published at: <https://www.luka-kp.si/slo/pomembni-dokumenti-208>. The policy also sets out guidelines for reducing climate change by striving to reduce environmental impacts, managing resources carefully, improving energy efficiency and introducing modern technology.

19.5 Compliance with environmental protection requirements⁵⁹

19.5.1 Compliance with environmental legislation⁶⁰

In demonstrating compliance, we primarily refer to the Environmental Protection Act (Official Gazette of the Republic of Slovenia, No 44/22), on the basis of which the following environmental permits have been granted:

- No 35450-18/2022-2550-4 of 4 Apr 2023 and a clean copy of imposition 35450-18/2022-2550-8 of 26 May 2023 regarding noise emissions;
- No 35444-2/2016-13 of 15 Jun 2017, amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022 regarding atmospheric emissions, wastewater emissions and storage of non-hazardous waste;
- No 35415-1/2006-15 of 8 Jan 2008, amendments No 35415-4/2008-16 of 19 Mar 2009, No 35495-1/2012-20 of 21 Nov 2012, No 35492-1/2013-10 of 21 Jun 2013 and No 35495-4/2016-7 of 14 Oct 2016 regarding the operation of a facility that may cause a major accident (Seveso).

The Company meets the requirements set out in the environmental permits it has been granted with regard to emissions into water and into the air, storage of waste, noise emissions, and which it has been granted as a facility of increased risk of accidents. The fulfilment of the requirements of the granted environmental permits is reviewed annually to find whether the prescribed requirements are met.

To address light pollution, modernisation of all lights was completed in early 2017 so that they were made to comply with legal provisions in the field of light pollution (Decree on limit values for light pollution of the environment (Official Gazette of the Republic of Slovenia, No 81/07, 109/07, 62/10, 46/13 and 44/22 – ZVO-2)). The plan was subsequently revised in 2019, 2021 and 2022. The revisions were made due to changes in the number and location of the lights installed/removed.

Results of the measurements taken on the devices causing emissions to air indicate compliance with the obtained environmental permit (No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022).

PM10 and PM2,5 concentrations in the air in the port area, as well as the number of exceedances, are below the limit values stipulated by law (Decree on ambient air quality (Official Gazette of the Republic of Slovenia, No 9/11, 8/15, 66/18 and 44/22 – ZVO-2)).

The measured emissions of combustion plants are compliant with the legal requirements (No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022) and Decree on the emission of substances into the atmosphere from small combustion plants (Official Gazette of the Republic of Slovenia, No 46/19 and 44/22 – ZVO-2)

The noise level measured by three fixed monitors (measurements are carried out continuously, 24/7) complies with the requirements of the granted environmental permit No 35450-18/2022-2550-4 of 4 Apr 2023 and the clean copy of imposition 35450-18/2022-2550-8 of 25 May 2023 with regard to the limit values of the ambient noise indicators applicable in front of the first buildings of Koper, Ankaran and Bertoki. In 2022, additional periodic measurements were carried out in front of the first buildings around the port and the results are in line with the requirements of the environmental permit granted with regard to the limit values of the ambient noise indicators applicable in front of the first buildings of Koper, Ankaran and Bertoki. The latter measurements are carried out every three years in accordance with the legislation. Also, in 2023, with the help of the authorised representative and a model calculation, we obtained an estimate of the environmental noise pollution (model calculation for the value of the night target until 2027).

The performed analyses of industrial wastewater and wastewater from small wastewater treatment systems have shown compliance with legal and environmental requirements No 35444-2/2016-13 of 15 Jun 2017, amendment No 35440-50/2019-10 of 21 Oct 2020 and amendment No 35447-4/2021-2550-10 of 27 May 2022. At the new site, where scrap iron is stored, the results in the stormwater were inadequate, which we found to be the result of seawater intrusion and mixing of the wastewater in the oil interceptor. As a measure, the stormwater runoff from this site will be diverted and treated in a new oil interceptor, which will be installed at a suitable depth to prevent seawater intrusion. We estimate that no significant environmental contamination has occurred as, although scrap iron is occasionally stored on site, the storage period is at most a few weeks (see Chapter 19.13 'Wastewater management'). The measurement of the wastewater from the washing facility at the

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livestock terminal showed a slight exceedance of the limit value for the parameter ammonium nitrogen, but the discharged wastewater is further discharged to the Koper Central Wastewater Treatment Plant, where it is further treated, and therefore we estimate that there is no environmental pollution. Other measurements and parameters in the industrial wastewater were in accordance with the provisions of the environmental permit No 35444-2/2016-13 of 15 Jun 2017, amendment No 35440-50/2019-10 of 21 Oct 2020 and amendment No 35447-4/2021-2550-10 of 27 May 2022. The results of the measurements were communicated to the operator of the Koper Central Wastewater Treatment Plant.

The Company has a valid environmental permit for the warehousing (transshipment) of some categories of waste (scrap iron, paper, plastics, mill scale), No 35444-2/2016-13 of 15 Jun 2017, amendment No 35440-50/2019-10 of 21 Oct 2020 and amendment N .35447-4/2021-2550-10 of 27 May 2022. We performed transshipment of scrap iron, measuring the radioactivity of consignments, keeping records, calculating dust immissions into the environment and measuring wastewater from oil interceptors. In the context of the handling of scrap iron, other material was also traced in the consignments and returned to the sender or forwarded to another authorised organisation. Based on this, we have submitted an application to the Ministry for an amendment to the existing environmental permit (No 35444-2/2016-13 of 15 Jun 2017, amendment No 35440-50/2019-10 of 21 Oct 2020, amendment No 35447-4/2021-2550-10 of 27 May 2022) to introduce an additional treatment process for metallic waste at the existing site (Site 2 and Site 7) using the mechanical process R12 - Exchange of wastes for submission to any of the operations numbered.

In accordance with the Decree on checking the radioactivity of consignments that could contain orphan sources (Official Gazette of the Republic of Slovenia, No. 10/2019), measurements were performed continuously. We have been authorised to carry out measurements by the Slovenian Nuclear Safety Administration (SNSA) in December 2021, to which we submitted an annual report on the measurements performed.

We have not received any decisions for the implemented inspections (more in Chapter 19.6.4 'Inspections').

19.5.2 Compliance with internal requirements

In monitoring total dust, the set target of 200 mg/m² per day was achieved, the average annual value having been 9 percent lower than in the previous year and below the target value. In 118 measurements, 6 exceedances were measured, which is less than in the previous year but above the set target (5 exceedances).

In monitoring the immissions of PM₁₀ particles in the entire port area, the set internal target was achieved.

In energy management, the targets for specific drinking water consumption and fossil fuel consumption for the port's

activity were met, however, the target for specific electricity consumption was not met. Deviations in target indicators are explained in related chapters.

The sea water protection system is being maintained and upgraded in a way to help meeting the set target without contaminations outside the port water area.

At the level of Luka Koper, d. d., internal targets have been set for night, day and evening noise reduction on all three sides of the port, where meters are installed. The values of the internal targets were set according to the limit values defined in the previous regulation on noise emissions. Despite the fact that the limit values in the new Regulation increased, we decided not to change the target values by the end of 2023. In the direction of Ankaran and Bertoki, objectives are achieved in all three parts of the day (day, evening, night), they are also achieved in the direction of Koper in daytime, but not also in the evening and at night. It is estimated that in the coming years the set target for evening noise (now exceeded by 3 dB) could be achieved based on all activities, investments in electrification and modernisation on the first quayside and Pier I. At the same time, we estimate that the set goal for night noise in the direction of Koper (currently exceeded by 6 dB) is not realistically achievable despite all the measures, so in this case we worked with an authorised contractor to create a model calculation based on the data of the existing and planned machinery up to 2027. The model calculation will thus be the basis for setting a more realistic night-time target in the direction of Koper.

For 2024, we have changed the value of the nighttime target in the direction of Koper based on the model calculation (described in more detail in Chapter 19.10.1. 'Noise emission results').

In the field of waste collection, the target of more than 93-percent share of waste collected separately excluding ship-generated waste is being met.

At the company level, the defined intervention time of the fire brigade is ensured (from receipt of notification to arrival) for fire interventions and accidents with bodily injuries, and the goals of complete prevention of major industrial accidents and full implementation of fire safety inspection decisions (no such decision has been received yet) were achieved in 2023.

The target, according to which no inspection or internal measures were required for interventions in space, was achieved.

The target in the field of marine protection was also achieved, as there has not been a single case of marine pollution outside the port water area.

The status of underwater meadows in the direction of Ankaran is checked periodically (once every 3 years), but it was not implemented in 2023. This is because the process of launching a public procurement procedure and selecting

a contractor is being carried out, as we want to increase the monitoring frequency to 2 years. Regardless of the above, we have taken measurements and checked the status of the underwater meadows in the direction of Ankaran. Their status was found to be good.

19.6 Public communication⁶¹

19.6.1 Results of a public opinion poll

Each year, a public opinion poll is carried out among the local population on the perception of Luka Koper, d. d., regarding its relationship to the environment and the company's performance. Most of the respondents are from the local communities of Semedela, Žusterna, Za Gradom and Olmo-Prisoje (43.8%), Bertoki, Hrvatini and Škofije (30.3%), Koper central (16.6%), and the municipality of Ankaran (9.3%). Throughout the years the survey was held, the sample has remained the same, and included all age groups and equally both sexes. The majority of respondents (87.4%) found Luka Koper, d. d., to be a successful/very successful enterprise.

Respondents believe the biggest sources of pollution in the local environment to be:

- Road transport (40.6%, 2022: 29.7%),
- Port activity (26.0%, 2022: 24.8%),
- Industry in Trieste (14.7%, 2022: 6.4%), and
- Local industry (3.6%, 2022: 8.6%)

According to 43.2 percent of the respondents (2022: 26.6%), Luka Koper d. d. has a medium level of environmental protection (rating it a 3); 26.5 percent (2022: 27.3%) believe it is very good (rating it a 4), while 10.8 percent (2022: 21.7%) have rated the Company's environmental protection programme as excellent (rating it a 5). 16.4 percent (2022: 11.9%) of the respondents deem the Company's performance in this area poor or fair. Compared to the previous year, the proportion of respondents who believe that Luka Koper, d. d., takes care of the environment quite well (rating 4) has slightly decreased, but the proportion of those who think that Luka Koper, d. d., takes medium care of environmental protection (rating 3) has increased considerably. However, the proportion of those who think that Luka Koper, d. d., takes excellent care of environmental protection (rating 5) has decreased by half. The average score (on a scale of 1 to 5) has fallen from 3.66 to 3.28 in the last year.

Public assessment of the port's environmental impact:

	2021	2022	2023
Public assessment of the port's environmental impact	3.62	3.64	3.28

19.6.2 Important public communication events

The Company joined the ESI (Environmental Ship Index) project, which allows ships with modern and cleaner propulsion systems to pay lower port charges from 1 January 2023. ESI is a voluntary scheme used by ports to encourage and reward environmentally cleaner and more sustainable ships. Before introducing the scheme that allows ships with lower environmental emissions to pay a lower fee, it was presented to all shipowners' representatives, with the aim of getting as many ships as possible to join the scheme, or only ships with the lowest environmental emissions to call at the port. The list of ships included in the ESI scheme is updated continuously and it is ensured that all clean ships are charged lower port dues. In 2023, 106 of the 1642 ships (6.5%), which are included in the ESI scheme, received a discount.

We have been very active in the field of energy. As part of the SOPOREM project, in which Luka Koper, d. d., as the lead partner collaborates with the Municipality of Koper and the Norwegian company Greenstat, the project of installing photovoltaic power plants in the port was presented at a press conference. The project envisages the construction of the second largest solar power plant in the country, to be completed in 2024. The project is reported in more detail in Chapter 2 'Letter of the President of the Management Board'

In addition, activities were underway in late 2023 for a project to build a shore-side power supply system for ships. This follows the requirements of Regulation (EU) 2023/1805 on the use of renewable and low-carbon fuels in maritime transport and contributes to reducing greenhouse gas emissions, noise pollution and air pollution, thus maintaining environmental sustainability standards.

For the joint project with Eles, d.o.o. for the construction of the 110/20 kV transformer station Luka Koper, d. d., with a connecting line, a tenderer was selected at the end of 2023 for the preparation of the design and spatial-environmental documentation. The new substation will enable further development of the port while abandoning fossil fuels.

In order to meet the charging needs of electric vehicles, work has started in 2023 on a charging management system for the port.

In order to strengthen and develop cross-border cooperation, the Trieste Port Authority, the Venice Port Authority and Luka Koper, d. d., in cooperation with the Consortium for the Economic Development of Friuli Venezia Giulia and the University of Primorska, signed a protocol on sustainability and energy efficiency in ports. By adopting the Protocol, we have committed to continue the activities already undertaken in the past years in the framework of the EU project Clean Berth, co-funded by the Interreg V-A Slovenia – Italy 2014–2020 Programme (<https://www.luka-kp.si/en/news/ports-in-north-adriatic-for-closer-cooperation-on-environmental-and-energy-projects/>).

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As part of our sponsorship, we supported the organisation of two professional business conferences in the field of sustainability: the first one was Mobility on 7 June, followed by Energy 2023 on 11 October. Both conferences were attended by employees from the health and ecology protection department, which also includes the energy sector. This led to the preparation of expert articles on environmental protection and green transition projects, which were published on the Delo website: <https://www.delo.si/dpc-gradbenistvo/ugled-se-gradi-z-odgovornim-odnosom-do-okolja/> and a VIDEO: If allowed, we could also bathe in the Port of Koper - Delo.

We participated in the 25th Energy Days, which took place on 18 and 19 April in Portorož. At this meeting of Slovenia's energy managers at a conference on the challenges and opportunities of the energy crisis, we presented key climate transition projects and the challenges we face in the specific port operations: Luka Koper, d. d., is ready for the green transition - Luka Koper, d. d. (luka-kp.si).



Energy Days

On November 7, we hosted the final conference of the European 5G-Loginnov project, within the framework of which the development and testing of the next generation 5G mobile network for the needs of ports and logistics took place over the past three years: With 5G technology, a step forward in the development of a smart port - Luka Koper, d. d. (luka-kp.si).



Closing conference of the European 5G-Loginnov project
Photo: Jakob Bužan

We joined UNI.MINDS, Slovenia's largest festival dedicated to the creation and development of a Slovenian innovation community in partnership between the economy and the academic environment. On this occasion, students from various Slovenian faculties visited the port. In the InnoRenew CoE centre of excellence, we presented the students in detail with environmental protection activities, the innovative measure of applying a cellulose protective layer on stored coal and the project "Bricks made of marine sediment" awarded by the European Sea Ports Organization (ESPO): Festival UNI.MINDS: Bringing together the economy and the academic sphere - Luka Koper, d. d. (luka-kp.si).



Festival UNI.MINDS - Bringing together the economy and the academic sphere

Luka Koper, d. d., joined the supporters of the victims of the August floods and donated 241 pallets of bricks to the Administration of the Republic of Slovenia for Civil Protection and Disaster Relief. The bricks are the product of an award-winning project in which Luka Koper, d. d., together with its partners, produced from dredged marine sediment bricks that are frost-resistant, and with low water absorption and high compressive and flexural strength, and suitable for load-bearing and non-load-bearing wall structures: Charity port bricks for the renovation of homes - Luka Koper, d. d. (luka-kp.si).



Donation of bricks for affected areas
Photo: Jakob Bužan

In August 2023, a meeting of a wider group of representatives of the Municipality of Koper and Luka Koper (management and professionals) was held. On this basis, a special working group, the Technology Hub - Smart Business City, was appointed in September with the aim of creating the conditions for the operation of a technology hub or other form of supportive environment for economic development in part of the Storage facility No 3.

Students, accompanied by professors, of the Faculty of Maritime Studies and Transport, with whom Luka Koper cooperates intensively in several areas, visited the port several times. The focus of the discussions during the presentation and the port visit was on the activities of the port and its involvement in maritime safety. One of the activities is to take measurements and regularly monitor meteorological data. We also share information relevant for the safe arrival of ships with the Slovenian Maritime Administration, pilots of KOPP, d. o. o., Adria-Tow tugs, the Maritime Police, the Slovenian Armed Forces and Sirio, d. o. o. An example of good practice was also presented, related to the organisation for prevention of or coping with unforeseen events, natural and other disasters, as well as the needs and objectives regarding the forces and equipment for the implementation of protection and rescue.

Important events are also reported in Chapter 22 'Social responsibility.'

19.6.3 Registered and processed environmental complaints⁶²

Environmental complaints about port operations registered and processed

Environmental complaints are accepted by telephone, through a web application and the media. We address all complaints and respond to the complainant. All complaints received were processed (100%).

A total of 14 complaints were registered in 2023, including six about excessive noise, five about smoke from the ship, one about out-of-date information on the Living with the Port (ŽSP) website, one about noise and dust during construction work at the external truck terminal and one about the ship's siren going off.

	2021	2022	2023
Number of environmental complaints	18	12	14

Out of a total of six noise-related complaints, most of them (five complaints) related to the noise of ships in the direction of Koper, and one to the noise of a ship in the direction of Ankaran. In all cases of noisy ships, we tried to form an agreement with the shipowner's agent or the command of the ship to take action. Since the source of ship noise may

vary (e. g. pumps, ventilation, cranes, engine, vibrations), the measures taken by the shipowner are also diverse and of varying effectiveness. In most cases, shipowners or ship commanders understand the issue, and if possible or allowed by the system, they listen and take action. Of the five complaints, we were able to reduce the noise level in two cases after taking action with the shipowner or the ship's agent. The noise impact of these ships is present for the time they are moored in port.

Five complaints were received about a ship or tugboat smoking in port. When such incidents occurred, we informed the competent maritime inspector, who monitors and verifies what is happening at sea, or the shipowner. In most cases, the smoking occurs when the ship's main engines start, which lasts for a short period of time, so the impact is present for a short period of time. A permanent end to ship smoking will only be possible when ships have alternative propulsion systems and no longer use fossil fuels.

One complaint was received about noise and dust from construction work at the external truck terminal. In this case, the status of the investment area was checked and an indicative timetable for the works was communicated to the caller. After a warning to the contractor, the situation improved, so we estimate that the dust impact was present, but for a short period of time.

One complaint was about the noise and dust data on the Living with the Port (ŽSP) website not being updated. The problems with uploading the data on the server were quickly resolved and we do not assess the environmental impact.

One complaint concerned the sounding of a ship's siren in the morning hours due to a ship signalling in fog. The citizen of Koper was informed of the cause.

Environmental complaints about development plans or interventions in the port registered and processed

All stakeholders can submit written comments on development plans or interventions in the port, which are made public by the Environment Agency. The intended interventions under the Decree on environmental encroachments that require environmental impact assessments, are publicly disclosed (Official Gazette of the Republic of Slovenia, No 51/14, 57/15, 26/17, 105/20 and 44/22 – ZVO-2). In 2023, Luka Koper, d. d. did not produce any documentation for interventions or plans and, consequently, no results of environmental and social impact assessments were published. In 2022, the results of the environmental and social impact assessment for the intervention "New moorings on the southern quayside of Pier II" were published, where stakeholders were involved, and an integrated permit was issued in June 2022 (100% implementation).

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19.6.4 Inspections⁶³

The deficiencies identified from the inspections were not of such a nature as to have an impact on the environment. Luka Koper d. d., received no financial penalties from inspections in 2021, 2022 and 2023, whereas in 2023, one subsidiary received a penalty of EUR 30 for an environmental offence.

Inspectorate	Start date, notification of the process	Subject matter	Findings	Company
Environment, Climate and Energy Inspectorate of the Republic of Slovenia	31 May 2023	Invitation to submit the operational wastewater monitoring report for the company Luka Koper, d. d. for the year 2022	The process is still ongoing.	Luka Koper, d. d.
Ministry for the Environment, Climate and Energy	22 Aug 2023	Control of an operations posing a significant risk to the environment (SAVESO)	There were no objections, and the procedure was closed.	Luka Koper, d. d.
Ministry of Natural Resources and Spatial Planning	26 Oct 2023	Control over the monitoring of shipments due to increased radioactivity	The conclusion was recorded that it is necessary to provide a permanently present monitoring operator, which we ensured, and the process was completed.	Luka Koper, d. d.
Environment and Energy Inspectorate of the Republic of Slovenia	1 Dec 2023	Control of the company's compliance with the requirements of the environmental permit	There were no objections, and the procedure was closed.	Luka Koper, d. d.
Ministry for the Environment, Climate and Energy	4 Dec 2023	Control over compliance with the requirements of the environmental protection permit for waste processing, review of records on receipt and submission of waste for cross-border transfer, air emissions and wastewater disposal. Decision to close the procedure No 06182-2813/2022	There were no objections, and the procedure was closed.	Luka Koper, d. d.
Environment and Energy Inspectorate, Koper Regional Unit	26 Oct 2023	Inspection of goods in the field (waste rubber)	Cargo (waste rubber) is not stored separately according to whether it is waste or non-waste	Adria Terminali, d. o. o.
Environment and Energy Inspectorate, Koper Regional Unit	1 Dec 2020–31 Jan 2023	Documentation accompanying the goods (waste plastic)	Incorrectly completed accompanying documents, receipt and issue of goods, decision received and a fine of EUR 30.	Adria Terminali, d. o. o.
Environment and Energy Inspectorate of the Republic of Slovenia	10 Nov 2023	Control over the fulfilment of environmental protection requirements	In 2023, we had one inspection by the Environment Inspectorate, which took place in November. It is noted that we have cancelled the environmental permit for composting. We were alerted to an irregularity in record keeping, which we corrected before the end of the calendar year deadline. Documentation on monitoring and the maintenance of operating logs at the two oil separators was also reviewed. Part of the documentation was delivered later.	Luka Koper INPO, d. o. o.

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19.7 Environmental risk management and emergency response⁶⁴

An important step in environmental preservation and improvement is to reduce the risk of incidents and improve emergency response procedures. At the level of Luka Koper, d. d., lists of environmental risks are also devised and maintained annually. The port has an emergency management and response system in place, not only for emergencies involving dangerous substances. This chapter lists and summarises the identified environmental incidents, all small-scale and with impacts limited to the site of the event (e.g. immediate vicinity of a vehicle). The complaints lodged by the local community are discussed in Chapter 19.6.3 'Registered and processed environmental complaints', while incidents at sea are discussed in Chapter 19.17.1 'Statistics for interventions at sea.'

As part of its activities, Luka Koper, d. d., uses, transports and warehouses dangerous substances, oil and petroleum products, and manages work equipment and assets that carry a risk of accidents.

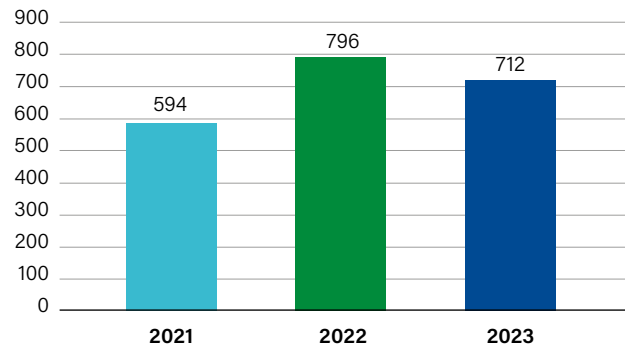
A review of threat assessments and the Emergency Plan was carried out. The plan was approved by the Management Board of Luka Koper, d. d., in April 2022. The protection and rescue system in Luka Koper, d. d., involves players from various areas of expertise, organisations and undertakings whose details are recorded in the annexes to the plan. The annexes were regularly reviewed in 2023 and corrected or supplemented as necessary, and the plan itself will be revised in 2025.

In the event of interventions in emergency situations in the port area, the Luka Koper, d. d., Professional Fire Brigade and Port Security Department are always involved, and if required, also the sea protection unit, Luka Koper INPO, d. o. o., Luka Koper, d. d. Industry Volunteer Firefighting Society, Luka Koper, d. d. Civil Protection Unit, and other units in accordance with the Emergency Plan.

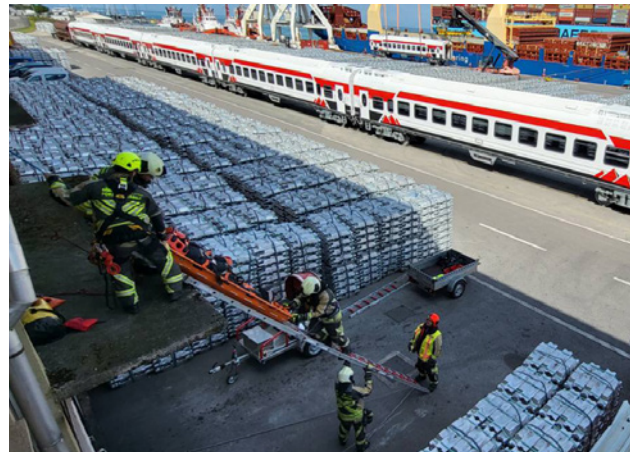
The fire safety target is to ensure an adequate supply system and a sufficient quantity of water for fire extinguishing throughout the port area and ensure proper firefighter intervention for specific objects. In 2018, the Investments Department devised the 2018–2023 Plan for the maintenance and repair of the water and hydrant network, which is in its final stages.

The Port Professional Fire Brigade currently employs 30 people who ensure a 24-hour on-call service. Its fleet comprises eight fire engines and seven trailers with various equipment. The Fire Brigade provides operational and preventive fire safety work in the port. Firefighting operations include firefighting and rescue in all types of accidents, providing medical aid to the sick and injured, and education and training with firefighting equipment. In 2023, the unit intervened in 712 events.

The number of events of the professional fire brigade



An additional 126 fire watches (welding, cutting, etc.) were carried out throughout the year. Fire watches are carried out daily at the liquid cargo terminal during its operation.



Fire drill

Photo: Matej Ličan

In 2023, over 250 employees were trained in fire protection.

Regular training of professional firefighters is very important for maintaining a high level of knowledge and safety in interventions. Professional firefighters receive regular training at the fire brigade and at the Firefighting School.

Around one hundred internal exercises on various firefighting topics were conducted in the port area.

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19.7.1 Statistics for environmental incidents from 2021 to 2023

Number in 2021	Number in 2022	Number in 2023	Description of event	Measures taken
115	118	207	Cracks in vehicle hydraulic systems (external vehicles and port machinery) or oil slicks detected on the asphalt surface.	Remediation by using absorbents and a machine / hand-held sweeper. Eco-points are located in key areas, where substances for quick remediation are available together with bins for spent absorbent disposal. Hydraulic oil leaks are recorded on 0.05 percent of vehicles entering the port.
8	3	0	Leakage in the port's water supply system.	Repair of the leaking pipes.
6	10	9	Leakage and spillage of a small amount of petroleum products around vehicles as a result of damage to the fuel tank.	Remediation by using absorbents and a machine / hand-held sweeper on the site of leakage.
3	4	3	Inadequate waste management within the port.	Adequate management of the collected waste in future.
9	8	9	Minor fire, onset of fire.	In all cases, small, local fire onsets were extinguished, and additional measures were introduced where necessary.
/	2	6	Freon leakage from the refrigerated cargo engine room.	Freons were released into the air due to loosening of materials. We have drawn up a project brief to modernise the refrigeration plant in this area by phasing out freons as a refrigerant.

All emergencies were small-scale, managed and remedied at the site of occurrence, with no impact on the environment.

19.7.2 Presentation of the realisation of improvement programmes for better management of uncontrollable events

In 2023, the following was implemented:

- Rehabilitation of the hydrant and water supply network in accordance with the maintenance and investment plan,
- Cooperation with the Koper Fire Brigade and execution of joint fire drills for better cooperation in interventions,
- Activities for the construction of a new port fire station (opinion from Marjetica, building permit, construction documents in preparation),
- Purchase of accessories for stabilizing larger vehicles,
- Purchase of a rescue platform,
- Purchase of a drying cabinet for protective suits and other equipment,
- Purchase of equipment to maintain the physical condition of professional firefighters,
- Purchase of pneumatic sealing plugs,
- Completed replacement of two portable fire pumps,
- Completed purchase of high-pressure electric or battery fans,
- Completed purchase of a transport trolley for the transfer of firefighting equipment,
- Completed purchase of transfer trolleys for vehicles,
- Upgrade of the active fire protection system with new bollards for TC1 berth,
- Completed the update of the cooling and extinguishing system on the methanol tanks at the liquid cargo terminal,
- Replacement and upgrade of refuelling points at the liquid cargo terminal.

The following was not implemented in 2023:

- Complete rehabilitation of the hydrant and water supply network in accordance with the maintenance and investment plan,
- Complete modernisation of the existing waste management centre,
- Purchase of a new container for the fire watch due to exceeding the funds provided in the public procurement process,
- Complete replacements and upgrades of refuelling points at the liquid cargo terminal.

19.7.3 Improvement programmes for better management of uncontrollable events for 2024

The following will be implemented in 2024:

- Complete replacement and upgrade of refuelling points at the liquid cargo terminal,
- Continuation of the procedures for the construction of the new fire station,
- Cooperation with the Koper Fire Brigade and execution of joint fire drills for better cooperation in interventions,
- Complete upgrade of the existing waste management centre with the installation of additional fire alarms in accordance with the fire study,
- Complete investments in the rehabilitation of the hydrant and water supply network in accordance with the maintenance and investment plan,
- Repeat the procurement procedure to purchase a new container for the fire watch,
- Installation of an automatic fire extinguishing system at RMG 1-4 and KD 55-58 at the container terminal,
- Upgrade of the dry bulk cargoes terminal to comply with the ATEX Directive (equipment, tools and protective systems intended for use in potentially explosive atmospheres),
- Initiation of procedures for the purchase of a freight passenger vehicle for the fire brigade,
- Purchase of vacuum cleaners or a vacuum system to clean the THal system at the dry bulk cargoes terminal,
- Purchase of ATEX design work equipment (equipment intended for use in potentially explosive atmospheres) at the bulk cargo terminal.

19.8 Emissions/immission from port operations⁶⁵

19.8.1 Air quality and environmental aspects

We are making continuous efforts to reduce emissions from port activity into the atmosphere. The main sources of emissions we can control include:

- The transshipment and warehousing of bulk and dry bulk cargoes such as coal, iron ore, soy, wheat and alumina. These activities cause dust emissions.
- The transshipment and warehousing of liquid cargoes such as petroleum products, o-Xylene and methanol. These activities cause the emissions of volatile organic compounds.
- The use of liquid energy sources and motor fuels used for the port machinery and in combustion units, causing dust and greenhouse gas emissions.
- Ships while berthing at port, as they must have auxiliary engines running for lighting, air conditioning, ventilation, ship lifts, pumps, etc.

⁶⁵ GRI 3-3

⁶⁶ GRI 305-7

The systems for storing and transshipment of the above-mentioned cargoes are set up in the port of Koper in accordance with the best available techniques (the so-called BAT). Examples of using the best available techniques in the port are:

- Floating membranes are installed in petroleum reservoirs; fixed roof reservoirs are built to reduce the emissions of substances into the atmosphere;
- Vapour recovery systems are installed for pumping fuel into mobile units;
- White or reflective colour of tanks are used to reduce the emissions of the substance into the atmosphere;
- Modern techniques are used in transshipment: automation of the transshipment process, reduction of drop heights in unloading cargo, use of telescopic pipes, introduction of closed transport routes and dust barriers;
- Key cargoes are stored in silos and transported through closed transport systems where practicable and economically feasible;
- Technical and organizational measures are introduced to reduce emissions at the point of origin; water spraying techniques are used, delivery and acceptance of cargo in bad weather are getting abandoned, surrounding areas are being made green, the number of transshipment spots is getting reduced;
- Paper sludge is applied to the landfill where coal and iron ore are stored to reduce the possibility of the material being carried away by the wind.

Air quality is also affected by activities outside the port area. The most notable of these are:

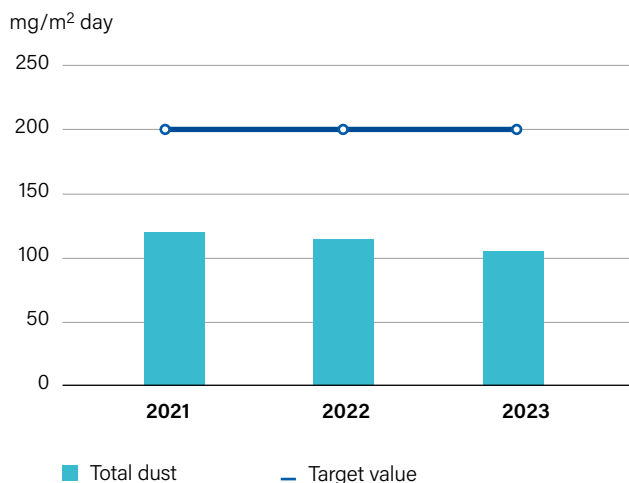
- Roads surrounding the port;
- Emissions from ships sailing or at anchor;
- Cross-border influences.

19.8.2 Total dust in the port⁶⁶

Results of total dust measurement inside the port

Total dust concentration has been monitored at ten locations within the port since 2002. The average annual dust concentration in 2023 was 104 mg/m² per day, a decline of 10 mg/m² from 2022 and within the set target. 6 exceedances were recorded in 118 measurements, which is more than the target value (5 exceedances), and the target was only partially achieved. The values were most often exceeded at the measuring points in the immediate vicinity of the coal and iron ore dump, while one exceedance was measured in the direction of Bertoki due to the immediate vicinity of a construction site.

Average annual total dust concentration inside the port, all monitoring points in the port combined



19.8.3 Concentrations of harmful particulate matter⁶⁷

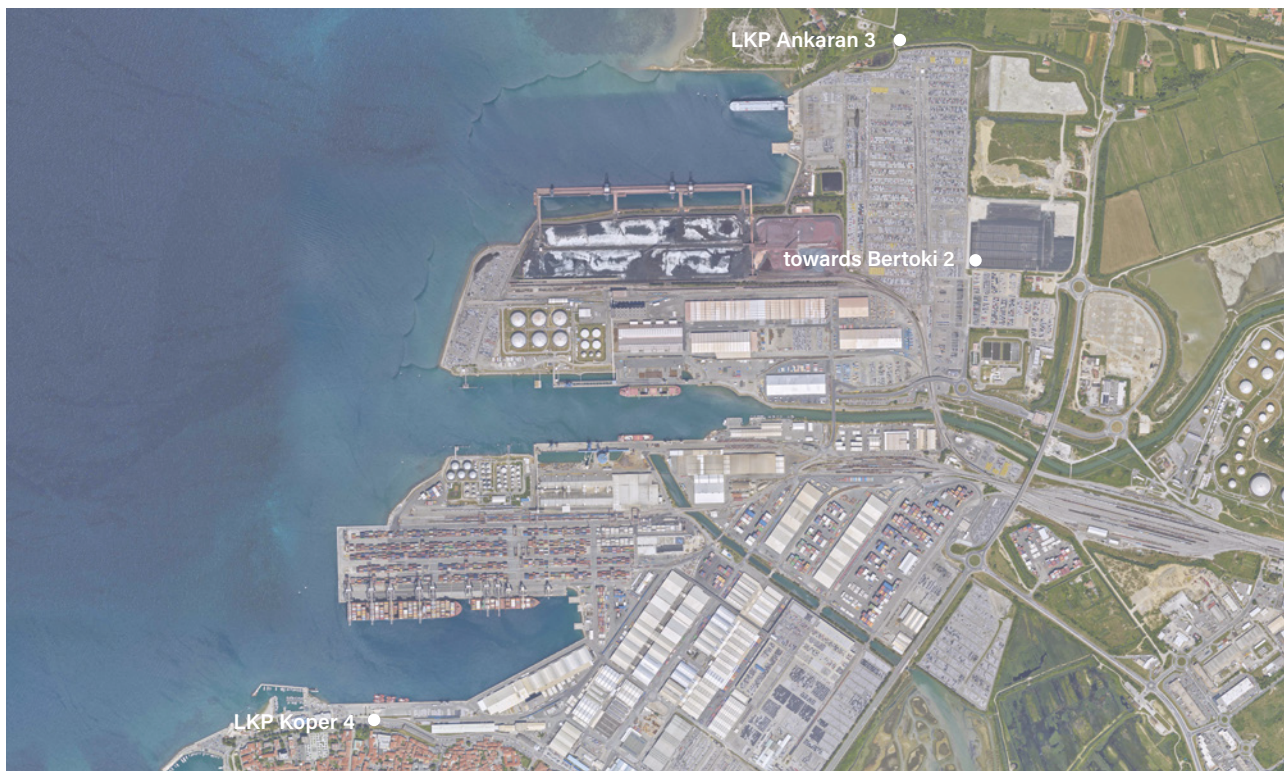


In the port area, the concentrations of fine particulate matter with particles up to 10 µm (PM₁₀) and up to 2.5 µm (PM_{2.5}) are monitored by the University of Primorska. The first measuring device installed in the port has been monitoring PM₁₀ particles since 2003. Over the years, the number of measuring stations has increased, and the devices have been updated in such a way to enable the monitoring of particles smaller than 10 µm.

Results of PM₁₀ particle measurements provided by the devices in the port that allow for automatic online display (LKP Ankaran and LKP Koper) are available on the website <http://www.zivetispristaniscem.si/>. As a comparison, the Company also displays the results of measurement by a device installed in Markovec, which is managed by the Slovenian Environment Agency.

Results of measurement of particles up to 10 µm (PM₁₀)

Image: Measuring devices for monitoring fine dust particles



⁶⁷ GRI 305-7

Annual average concentrations of particulate matter (PM₁₀) in the port of Koper are below the legal limit value of 40 µg/m³ and below the internal target value of 30 µg/m³. Decree on ambient air quality (Official Gazette of the Republic of Slovenia, No.9/11, 8/15, 66/18 and 44/22 - ZVO-2) also defines a daily limit concentration of PM₁₀ for the protection of humans, which is 50 µg/m³ and may be exceeded at a maximum of 35 times at a single measuring point during the year. Exceedances were recorded at measuring point No 2 – direction Bertoki, namely 18 times, at measuring point Ankaran-Rožnik once, and at the location of the Passenger Terminal six times.

Higher PM₁₀ values and the most exceedances were measured at the measuring point in the direction of Bertoki. We note that the increase in particulates is due to the close proximity of construction sites, as a new car storage area was being developed and a new truck terminal was being built in 2023.

Results of PM₁₀ measurement (in µg/m³) at the edges of the port

	2021	2022	2023
Monitoring point No 3 – LKP Ankaran	15	16	14
Monitoring point No 2 – towards Bertoki	17	21	22
Monitoring point 4 No – LKP Koper	16	16	14

Exceeding daily limit values across Slovenia

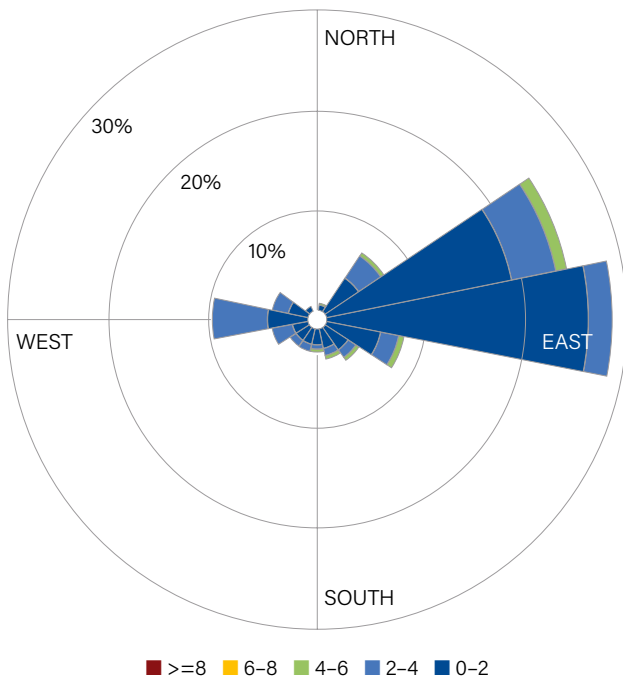
A comparison of measurements carried out by The Slovenian Environment Agency in different locations in Slovenia shows that daily exceedances of the limit value occur at all measuring points. The nearest monitoring station outside the port is located in Markovec, where the annual average PM₁₀ concentration was 17 µg/m³ and 12 exceedances of the daily concentration limit were recorded. Most exceedances are generally observed in winter and are due to higher emissions from domestic combustion sources and meteorological effects such as low wind speeds and low mixing heights.

Exceedances of the limit value 50 µg/m³ in 2023 at various monitoring points across Slovenia*

Merilno mesto	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Celje hospital	1	9	0	0	0	0	0	0	0	0	1	1	12
Celje Ljubljanska	0	7	0	0	0	0	0	0	0	0	0	1	8
Hrastnik	0	1	0	0	0	0	0	0	0	0	0	0	1
IB Gregorčičeva	1*	3	0	0	0	0	0	0	0	0	0	0	6*
IB Rečica	0*	2	0	0	0	0	0	0	0	0	0	0	2*
Iskrba	0	0	0	0	0	0	0	0	0	0	0	0	0
Koper	2	10	0	0	0	0	0	0	0	0	0	0	12
Kranj	0	5	0	0	0	0	0	0	0	0	0	1	6
Ljubljana Bežigrad	0	10	0	0	0	0	0	0	0	0	1	3	14
Ljubljana Celovška	2	11	0	0	0	0	0	0	0	0	0	3	16
Ljubljana Vič	1	8	0	0	0	0	0	0	0	0	0	2	11
Maribor Titova	0	1	0	0	0	0	0	0	0	0	0	0	1
Maribor Vrbanski	0	0	0	0	0	0	0	0	0	0	0	0	0
Murska Sobota Cankarjeva	5	11	0	0	0	0	0	0	0	0	0	7	25
Murska Sobota Rakičan	0	4	0	0	0	0	0	0	0	0	1	1	6
Nova Gorica Grčna	1	10	0	0	0	0	0	0	0	0	0	2	13
Nova Gorica Vojkova	2	11	0	0	0	0	0	0	0	0	0	1	15
Novo mesto	0	0	0	0	0	0	0	0	0	0	0	0	0
Ptuj	0	5	0	0	0	1	0	0	0	0	0	2	8
Trbovlje	0	4	0	0	0	0	0	0	0	0	0	3	7
Velenje	0	0	0	0	0	0	0	0	0	0	0	0	0
Zagorje	0	4	0	0	0	0	0	0	0	0	0	1	5
Žerjav	0	0	0	0	0	0	0	0	0	0	0	0	8

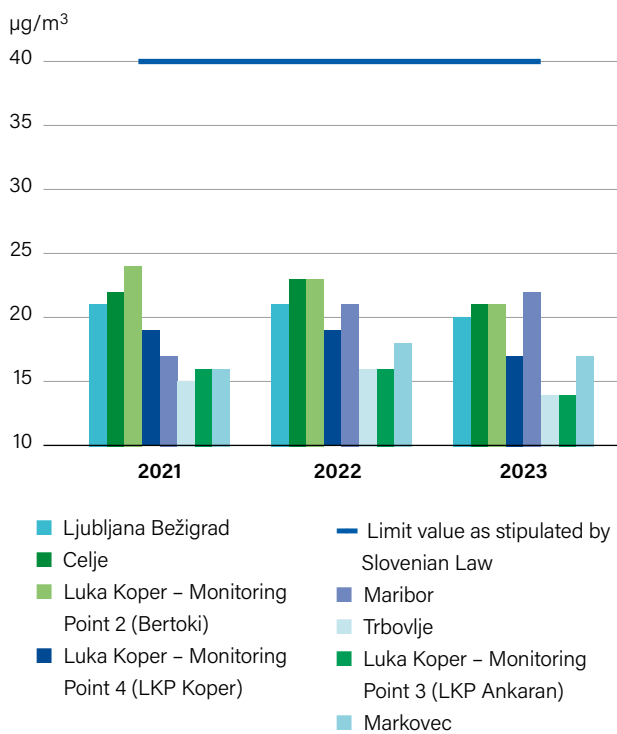
*Source: <http://www.arso.gov.si/zrak/kakovost%20zraka/podatki/>

Wind rose for 2023



Wind speed is expressed in m/s. Winds mostly blew from the east and northeast (bora and burin) and from the north-west (maestral).

Comparison of annual PM_{10} concentrations in the port and some other monitoring points across Slovenia*



*Source: <http://www.arso.gov.si/zrak/kakovost%20zraka/podatki/>

The data for 2023 has not yet been finally confirmed by the Slovenian Environment Agency.

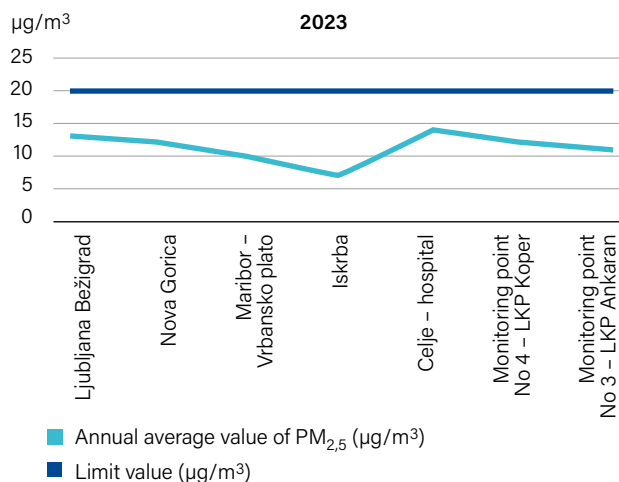
Results of measurement of particles up to 2.5 µm ($PM_{2.5}$)

At two locations in the port (Monitoring point No 4 - LKP Koper and Monitoring point No 3 - LKP Ankaran), $PM_{2.5}$ particles are also monitored. The results are presented in the table below. The average annual concentrations of $PM_{2.5}$ at the two measuring points in the port are below the regulatory value of 20 µg/m³ (Decree on ambient air quality (Official Gazette of the Republic of Slovenia, No9/11, 8/15, 66/18 and 44/22 - ZVO-2)).

Results of $PM_{2.5}$ (in µg/m³) measurement at the edges of the port

	2021	2022	2023
Monitoring point 4 No - LKP Koper	11	12	12
Monitoring point No 3 - LKP Ankaran	11	12	11

Annual concentrations of $PM_{2.5}$ particles at various monitoring points in Slovenia and at the edges of the port in 2023



Source: <http://www.arso.gov.si/zrak/kakovost%20zraka/podatki/>

$PM_{2.5}$ measurements within the port area are comparable to other urban areas in Slovenia. Iskrba in the Kočevsko Region is a monitoring point that represents a location with minimal impacts, being distant from all sources.

We also obtained online data from the port of Los Angeles, where, between January and August 2023, the PM_{10} particle concentration was between 15 and 28 µg/m³. There, the statutory annual limit is lower, only 20 µg/m³ (https://www.portoflosangeles.org/environment/air_quality.asp). $PM_{2.5}$ concentrations ranged between 3 and 7 µg/m³ (limit value 12 µg/m³), which is lower than measured in the Port of Koper or elsewhere in Slovenia.

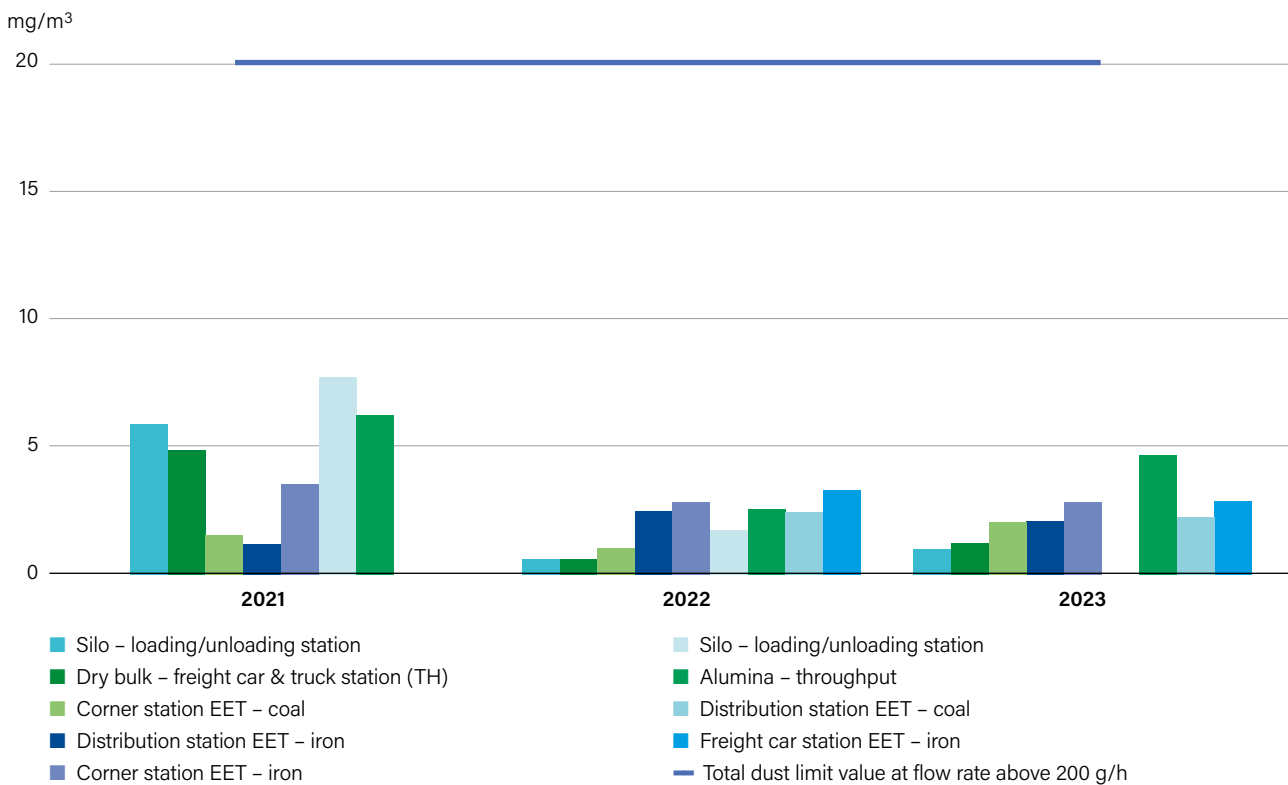
19.8.4 Emissions of substances at key sources⁶⁸

Results of particulate matter emissions measurement at key sources in the port

These measurements are prescribed in the environmental permit No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022 and are carried out by an authorised organisation, the National Laboratory of Health, Environment and Food, in the immediate vicinity of the source of

the stationary installation where dust may be generated (e.g. during loading/unloading of wagons, lorries). There are several monitoring points at each terminal. The number of measurements varies from year to year, either due to the volume and type of throughput, or due to changes in legislation. Limit values depend on the mass flow rate and consequently on the weather. The results are all compliant with the granted environmental permit. The limit value for particulate matter concentration is 20 mg/m³, as the total dust mass flow rate is equal to 200 g/h.

Results of annual measurement of particulate matter emissions at varying sources



Presentation of the results of measuring emissions from combustion plants used for technological purposes

In the port area, there are combustion plants used for technological purposes that still use fossil fuels. The combustion plant for heating the tanks in the facility for collecting marine oils, i. e. the bilge plant, is not in operation as there is no need to operate it. The results of the operational monitoring of the quality of exhaust gases from these installations are presented in the tables below and are in accordance with the environmental permit No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022. The limit values shown are taken from the environmental permit referred to above.

Results of the measurement of atmospheric emissions and prescribed limit values of medium combustion plants used for timber drying at the wood terminal (in mg/m³)

Substance	Maximum value	Mean value	Limit value
Carbon monoxide	86	65	80
Nitrogen oxides expressed as NO ₂	94	84	100
Sulphur oxides expressed as SO ₂	<LOQ	<LOQ	35

LOQ ... the measured value is below the determination limit of the analytical method

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Results of the measurement of atmospheric emissions and prescribed limit values of medium combustion plants used for heating tanks at the liquid cargo terminal (in mg/m³)

Substance	Maximum value	Mean value	Limit value
Carbon monoxide	30	23	100
Nitrogen oxides expressed as NO ₂	96	91	200
Sulphur oxides expressed as SO ₂	<LOQ	<LOQ	35

LOQ ... the measured value is below the determination limit of the analytical method

Presentation of the results of measuring emissions from combustion plants used for sanitary purposes

In the port area, there are 11 boiler rooms where fuel oil or liquefied petroleum gas (LPG) is used as primary or reserve energy source for the purposes of heating facilities and preparation of hot sanitary water. Emissions from these devices are checked by the chimney sweeping service. The results of atmospheric emissions are in compliance with the legislation for small combustion plants (Decree on the emission of substances into the atmosphere from small combustion plants (Official Gazette of the Republic of Slovenia, No46/19 and 44/22 - ZVO-2).

19.8.5 Implementation of improvement programmes for emissions/immissions from port operations

In 2023, the following was implemented:

- ESI Environmental Ship Index introduced as of 1 January 2023, ESI Portal (environmentalshipindex.org),
- Complete purchase of a dry bulk cargo grab at the dry bulk terminal,
- Replacement of a 12t loader with a high dump bucket at the dry bulk terminal,
- Activities to purchase a clamshell grab for the handling of soya beans at the dry bulk terminal,
- Protection at the KŽ 33 ship-to-shore crane at the bulk cargoes terminal,
- Complete modernisation of dust suppression spraying on the MD3 bridge crane at the bulk cargoes terminal (completion of installation and user training),
- Restoration of the corrosion protection of the tanks at the liquid cargoes terminal.

The following was not implemented in 2023:

- Finalise activities to purchase a clamshell grab for the handling of soya beans at the dry bulk terminal,
- Installation of dust protection walls of the loading area next to the grain silo at the dry bulk terminal.

19.8.6 Improvement programmes for emissions/immissions from port operations for 2024

The following will be implemented in 2024:

- Complete delivery of a clamshell grab for the handling of soya beans at the dry bulk terminal,
- Installation of dust protection walls of the loading area next to the grain silo at the dry bulk terminal,
- Reconstruction of dust suppression spraying on the combination machine at the bulk cargoes terminal.

19.8.7 Climate change, and related opportunities



The risk management system is described in more detail in Chapter 14 'Managing risks and opportunities'. The planned activities and guidelines are integrated into the Company's strategic and annual plans. Objectives and indicators related to climate change are shown in Chapters 19.8.8 'Results of greenhouse gas emissions' and 19.11 'Energy use and energy efficiency' and are checked quarterly.

The Company's operations can have positive or negative impacts, the latter when not implementing measures to achieve greater energy efficiency, using renewable energy sources, or following modern technologies. The Company's impacts on greenhouse gas emissions are negligible at the global level, but significant at the local and national levels, as they contribute to achieving national greenhouse gas emission targets. Although the Company is not a member of associations or alliances addressing climate change, its employees are regularly trained and educated in this field. A short animated film was also made for a simple presentation of activities for the rational use of energy and resources.

The identified climate risks and opportunities have not changed the Company's business model, whereas the Company's strategy has already been adjusted and is also oriented towards energy efficiency, emission reduction and resource efficiency, and the use of renewable energy sources. We are aware of the opportunities associated with the efficient use of resources, which also leads to savings. It is known that trees play an important role in capturing carbon dioxide (CO₂) from the air, therefore, we plant them in the port where possible, thus at least partially compensating for land use changes when carrying out port expansions.

In our operation, we need drinking water for sanitary and technological purposes, which is described in more detail in Chapter 19.12 - 'Drinking water and groundwater management'. When developing new areas, we build at the appro-

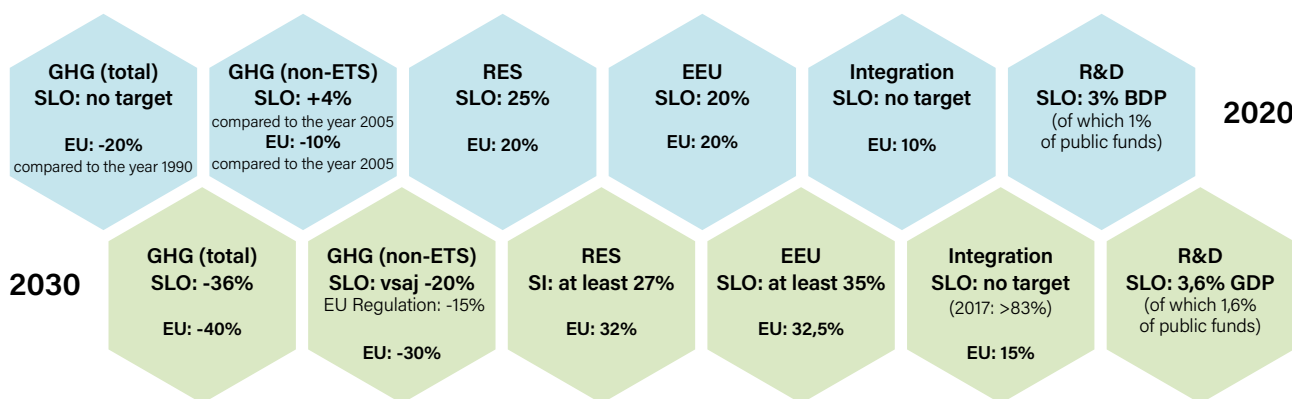
69 GRI 2-23, 201-2, 3-3, 303-1, 303-5

appropriate height, taking into account the flood risk. With regard to human resources, we estimate that due to the rise in atmospheric temperature, it may be necessary to adjust the way of working outdoors in the future.

In the future, based on the adopted National Energy and Climate Plan and the European Green Deal, we can expect that we will have to accelerate the transition to alternative drives. Energy and climate targets are basically set at the EU level, i.e. as targets to be achieved by the EU as a whole. In the Company's strategic documents, we are committed to achieving targets at the level of the Republic of Slovenia.

Targets for reducing greenhouse gas emissions at EU and national level

Slovenia and the European Union on the way to becoming climate-neutral by 2050



Source: Integrated National Energy and Climate Plan of the Republic of Slovenia (NEPN)

Countries such as the Republic of Slovenia, which have a relatively small energy system and a high initial share of RES, find it much more difficult to progress than others (even in the case of greater potentials and available financial resources), as a low share of RES in transport requires much higher shares in heat and electricity, which are often also unattainable. The introduction of RES in transport is extremely demanding in technical terms, as it is limited by various standards (distributors have to mix biofuels into fuels, e.g. a maximum of 7 percent of biodiesel can be mixed into diesel). By 2028, we plan to have installed in the port solar PV plants with the capacity of approximately 7 MWp in order to generate up to 21 percent of electricity for own consumption. By 2030, we plan to have installed solar PV plants with the capacity of approximately 10 MWp, which represents about 35 percent of the current electricity consumption of the entire port. With the gradual electrification of ground equipment, the construction of the 110 kV Luka Koper, d. d. transformer station, and the consequent increase in the port's connected load, thus enabling increased electricity production from solar power plants, we expect to meet the target of 27 percent energy consumption from renewable sources as defined for the Republic of Slovenia.









Regarding the achievement of the energy efficiency target (EE), we are currently recording and calculating the effects of already implemented activities (in %) compared to the reference year 2007, as our strategic guidelines are aimed at the target set for the Republic of Slovenia (at least 35 percent). With regard to EE, an ISO 50001-compliant energy management system was introduced in 2020, we will continue to implement energy audits, we have classified port

facilities into energy classes, and have been reducing the proportion of transshipment equipment powered by internal combustion engines.

The Company has identified the following climate risks and opportunities:

- Tightening the environmental policy requirements at the EU and national level,
- Sea level rise,
- Drinking water shortage,
- Storms and extreme weather events,
- Rising average temperatures and their impact on working conditions,
- Reduced throughput of some commodity groups due to climate change,
- Opportunity for increased demand or acquisition of some new commodity groups,
- Opportunity for energy efficiency savings.

The risk of storms and extreme weather events materialised several times in 2023. Due to extreme weather events such as wind and heavy rainfall, we suffered damage and an employee was injured due to a lightning strike, but there were no environmental impacts. In 2024, we will prepare a landscaping project to prevent future flooding in the port. We are working with the Slovenian Environment Agency with regard to sudden winds ahead of storms, as we would like to receive more accurate weather forecasts, and we have updated our internal instructions for action.

Risk description	Type of risk	Time horizon	Probability	Consequences	Response methods
 Tightening of environmental policy requirements at the level of the EU and Slovenia to reduce emissions and mitigate climate risks	Environmental policy transition risk and legal risks	Long-term (10 years)	Medium	<ul style="list-style-type: none"> Emission allowance payments for large energy consumers Penalties in case of non-compliance with emission commitments Energy price increase (10%) would result in EUR 1.2 million additional energy costs 	<ul style="list-style-type: none"> ISO 50001 compliant energy management system Agreement with ELES electric power transmission company on the construction, co-financing and investments sharing of a connection line to the port Construction of Luka Koper, d. d., 110,000 V transformer station (EUR 9.8 million) Construction of infrastructure to enable ships in the port to connect to the electricity grid (EUR 96 million) Construction of solar power plants (EUR 10 million over the next 5 years) Gradual replacement of equipment and vehicles with more environmentally acceptable ones (EUR 60.3 million for equipment by 2032). Total value of vehicles or machinery taken into account. For ground equipment, the value also includes the construction of charging infrastructure.
 Storms and extreme weather events	Physical risk (acute)	Medium-term (5 years)	Very high	In the event of major disasters and consequent water ingress into warehouses and strong windstorms, damage may amount up to EUR 1.2 million. Costs also include damage to goods and interruptions of work due to wind.	<ul style="list-style-type: none"> Insurance (EUR 1.5 million insurance premium per year) Update of wind metering systems and notification systems Action to be taken in accordance with the instructions on preventive measures and measures in case of emergency weather conditions Preparation of a proposal with a set of additional measures to protect against extreme weather phenomena Costs of installing additional cleats
 Sea level rise	Physical risk (chronic)	Long-term (10 years)	Low	Assuming sea level rise, adaptation costs would be high. The Company currently lacks sufficient information to quantify the risk.	<ul style="list-style-type: none"> Construction in accordance with the national spatial plan, which defines the elevation requirements for the different parts of the port.
 Drinking water shortage	Physical risk (chronic)	Medium-term (5 years)	High	The scarcity of natural resources can lead to a rise in the price of these commodities or to the inability to supply ships with drinking water. A 10-percent increase in water prices would mean an increase in costs for Luka Koper d. d. of EUR 0.1 million.	<ul style="list-style-type: none"> Rehabilitation of the internal water supply network Use of sea water in firefighting Shortage contingency plans in place
 Rising average temperatures and their impact on working conditions	Physical risk (chronic)	Medium-term (5 years)	Medium	The company currently lacks sufficient information to quantify the impact of rising average temperatures on productivity.	<ul style="list-style-type: none"> Procurement of mobile equipment with air conditioning Ensuring adequate premises for the protection of employees Cold drinks and distribution to work sites
 Reduction of transshipment of certain commodity groups due to regulatory requirements, environmental targets and changes in consumer behaviour	Transition risk – market risks	Medium-term (5 years)	Medium	The most exposed commodity groups are thermal coal and alumina. The estimated impact is a loss of annual revenue of EUR 1 million	<ul style="list-style-type: none"> Search for alternative commodity groups and commodity streams Monitoring of market conditions
 Increase in transshipment of some new product groups due to regulatory requirements, environmental targets and changes in consumer behaviour	Market opportunity	Medium-term (5 years)	High	Opportunities are emerging for transshipment of semi-steel products, wind turbines, solar panels, batteries, electric cars. Opportunities represent EUR 6 million additional revenue per year.	<ul style="list-style-type: none"> Marketing activities to acquire new business.
 Energy efficiency savings	Efficient use of resources	Medium-term (5 years)	Very high	In 2030, the estimated savings at the annual level will amount to EUR 1.6 million and GHG emissions will be lower by 3,200 metric tons. On average, the cost of energy in the transition from fuel to electricity is reduced by EUR 50,000 per year per each RTG crane.	<ul style="list-style-type: none"> Construction of solar power plants on the roofs of warehouses (with a total capacity of 10MWp and a total investment cost of EUR 10 million by 2030) Gradual replacement of ground equipment and vehicles (EUR 60.3 million for equipment by 2032). Taking into account total value of vehicles or machinery and the construction of charging infrastructure. Electrification of rubber tyre gantry cranes (RTGs) amounting to EUR 6.2 million (taking into account the difference between the purchase of diesel-powered RTGs and electric-powered eRTGs and the construction of the electricity infrastructure).

19.8.8 Greenhouse gas emissions calculation⁷⁰

The gases discussed below additionally include carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), produced as a result of fuel combustion to power the port machinery, fuel consumption for heating, and, indirectly, use of electricity for processes in the port. In order to compare and add up the different greenhouse gases, they must first be multiplied by their global warming potential (GWP), which is expressed as a ratio to the greenhouse effect of CO₂.

The calculation follows the methodology, requirements and guidelines of the Greenhouse Gas Protocol and Corporate Accounting and Reporting Standard (hereinafter: GHG Protocol), which is the most widely used international tool for measuring, reporting and managing GHG emissions. The GHG Protocol, developed by the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD), is a neutral methodology for calculating GHG emissions or carbon footprint and is compatible with most existing GHG programmes and their accounting and reporting requirements. In addition to the requirements of the GHG Protocol, the requirements of ISO 14064-1:2018: Greenhouse gases - Part 1: Specification with guidance at the organisation level for quantification and reporting of greenhouse gas emissions and removals have been taken into account in the development of the methodology.

An organisation's carbon footprint is reported in three scopes according to the GHG Protocol, as follows:

- Scope 1 represents the direct GHG emissions of the organisation resulting from its own energy consumption in combustion plants, the use of vehicles owned by the organisation, process emissions and fugitive emissions of greenhouse gases (so-called F-gases: hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆)). Scope 1 takes into account direct emissions from sources owned or controlled by Luka Koper d. d. (e.g. boilers, harbour machinery, vehicles, etc.), and includes the consumption of all combustion fuels, fuels for machinery, machinery and vehicles, as well as fugitive emissions from air-conditioning and other installations. With regard to cooling and air-conditioning equipment and devices containing fluorinated (ozone-depleting, HFC) greenhouse gases, 423 kg of leakages were recorded in 2023, an increase of 48% compared to 2022.
- Scope 2 emissions are indirect emissions from the consumption of electricity for the operational needs of Luka Koper, d. d. Scope 2 emissions are indirect because

they do not physically occur within the organisation, but at third-party producers of network energy products or where electricity or heat/cooling energy is generated. In the case of Luka Koper, d. d., Scope 2 covers emissions from the purchase of electricity from suppliers and from own generation at solar power plants. The calculation uses the national electricity emission factor for the year under consideration published by the Jožef Stefan Institute in Ljubljana and not the factor provided by the electricity supplier as these are subject to change and thus the factors vary (i.e. the location-based method of calculation is chosen rather than the market-based method).

- Scope 3 comprises the remaining indirect emissions resulting from the Company's activities along the entire value chain of the organisation, namely the supply chain (upstream emissions) and the distribution chain (downstream emissions).

Due to requests from some stakeholders to also report Scope 3 GHGs, only the most significant emission sources have been shown for 2022 and 2023 and assessed against available data and factors, which are further explained below on an item-by-item basis. For Scope 3, we have limited ourselves to the port area and considered the three largest sources that result from the operation of the port and are not wholly owned or controlled by the Port of Koper, d. d.:

- Emissions from trucks entering the port (in calculating the carbon footprint, we took into account the number of trucks, estimated the average distance travelled in the port at 5 km, assumed an average fuel consumption of 30 l/100 km and multiplied by the emission factor),
- Emissions from vessels towing ships in and out of port (we multiplied the amount of diesel used by the emission factor to calculate the carbon footprint),
- Emissions of cargo and passenger ships for the time they are at berth in the port (the number of ships and their dwell time, the average power of auxiliary engines (6,500 kW for passenger ships and 3,080 kW for all others), the load factor of auxiliary engines (0.21) and the emission factor for fuel were taken into account in the calculation).

The emission factors used for the carbon footprint calculation (scopes 1, 2, 3) are taken from publicly available national data from the Ministry of the Environment, Climate and Energy, Slovenian Environment Agency, and the emission factor for electricity is the default of the most recent five-year average factor published by the Jožef Stefan Institute's Energy Efficiency Centre.

⁷⁰ GRI 305-1, 305-2, 305-3, 305-6

2021	Total consumption [MWh/year]	Emission factor [kgCO ₂ ekv/kWh]	Total emissions [kgCO ₂ ekv/year]
Direct emissions (scope 1)	45,956		12,641,253
Motor fuel	45,308	0.267	12,044,000
Light fuel oil	366	0.267	97,826
Liquefied petroleum gas - LPG	125	0.227	28,427
Wood biomass	156	0	0
Greenhouse gases			471,000
Indirect emissions (scope 2)	29,336		9,592,971
Electricity	29,336	0.327	9,592,971
Electricity - own production SPP	243	0	0
TOTAL (1+2)	75,292		22,234,224

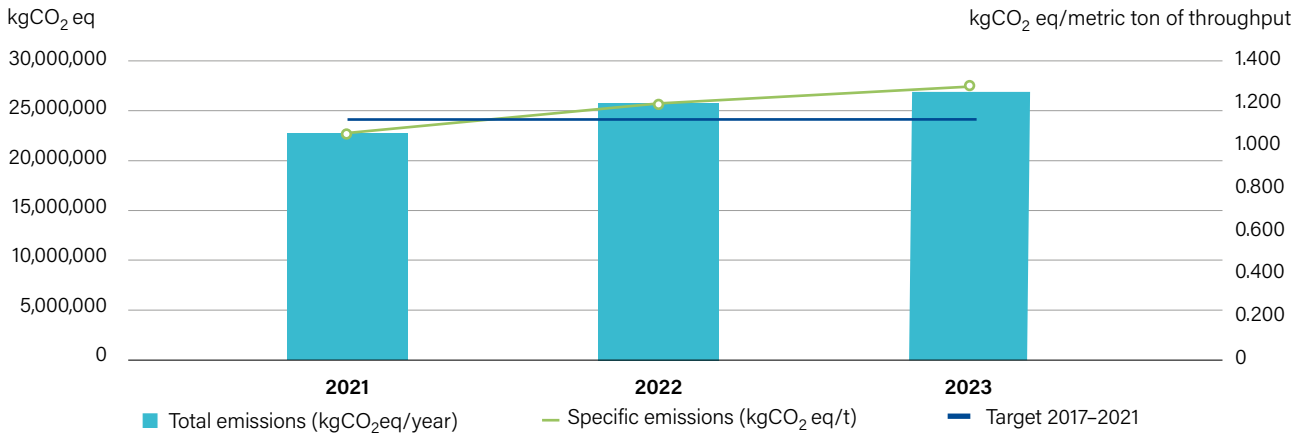
2022	Total consumption [MWh/year]	Emission factor [kgCO ₂ eq/kWh]	Total emissions [kgCO ₂ eq/year]
Direct emissions (scope 1)	52,955		14,852,330
Motor fuel	51,165	0.267	13,648,872
Light fuel oil	376	0.267	100,381
Liquefied petroleum gas - LPG	156	0.227	35,445
Wood biomass	1,257	0	0
Greenhouse gases			1,067,631
Indirect emissions (scope 2)	29,617		10,602,850
Electricity	29,617	0.358	10,602,850
Electricity - own production SPP	271	0	0
TOTAL (1+2)	82,572		25,455,179
Other indirect emissions (scope 3)	72,385		19,326,868
Emissions from trucks entering the port	5,989	0.267	1,599,027
Emissions from towing vessels	14,439	0.267	3,855,276
Ship emissions while at berth in port	51,957	0.267	13,872,565
TOTAL (1+2+3)	154,957		44,782,047

2023	Total consumption [MWh/year]	Emission factor [kgCO ₂ eq/kWh]	Total emissions [kgCO ₂ eq/year]
Direct emissions (scope 1)	51,966		15,173,788
Motor fuel	49,903	0.267	13,312,183
Light fuel oil	336	0.267	89,685
Liquefied petroleum gas - LPG	169	0.227	38,279
Wood biomass	1,558	0	0
Greenhouse gases			1,733,641
Indirect emissions (scope 2)	32,951		11,796,438
Electricity	32,951	0.358	11,796,438
Electricity - own production SPP	325	0	0
TOTAL (1+2)	84,917		26,970,226
Other indirect emissions (scope 3)	67,174		17,935,492
Emissions from trucks entering the port	6,342	0.267	1,693,217
Emissions from towing vessels	13,862	0.267	3,701,121
Ship emissions while at berth in port	46,971	0.267	12,541,154
TOTAL (1+2+3)	152,091		44,905,718

In 2005, Luka Koper, d. d. generated 16,637,111 kgCO₂eq for its operations, and in 2023, 26,970,226 kgCO₂eq, which means a 62.1-percent increase in GHG emissions compared to an 84.3-percent increase in shipping compared to the base year 2005. Scope 3 emissions were 7.2 percent lower in 2023 compared to the 2022 base year. Specific GHGs emissions (scope1, 2) in 2023 were 1,304 kgCO₂eq/t of transhipped goods.

Based on efficient energy use and further investments in obtaining renewable energy sources, Luka Koper, d. d., will follow the National Energy and Climate Plan target for reducing greenhouse gas emissions. The baseline specific value was set to the value of emissions per metric ton of goods transhipped in 2017, when this amount was reported for the first time in the GRI report.

Greenhouse gas emissions



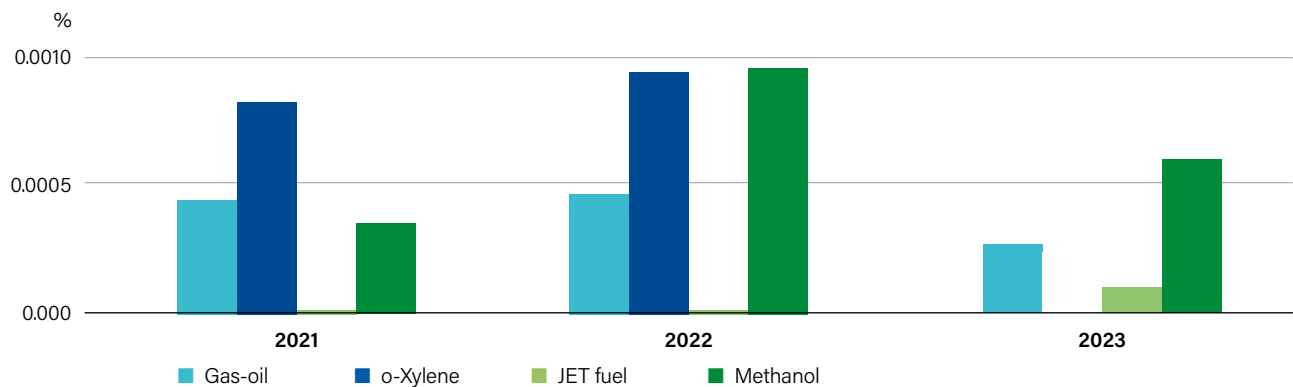
Total emissions (Scope 1, 2) increased by 6.0 percent in 2023 compared to the previous year, despite a 2.8-percent decrease in transshipment volumes, mainly due to higher electricity consumption. The set specific target value was exceeded in 2023.

19.8.9 Volatile compound emissions measurement⁷¹

Results of volatile compound emissions measurement

The main source of diffuse emissions of volatile compounds in Luka Koper, d. d., includes varying handling activities on the liquid cargoes terminal (e.g. filling and emptying mobile or stationary reservoirs, breather valves on reservoirs). As reservoirs have no standard stack to discharge waste gases into the atmosphere, measurement is not possible. However, using software developed by the United States Environmental Protection Agency (EPA), an authorised person can calculate the annual emissions of volatile compounds. In the calculation process, the characteristics of the reservoirs, the type and amount of the material stored, and meteorological data are considered. No limit values are stipulated.

Annual losses of volatile compounds from reservoirs on the liquid cargoes terminal



71 GRI 305-7

In 2023, annual losses of volatile compounds from reservoirs on the liquid cargoes terminal included gas oil with 2,076.7 kg, o-Xylene with 0 kg, jet fuel with 4,361.2 kg, and methanol with 859 kg.

The liquid cargoes terminal also houses a cryogenic cooling device (VRU-vapor recovery unit) designed to contain vapours generated during the loading of wagons and trucks. Measurements of atmospheric emissions from the said treatment plant were within the legal limits (Decree on the

emission of substances into the atmosphere from stationary sources of pollution (Official Gazette of the Republic of Slovenia, No 31/07, 70/08, 61/09, 50/13, 44/22 – ZVO-2 and 48/22)). The results are presented in the table below and are in accordance with the environmental permit No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022. The limit values shown are taken from the environmental permit referred to above.

Results of the measurement of atmospheric emissions of the VRU unit at the liquid cargo terminal and prescribed limit values

Snov	Maximum value 2021		Mean value 2021		Limit value
	mgC/m ³	gC/h	mgC/m ³	mgC/h	
TOC*	2.8	0.1	2.8	0.1	50
Methanol	7.5	0.4	7.4	0.4	20

* Total organic carbon

Snov	Maximum value 2022		Mean value 2022		Limit value
	mgC/m ³	gC/h	mgC/m ³	mgC/h	
TOC*	2.8	0.1	2.6	0.1	50
Methanol	18.02	0.9	18.02	0.9	20

* Total organic carbon

Snov	Maximum value 2023		Mean value 2023		Limit value
	mgC/m ³	gC/h	mgC/m ³	mgC/h	
TOC*	47.6	2.8	42.1	2.5	50
Methanol	25	1.5	14.9	0.9	20

* Total organic carbon

19.9 Waste management⁷²



Various wastes are generated during the operation of the port and are collected separately in Luka Koper and recycled or handed over to authorised organizations. Within the port, waste collection is mainly carried out by Luka Koper INPO, d. o. o., which is part of the quality system of Luka Koper, d. d. It is bound by its contract with the parent company, legislation and annual internal audits to ensure waste management compliance. All waste collected is then transported from the port to the contractual and authorised collectors. Contractual partners have provisions in the contract that oblige them to ensure proper environmental management of waste, although they are already obliged to do so under the Decree on waste (Official Gazette of the Republic of Slovenia No 77/2022).

Three groups of waste are generated in the port:

- Waste from port activity (e.g. cargo residues, waste wood, packaging and metal, mixed municipal waste, construction waste);
- Other waste in the port area (waste generated by the users of the economic zone); and
- Ship-generated waste left by the ships berthed at the port of Koper (e.g. sewage, oiled water, kitchen waste, waste packaging, medicines, ash, mixed municipal waste).



Waste Management Centre, Photo: Matevž Bregar



Waste Management Centre – hazardous waste storage facility, Photo: Matevž Bregar

We have no influence on the type and quantity of packaging waste, as we are not the owner of the cargo. With the company's focus on car and container throughput, the type and volume of waste will decrease over time, as these two commodity groups generate little packaging waste. We also have no influence on the amount and type of waste generated on board, as we have no competence there. Ships that have waste incineration or other systems in place, submit smaller quantities and fewer types of waste. It is our duty to take waste and ensure that it is managed in a way that minimises its impact on the environment. Separate waste collection containers are provided for all stakeholders in the port area, and some types of waste are reused (e.g. paper, some types of plastic, scrap iron). We have established better, centralised IT support for waste record-keeping in the port, which will be further upgraded in the future with the automatic transfer of data obtained during the weighing of received waste.

Luka Koper, d. d., also performs the compulsory national public utility service of collecting waste from vessels. Luka Koper, d. d., has subcontracted its subsidiary Luka Koper INPO, d. o. o. for the provision of this service. There is also the Waste Management Centre, which was built in 1997 and is also managed by the subsidiary Luka Koper INPO, d. o. o. In the Centre extending over the area of 12,700 m², waste is collected and further sorted as needed. The waste from vessels is handed over to authorised organizations for further processing. Thus, we care for cleanliness and improvement in environmental image, thereby increasing the economic efficiency of our operations. Generally, we insist on separate collection of waste already at its source, i.e. at terminals, by users of the economic zone and on ships. At the same time, we are looking for solutions to reuse or valuably use the waste generated. Such solutions have already been implemented for the use of paper sludge to reduce dust from coal and iron ore storage, the use of waste coal for heat production and the reuse of certain fractions of construction waste.

⁷² GRI 3-3, 306-1, 306-2

Improper waste management at the port can lead to emissions into waterways, dust emissions into the air and fires. Potential impacts from waste management are managed by ensuring adequate waste management areas with proper rainwater drainage, installed treatment plants, installed fire detection sensors, installed dust and noise emission monitoring devices, continuous equipment upgrading, implementing control, etc.

Procedures for collecting, recording and monitoring waste data:

- The collection of ship-generated waste and most land-based waste is handled by Luka Koper's subsidiary, Luka Koper INPO, d. o. o., with which Luka Koper, d. d. has a contract.
- If the subsidiary Luka Koper INPO, d. o. o. is unable or not allowed to take over the waste, it shall be transferred to another receiver with the appropriate permit. In this case, the subsidiary Luka Koper INPO, d. o. o. can act as an intermediary, for which it has a certificate of entry in the register of intermediaries No 35471-52/2010 of 3 Jun 2010, and the authorised organisation collects them at the place of origin. Alternatively, Luka Koper d. d., as the generator, can arrange for the waste to be handed over to an authorised organisation.
- In accordance with the Decree on waste (Official Gazette of the Republic of Slovenia No 77/2022), electronic record sheets are kept for waste, tracking the waste trajectory while being located in the IS Odpadki web application. The app also enables statistical tracking.
- For land-based waste, the subsidiary Luka Koper INPO, d. o. o. issues a waste delivery/receipt certificate on an internal form upon receipt of the waste, and for ship-based waste it issues a ship waste delivery certificate on an internal form upon receipt of the waste, which is also attached to the invoice.
- Weighing sheets are also kept for land-based waste received.
- For land-based waste, an internal Excel spreadsheet of all land-based waste by month and by year is maintained by the Health Protection and Ecology Department.
- The subsidiary Luka Koper INPO, d. o. o. also keeps an Excel daily record of the occupancy of the Waste Management Centre and the bilge plant.
- Solid non-hazardous waste is collected temporarily at the port Waste Management Centre in boxes, containers or bins after collection on site. Liquid hazardous waste is collected at the bilge plant in fixed closed tanks, while other hazardous waste is collected in dedicated containers at the Waste Management Centre - Hazardous Waste Storage Area. All waste is managed in accordance with the Decree on waste (Official Gazette of the Republic of Slovenia, No 77/2022).

The centre does not store combustible waste outdoors.

The Waste Management Centre has an area for the pre-storage of hazardous waste (e.g. paint residues, varnishes, waste medicinal products from ships, batteries, oiled cloths, ash from ships, absorbents, etc.) that is generated in port area or taken over from ships.

We forward those to authorised organisations.

The subsidiary Luka Koper INPO, d. o. o., collects marine oils at the bilge plant and hands them over to authorised organisations. For this activity, it is registered as a collector of this waste in the register of waste collectors under No 35469-54/2011-11 of 24 Sep 2012. There is also a process underway to increase the storage capacity of the facility.

As the bilge water collection facility and the Waste Management Centre contain hazardous waste which may lead to environmental pollution on a large scale (IED plant), in 2021, Luka Koper INPO, d. o. o. obtained permit No 35407-4/2020-14 of 16 July 2021 for both facilities.

Luka Koper, d. d. also has an environmental permit (No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022) for the transshipment and temporary storage of scrap metals, wastepaper, waste plastic and mill scale. Waste plastic, wastepaper, and mill scale have never been handled in the port.

Most of the waste originates from EU countries, and to a lesser extent from non-EU countries. In the port of Koper, goods or cargo, in this case waste, are explicitly stored only until the arrival of the ship. To the Company, goods or waste represent cargo like any other that travels through the port, where the Company acts only as one of the links in the transport and logistics chain. The scrap metals that are transhipped are classified as non-hazardous waste. In 2023, a total of 68,567 metric tons of scrap metals of classification numbers 19 12 02 (ferrous metals) and 17 04 05 (iron and steel) were handled. The total quantities of scrap metals in 2023 increased compared to 2022, but within the permissible quantities defined in the environmental permit. We have detected in some shipments of scrap metals other metallic wastes not classified as scrap metals under classification numbers 19 12 02 (ferrous metals) and 17 04 05 (iron and steel). For the fractions separated, we made an assessment of the waste and returned part of it to the consignor and part of it to another authorised waste handler.

In 2023, we submitted an application to the Ministry to amend the existing environmental permit by introducing an additional metal waste treatment process at the existing site using the mechanical process R12 - Exchange of wastes for submission to any of the operations numbered R1 to R12, but the application has not yet been processed.

Shipments of scrap metals were measured for radioactivity with the aim of verifying their legality. Also, records were kept on the shipments, dust emissions were recalculated, and waste rainwater emissions were measured.

Luka Koper, d. d., also holds an environmental permit, No 35444-2/2016-13 of 15 Jun 2017, for the R3-type processing of scrap paper pulp, which is mixed with water and applied over coal and iron ore to reduce dust. In 2023, 986.52 tons of paper pulp were used, a few tons less than in the previous year and within the quantities allowed by the environmental permit.

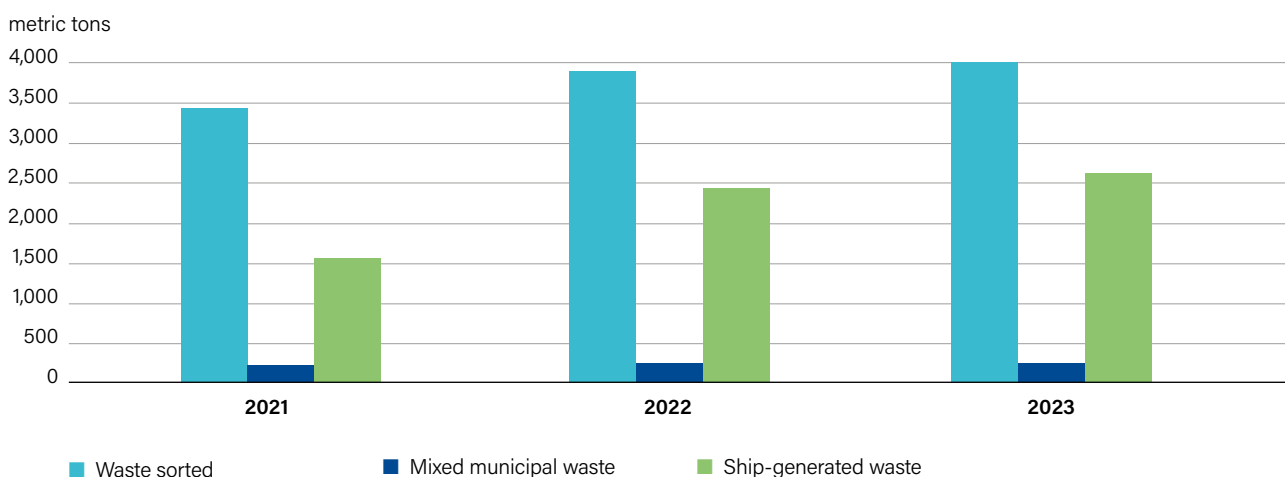
19.9.1 Results in waste management⁷³

A total of 18,837 tons of waste was collected in the port area in 2023, including 4,445 tons of port waste (417 tons of hazardous waste, 3,758 tons of non-hazardous waste, 270 tons of mixed municipal waste), 2,628 tons of ship-generated waste (1,807 tons of hazardous waste, 698 tons of non-hazardous waste, including 123 tons of mixed municipal waste), and 11,764 tons of construction waste. The amount of port and ship waste has increased compared to 2022 (Figure 41). The amount of construction waste has decreased compared to 2022.

Year	2021	2022	2023
Waste type in metric tons			
Port waste	3,670	4,177	4,445
Hazardous	481	271	417
Non-hazardous	2,954	3,639	3,758
Mixed municipal waste	235	267	270
Ship-generated waste	1,571	2,456	2,628
Hazardous	849	1,307	1,807
Non-hazardous	613	1,027	698
Mixed municipal waste	109	122	123
Construction waste			
Hazardous	0	0	0
Non-hazardous	10,053	13,081	11,764
TOTAL	15,294	19,714	18,837

Collected hazardous and non-hazardous waste is handed over from the Waste Management Centre and the bilge facility for subsequent management to specialized companies that have the appropriate permits for transport, processing or disposal of waste and are entered in the lists of the Slovenian Environment Agency (ARSO).

Amounts of waste collected at the port



The amount of mixed waste did not change significantly in 2023 compared to 2022 (by approximately 3 t).

73 GRI 306-1, 306-2, 306-3, 306-4, 306-5

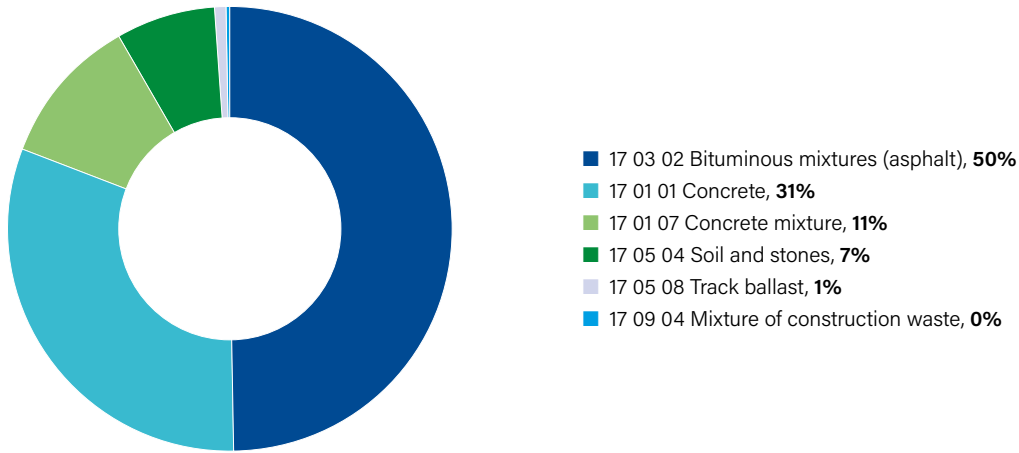
Breakdown of port, ship-generated and construction hazardous and non-hazardous waste by recovery or disposal operations for 2023

	Port waste (Metric tons)		Ship-generated waste (Metric tons)		Construction waste (Metric tons)		TOTAL
Preparation for reuse	0	Not applicable	0	Not applicable	819	Recovery according to R10 - NOT TO BE DISPOSED OF	819
Recycling	566	Recovery according to R3, R12, R13 - NOT TO BE DISPOSED OF	0	Not applicable	10,945	Recovery according to R5, R12, R13 - NOT TO BE DISPOSED OF	11,511
Other recovery operations	1,613	Recovery according to D9,13, R0302 - NOT TO BE DISPOSED OF	0	Not applicable	0	Se ne uporablja	1,613
Incineration	0	Not applicable	0	Not applicable	0	Not applicable	0
Landfill disposal	270	D1 - DISPOSAL	123	D1 - DISPOSAL	0	Not applicable	393
Other disposal operations	0	Not applicable	0	Not applicable	0	Not applicable	0
Other (other methods of handling)	1,579	Collection at specialized waste management companies that provide recovery or disposal operations - NOT TO BE DISPOSED OF	698	Collection at specialized waste management companies that provide recovery or disposal operations - SE NE ODLAGAJO	0	Not applicable	2,277
NON-HAZARDOUS WASTE	4,028		821		11,764		16,613
Preparation for reuse	0	Not applicable	0	Not applicable	0	Not applicable	0
Recycling	0	Not applicable	0	Not applicable	0	Not applicable	0
Other recovery operations	125	Recovery according to D9,13, R0302 - NOT TO BE DISPOSED OF	27		0		152
Incineration	0	Not applicable	0	Not applicable	0	Not applicable	0
Landfill disposal	0	Not applicable	0	Not applicable	0	Not applicable	0
Other disposal operations	0	Not applicable	0	Not applicable	0	Not applicable	0
Other (other methods of handling)	292	Collection at specialized waste management companies that provide recovery or disposal operations - NOT TO BE DISPOSED OF	1,780	Collection at specialized waste management companies that provide recovery or disposal operations - NOT TO BE DISPOSED OF	0	Not applicable	0
HAZARDOUS WASTE	417		1,807		0		2,072
TOTAL	4,445		2,628		11,764		18,837

Construction waste

In 2023, 11,764 tons of non-hazardous construction waste was generated, a decrease of 1,317 tons compared to the previous year. The types of construction waste are shown in the graph below.

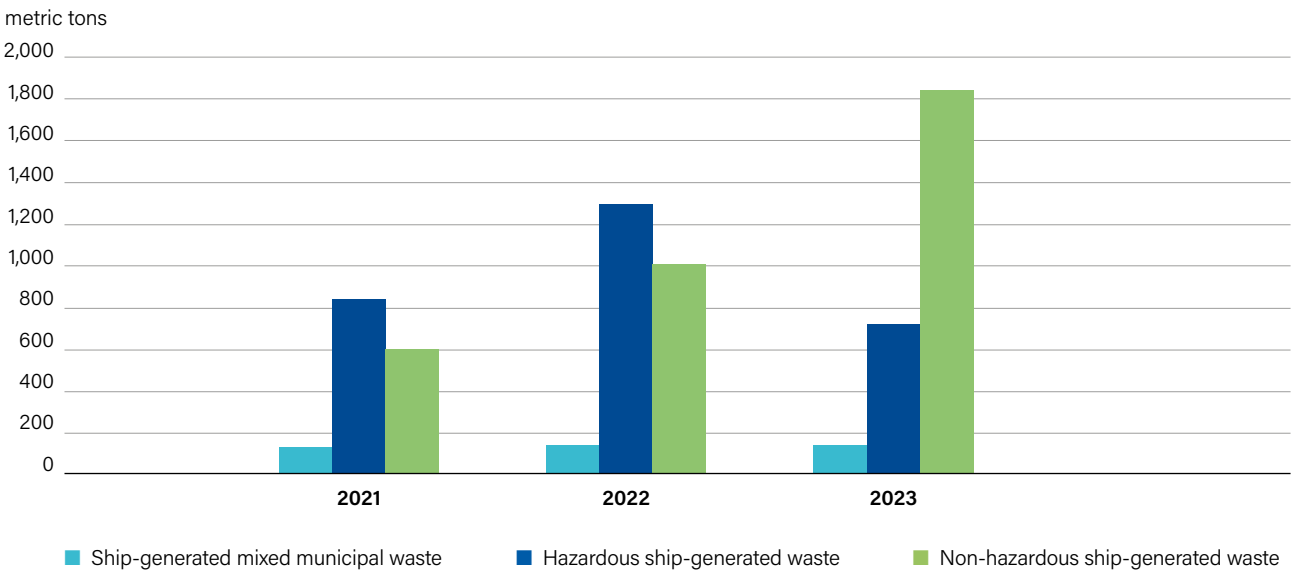
Amounts and types of construction waste in 2023 in ton



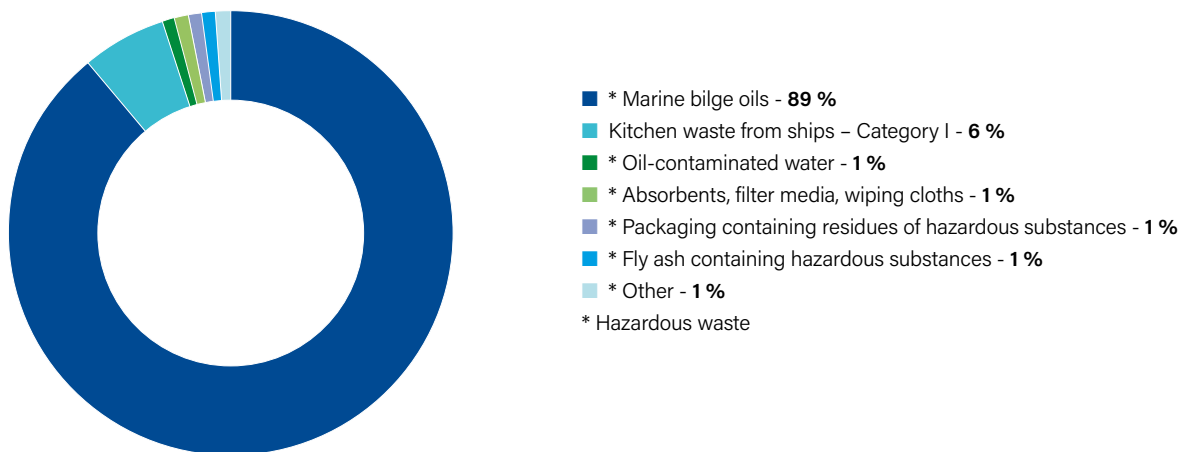
Ship-generated waste

In 2023, 2,628 tons of ship waste were taken over (1,807 tons hazardous, 698 tons non-hazardous, and 123 tons mixed municipal waste) (figure). Most ship-generated waste is regarded as hazardous waste. Ship-generated waste accounts for the largest share of hazardous waste in the port. It largely includes bilge oils with varying water contents, 1st category kitchen waste, oil-soaked wiping cloths, waste batteries, medicine, ash, etc.

Annual amounts of ship-generated waste



Types and shares of ship-generated hazardous waste sorted in 2023

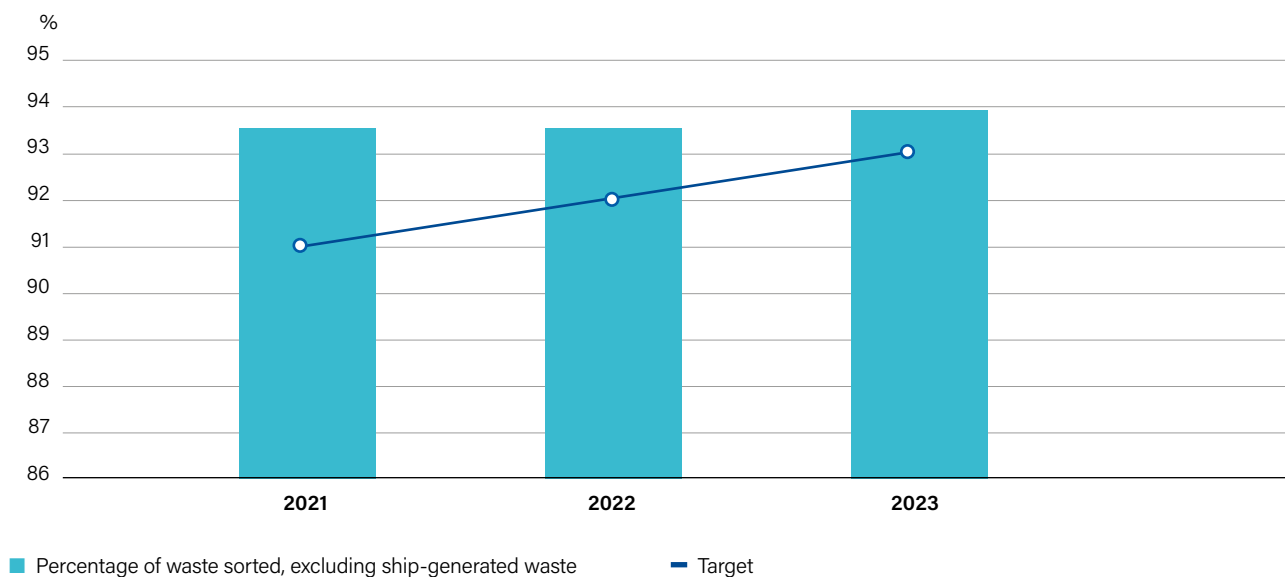


In 2023, the largest share of hazardous marine waste was marine bilge oils (Figure), which were handed over to an authorised organisation abroad and in Slovenia, and all other hazardous marine waste was handed over to authorised organisations only in Slovenia.

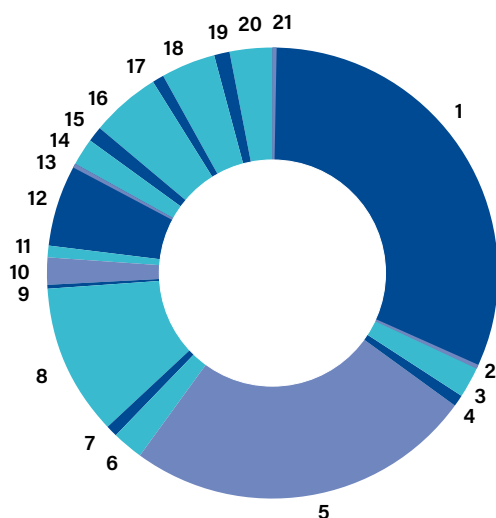
Separately collected waste in port

The target of 93 percent of waste collected separately was exceeded by almost one percent (see Figure), mainly due to increased removal of waste from the settling tank at the coal and iron ore terminal, railway sleepers, and the scrap iron clean-up across the port.

Share of separately collected waste excluding ship-generated waste



Types of separately collected waste excluding ship-generated waste in 2023



- 1) 19 08 02 Waste from desanding - EET - 32 %
- 2) 15 02 02* Absorbenti, filtrirna sredstva, ..., - 0 %
- 3) 13 05 07* Oily water from ..., - 2 %
- 4) 03 01 05 Sawdust, shavings, cuttings - 1 %
- 5) 15 01 03 Wooden packaging - 25 %
- 6) 15 01 01 Paper and cardboard packaging - 2 %
- 7) 17 06 04 Insulating materials - 1 %
- 8) 17 04 05 Iron and steel - 11 %
- 9) 20 01 39 Plastics - 0 %
- 10) 16 01 17 Ferrous metal - 2 %
- 11) 16 07 09* Waste, containing other ..., - 1 %
- 12) 20 03 01 Mixed municipal waste - 6 %
- 13) 19 08 10* Mixtures of fats and oils from separation - 0 %
- 14) 15 01 04 Metallic packaging - 2 %
- 15) 13 05 02* Absorbents, filtration aid - 1 %
- 16) 17 02 04* Wood (railway sleepers) - 5 %
- 17) / *Other (smaller quantities of hazardous and non-hazardous waste) - 1 %
- 18) 02 03 04 Materials unsuitable for consumption or processing - 4 %
- 19) 12 01 02 Iron dust and particles - 1 %
- 20) 20 03 07 Bulky waste - 3 %
- 21) 13 07 03* Other fuels, including blends - 0 %

* hazardous waste, unit: ton

19.9.2 Implementation of waste management improvement programmes⁷⁴

In 2023, the following was implemented:

- Continued activities for obtaining permits for grinding port waste wood into wood chips and for their use for heating purposes;
- Selection of provider and implementation of activities related to the IT solution for monitoring records for the collection and delivery of waste;
- Activities to modernise the ship bilge water and oil collection facility, and the activity is scheduled to be completed in 2024;
- Revision of the Plan for the Receipt of Ship Waste and Cargo Residues in the Port of Koper to meet the requirements of the new regulation on port facilities for the reception of ship-generated waste (Official Gazette of the Republic of Slovenia, No 50/2023);
- Revision of the Waste Management Plan in the light of the amendment to the Decree on waste (Official Gazette of the Republic of Slovenia, No 77/2022);
- Revision of the Waste Management Plan according to recovery operations R3 and R13;
- Submission of application to change the environmental permit regarding recovery of waste.

The following was not implemented in 2023:

- Finalise activities related to the IT solution for monitoring records for the collection and delivery of waste not completed, as these activities continue in 2024;
- Finalise the modernisation of the ship bilge water and oil collection facility not completed, as the activities continue in 2024.

19.9.3 Waste management improvement programs in 2024

The following will be implemented in 2024:

- Finalisation of activities related to the IT solution for monitoring the records for waste collection and disposal (implementation of the programme, testing, etc.);
- Obtaining a permit for increased storage capacity for the ship bilge water and oil collection facility;
- Continued activities for obtaining permits for grinding port waste wood into wood chips and for their use for heating purposes;
- Purchase of a shredder with output conveyor belts and a magnet for preparing wood chips for the combustion plant;
- Continued procedures for the construction of a new Waste Management Centre within the port.

74 GRI 3-3

19.10 Noise emissions⁷⁵



Due to its activity, the port generates noise. In accordance with the strategic guidelines for the development of the port and the adopted environmental policies, the Company continues its activities to manage and reduce the port's noise levels.



The required measurements are taken continuously even though the frequency stipulated by law is only once every three years (Rules on initial measurements and operational monitoring of noise sources and on conditions for their implementation (Official Gazette of the Republic of Slovenia, No 105/08 and 44/22 – ZVO-2)). Using the right equipment, an authorised organisation continuously monitors the noise level at three border points of the port, which is a preventive measure to identify major sources of noise and noise events. We have been the first and only industrial plant in Slovenia to implement continuous noise measurement, the results of which are displayed on the port website (<http://www.zivetispristaniscem.si/>). The meters cover the main activities that generate noise in the port, such as the transshipment of goods and the use of port machinery. Another noticeable source of noise is ships, which must always have engines and other devices running to ensure smooth operation. The values shown on the website are given for information purposes only (as orientation) and do not indicate the noise status in front of the first residential buildings of Ankaran, Koper or Bertoki, as the measuring devices are installed in

the port. They also measure noise in the vicinity of the measuring device (road noise, human activities, nature sounds, etc.). In windy and rainy weather, the value increases due to noise caused by the rain and wind. In accordance with the requirements of the Rules on initial measurements and operational monitoring of noise sources and on conditions for their implementation (Official Gazette of the Republic of Slovenia, No 105/08 and 44/22 – ZVO-2), an authorised organisation also carried out periodic measurements in 2022 in front of the first residential buildings around the port and the results comply with the requirements of the environmental permit for noise emissions from the port No 35450-18/2022-2550-4 of 4 Apr 2023 and the clean copy of imposition 35450-18/2022-2550-8 of 26 May 2023. A Noise Reduction Action Plan is created annually. Being aware of the issue of noise spreading from the port area, we have set targets that are lower than current legislative requirements (Decree on limit values for environmental noise indicators; Official Gazette of the Republic of Slovenia, No 43/18, 59/19 and 44/22 – ZVO-2) The results of the 2023 noise reduction action plan are shown in Chapter 19.10.1 Noise emission results.

⁷⁵ Emisije hrupa – dodaten kazalnik (veza GRI 305-7)

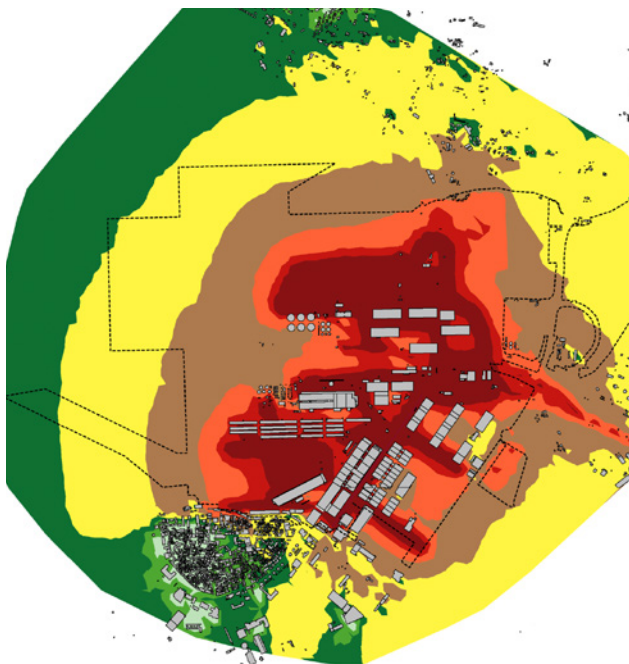
19.10.1 Noise emission results⁷⁶

To measure noise, we use state-of-the-art measurement, monitoring and display techniques recommended by guidelines in this field. Detailed annual noise maps are made, showing noise areas in the port and its immediate surroundings. The noise map was produced using continuous and short-term measurements and noise propagation modelling. The noise map is intended to show noise propagation from a complex source, such as the port of Koper, to the immediate neighbours of the port and the surrounding area. It shows the calculated noise load based on the data on the sound power of the devices (mostly obtained on the basis of measurements, but partly calculated from the data on device capacities), as well as the traffic data in the area of Luka Koper, d. d., and the noise of traffic of the surrounding roads based on the annual average (traffic counting). A noise map gives a clear graphical representation of the noise load based on the data entered, while also taking into account the impact of local road traffic from the peripheral port area, which is an important source of noise. The map shows average annual noise levels of all sources of noise: road traffic, processes in the port, ships and other causes of noise located outside the port. The port area is classified as Level IV area of noise protection, within which we also

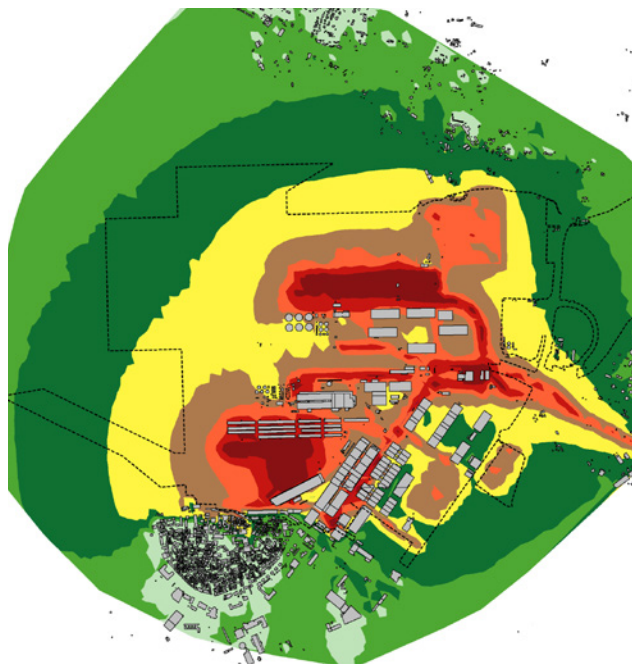
monitor the noise level. In the noise maps, the black dashed line indicates the borders of the area. The immediate surroundings of the port, i.e. the area outside the port fence, are classified as Level III area of noise protection.

According to noise measurement and maps, the noise from the port most heavily affects the northern edges of the town of Koper. Therefore, the noise reduction activities that we prepare annually in the noise reduction action plan are mainly focused on noise reduction in the direction of Koper. In the past, we established a fund together with the Koper municipality that will allocate funds to improve the sound-proofing of the residential buildings. As the operation of this fund has come to an end, a new agreement on the implementation of mitigation measures for the period 2024 to 2028 inclusive was adopted by the Management Board of Luka Koper d. d. and the Mayor of the Municipality of Koper in December 2023. Under the agreement, Luka Koper, d. d. will pay the municipality a grant of EUR 320,000 per year for the next five years, and the municipality will allocate these funds to the beneficiaries through a public tender for the implementation of mitigation measures. Noise levels should also be taken into account when drawing up detailed spatial plans for municipalities and local communities bordering the port.

Daytime noise map for 2023



Night-time noise map for 2023



76 GRI 413-1, 413-2

The values of noise levels in the port area, measured at all three fixed site measuring stations (see Figure below), and the average annual measured values are shown in the table below. It displays the measured values of all noise sources (road transport, port processes, ships and other noise generators located outside the port, construction work).

Number of berths in port by year

Year	2021	2022	2023
Number of ships	1,551	1,659	1,642

Figure showing the locations of fixed noise measurement stations



Average annual noise levels from all sources at the port boundary, measured with fixed site measuring devices at the port boundary (in dBA)

2021			2022			2023		
Towards Bertoki	Towards Ankaran	Towards Koper	Towards Bertoki	Towards Ankaran	Towards Koper	Towards Bertoki	Towards Ankaran	Towards Koper
$L_d=52$	$L_d=52$	$L_d=60$	$L_d=51$	$L_d=53$	$L_d=62$	$L_d=51$	$L_d=52$	$L_d=62$
$L_e=50$	$L_e=51$	$L_e=60$	$L_e=50$	$L_e=52$	$L_e=61$	$L_e=49$	$L_e=52$	$L_e=62$
$L_n=47$	$L_n=51$	$L_n=59$	$L_n=48$	$L_n=52$	$L_n=60$	$L_n=47$	$L_n=51$	$L_n=60$
$L_{den}=55$	$L_{den}=58$	$L_{den}=65$	$L_{den}=55$	$L_{den}=59$	$L_{den}=67$	$L_{den}=54$	$L_{den}=58$	$L_{den}=67$

Key: L_d - day noise level, L_e - evening noise level, L_n - night noise level, L_{den} - day-evening-night noise level

As internal noise target values to be achieved or maintained in front of the first residential buildings, Luka Koper, d. d., has set values that include all noise sources from the port:

- Night noise level of 48 dBA,
- Day noise level of 58 dBA,
- Evening noise level 53 dBA.

The results obtained suggest that the night, evening, and day noise in front of the first residential buildings in Ankaran and Bertoki is within the set targets, and the same applies to the day noise in front of the first residential buildings of the Koper city centre. However, the targets are not achieved for the night and evening noise level in front of the first residential buildings in the Koper city centre.

Results of measurements for 2023 (all noise sources in front of the first residential buildings) and compliance with internal targets

Year 2023				
DIRECTION	Unit	Internal target	Realisation	Achievement of internal target
Noise level at night in the direction of Bertoki	dBA	48	34	YES
Noise level at night in the direction of Ankaran	dBA	48	44	YES
Noise level at night in the direction of Koper	dBA	48	54	NO
Noise level by day in the direction of Bertoki	dBA	58	38	YES
Noise level by day in the direction of Ankaran	dBA	58	45	YES
Noise level by day in the direction of Koper	dBA	58	56	YES
Noise level in the evening in the direction of Bertoki	dBA	53	36	YES
Noise level in the evening in the direction of Ankaran	dBA	53	45	YES
Noise level in the evening in the direction of Koper	dBA	53	56	NO

The results of the noise level excluding ship-noise in front of the first buildings outside the port are also shown below. They all demonstrate compliance with the regulatory limit values from the environmental permit No 35450-18/2022-2550-4 of 4 Apr 2023 and the clean copy of imposition 35450-18/2022-2550-8 of 26 May 2023

Results of the measurements for 2023 (noise excluding ship-noise in front of the first residential buildings) and compliance with the environmental permit No 35450-18/2022-2550-4 of 4 Apr 2023 and the clean copy of imposition 35450-18/2022-2550-8 of 26 May 2023

Ieto 2023				
DIRECTION	Unit	Statutory value	Realisation	Compliance with the environmental permit in terms of noise emissions
Noise level at night in the direction of Bertoki	dBA	55	34	YES
Noise level at night in the direction of Ankaran	dBA	55	41	YES
Noise level at night in the direction of Koper	dBA	55	51	YES
Noise level by day in the direction of Bertoki	dBA	65	38	YES
Noise level by day in the direction of Ankaran	dBA	65	43	YES
Noise level by day in the direction of Koper	dBA	65	53	YES
Noise level in the evening in the direction of Bertoki	dBA	60	36	YES
Noise level in the evening in the direction of Ankaran	dBA	60	41	YES
Noise level in the evening in the direction of Koper	dBA	60	52	YES

In 2023, we carried out additional control measurements for the noise meter in the direction of Koper in order to verify the accuracy of the measurements, which showed that the agreement of the measurements was within the measurement uncertainty. The authorised contractor also created a model calculation to determine a realistic target value for the night noise level in the direction of Koper based on known data regarding the used machinery and traffic until 2027. The results show that the long-term noise levels in front of the exposed facilities at nighttime, excluding ships, will be lower than 55 dBA.

19.10.2 Implementation of noise control improvement programmes⁷⁷

In Luka Koper, d. d., a Noise Reduction Action Plan is devised annually, specifying activities, the persons responsible for implementation, and deadlines for completion. The outcomes of the 2023 noise reduction action plan are shown below. In 2023, EUR 1,534,281.18 was spent on these noise reduction activities.

⁷⁷ GRI 413-1, 413-2

Noise reduction plan activity	Completion rate (%)	
Carrying out additional noise measurements in and around the port	100	
Keeping the local community informed of the ongoing investment plans of Luka Koper, d. d., with content to be prepared and coordinated in cooperation with the health protection and ecology department.	100	
Communication with the shipping company in the event of noise-generating ships on the container terminal (container ships).	100	
Communication with the shipping company in cases of noise-generating Ro-Ro ships (car carriers).	100	
Training for employees (in the event of derogation, i.e. excess speed according to reporting in CIIS ⁷⁸) on the internal rules and technological processes in the container terminal PC.	0	Due to the low number of violations (6 violations per year), there was no need for instruction, only a warning was issued. The activity is continued in the Action Plan for 2024.
Monitoring the noise level of each vessel berthing at Basin I using the measurement stations Terminal 3 (Storage facility No 15) and Terminal 4 (former metalworking school).	100	
Vibration and ventilation noise measurements at storage facility No 5 at the reefer terminal.	100	
Carrying out the action plan and communication with local communities of Koper municipality, the municipality of Ankaran and municipality of Koper in cooperation with the health protection and ecology department.	100	
Redirecting ships that generate more noise to Basins II and III when possible (depending on the availability of berths, type of ship, and type of cargo).	100	
Regular maintenance of the asphalt base and shafts in the container terminal handling area – rehabilitation of damaged concrete and asphalt coastal surfaces, reconstruction of access roads to the coastal structures.	0	The activity was not carried out due to the necessary larger scope of work in other activities and is transferred to the 2024 implementation plan. The activity is continued in the Action Plan for 2024.
Monitoring of speed (4 times per month) on the container terminal quayside in the evenings and in night-time, with a focus on terminal tractors, preparation of reports in CIIS and communication of breaches to the terminal and the health protection and ecology department.	100	
Continuous noise monitoring and reporting to the Management Board on noise levels and on the implementation of measures from the action plan for noise reduction in the direction of Koper.	100	
Annual funding under the agreement on the implementation of mitigation measures (installation of additional sound insulation to the nearest dwellings) in cooperation with the Municipality of Koper.	50	Funds have been awarded. However, we have not yet received a report on the rehabilitation from the Municipality of Koper, as the deadline is 31 Mar 2024.
Control and updating of the ESI - Environmental Ship Index	100	For the entire year 2023, shipowners (6.5%) included in the ESI system received EUR 34,532.56 in discounts
Procedures for the siting of the 110-kV electricity network to the port and the Luka Koper, d. d., transformer station.	100	
Performing underwater noise measurements.	100	(Measurements are presented in the Chapter 19.16 'Sea Water Protection')
Keeping records on the implementation of noise measurements referred to in point 8 and point 9 of the operative part of the granted environmental permit No 35450-18/2022-2550-8.	100	
Purchase of a total of nine terminal tractors (replacement of worn-out equipment) for the needs of the container terminal	0	The public procurement procedure ended without an award, as no tenders were received. The repetition of the public procurement is planned for the beginning of 2024, and the delivery of tractors until the end of 2024.
Activities related to the construction of the passenger terminal facility.	100	
Possibility of "anti-noise" integrated horticultural landscaping in the direction of Koper and the border part of the port towards Ankaran.	0	In the coming years, the construction of the passenger terminal building and the landscaping of the surrounding area will be carried out on the passenger terminal site. In the direction of Ankaran, trees and shrubs will be planted at the port boundary alongside the construction of the storage areas of the last cassette.

⁷⁸ CIIS – Critical Incident Information System

19.10.3 Noise control improvement programmes scheduled for 2024⁷⁹

These activities are part of the annual Noise Reduction Action Plan:

- Carrying out additional noise measurements in and around the port (three-week measurements in the Ankaran area);
- Keeping the local community informed of the ongoing investment plans of Luka Koper, d. d., with content to be prepared and coordinated in cooperation with the health protection and ecology department;
- Communication with the shipping company in the event of noise-generating ships on the container terminal (container ships);
- Communication with the shipping company in cases of noise-generating Ro-Ro ships (car carriers);
- Additional training for employees (in the event of derogation, i.e. excess speed) on the internal rules and technological processes in the container terminal PC;
- Monitoring the noise level of each vessel berthing at Basin I using the measurement station Terminal 3 (Storage facility No 15);
- Vibration and ventilation noise measurements at storage facility No 5 at the Reefer Terminal;
- Carrying out the action plan and communication with local communities of Koper municipality, the municipality of Ankaran and municipality of Koper in cooperation with the health protection and ecology department;
- Redirecting ships that generate more noise to Basins II and III when possible (depending on the availability of berths, type of ship, and type of cargo);
- Regular maintenance of the asphalt base and shafts in the container terminal handling area – rehabilitation of damaged concrete and asphalt coastal surfaces, reconstruction of access roads to the coastal structures;
- Monitoring of speed (4 times per month) on the container terminal quayside in the evenings and in night-time, with a focus on terminal tractors, preparation of reports in CIIS and communication of breaches to the terminal and the health protection and ecology department;
- Continuous noise monitoring and reporting to the Management Board on the measured noise levels and on the implementation of measures from the action plan for noise reduction in the direction of Koper;
- Annual funding under the updated agreement on the implementation of mitigation measures (installation of additional sound insulation to the nearest dwellings) in cooperation with the Municipality of Koper;
- Implementation of control and discounts for ships that cause lower atmospheric emissions within the ESI system (Environmental Ship Index);
- Procedures for the siting of the 110-kV electricity network to the port and the Luka Koper, d. d., transformer station;
- Performing underwater noise measurements;
- Keeping records on the implementation of noise measurements;
- Purchase of a total of nine (6 + 3) terminal tugs (replacement of worn-out equipment) for the needs of the container terminal;
- Activities related to the construction of the passenger terminal facility;
- Environmental monitoring (noise and vibration measurements) during the construction of the new 12th berth and Ro-Ro berth;
- Environmental monitoring (baseline, measurements during construction, monitoring) during the extension of the northern part of Pier I in the international port of Koper.

79 GRI 413-1, 413-2

19.11 Energy use and energy efficiency⁸⁰



Luka Koper, d. d., has recognised the importance of electromobility, as it is the most efficient use of energy, including energy from renewable sources. Therefore, the Company is making rapid progress in building charging infrastructure for electric vehicles and introducing electric cars for use inside the port.

The company regularly upgrades its SCADA control system by installing metering and communication equipment for all large electricity consumers in the port.

Luka Koper, d. d., plans to step up its ongoing programme of investing in renewable energy sources to achieve some degree of energy self-sufficiency. A number of photovoltaic plants will be installed to become the primary source of renewable energy in the port.

Luka Koper, d. d. is part of the Ealing European project, the aim of which is to obtain project documentation for the construction of a connection point for the supply of Ro-Ro ships with electricity at the multi-purpose terminal. In 2023, consents were obtained for the construction of solar power plants on the roofs of warehouses 16, 19, 50 and 51, with a total rated capacity of 4.2 MW, and construction work started in December 2023.

Energy audits should be carried out regularly, therefore, in 2024, the Company will focus on targeted energy audits, depending on the discrepancies from the planned consumption of an energy source in each individual user group or section of the port.

19.11.1 Energy efficiency system

The strategic orientation of Luka Koper, d. d., is to achieve high energy efficiency in all activities carried out in the port.

Luka Koper, d. d., has recognised energy efficiency as one of the key measures of the energy policy to enhance the competitiveness of the Company, and acknowledges that energy efficiency improvements make a significant contribution to greater security of supply and lower environmental impacts. Since 2020, the company has been certified according to the ISO 50001:2018 standard – Energy Management System.

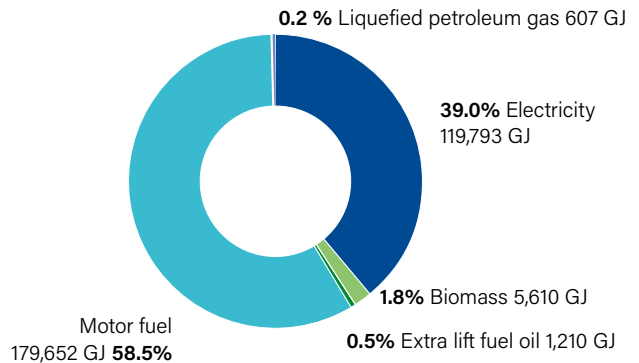
The Environmental strategy and Safe and healthy port environment and energy efficiency policy represent guidelines for the implementation of all energy measures.

Energy audits have been carried out in the port regularly for a number of years, and energy efficiency investments have been made.

Consumption of energy sources is monitored using IT systems for energy consumption control. In the event of a deviation from the set targets, energy efficiency measures are introduced.

19.11.2 Consumption of energy sources⁸¹

Energy balance of Luka Koper, d. d.

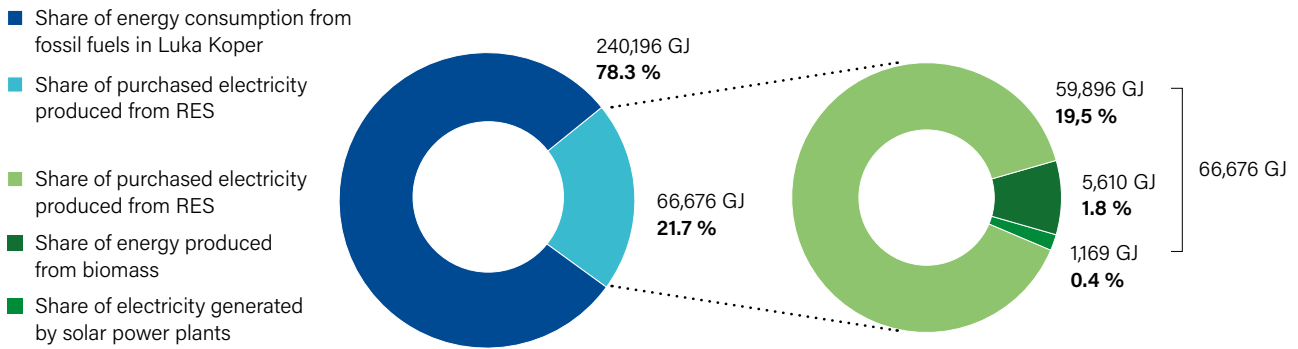


In 2023, the total energy consumption for Luka Koper, d. d. amounted to 306,871 GJ, of which 66,676 GJ (21.7%) was generated through the use of renewable energy sources (purchased electricity produced from RES, electricity produced by own solar power plants and energy produced from biomass). As required by the standard, energy is shown in Joules throughout the document and the calculation is made as the quantity consumed multiplied by the calorific value for each energy product. The port's operations are mainly fuelled by fossil motor fuel, which accounted for 58.5 percent in 2023. Electricity is the second most consumed energy product (39.0%). Energy produced from woody biomass, LPG and EL fuel oil accounts for only 2.5 percent, as it is only used for some technological purposes and for heating buildings and hot water. In line with the company's policy, fossil fuels for heating buildings are being phased out and the transition to RES heating is being made.

⁸⁰ GRI 3-3

⁸¹ GRI 302-1, 302-2, 302-3, 302-4

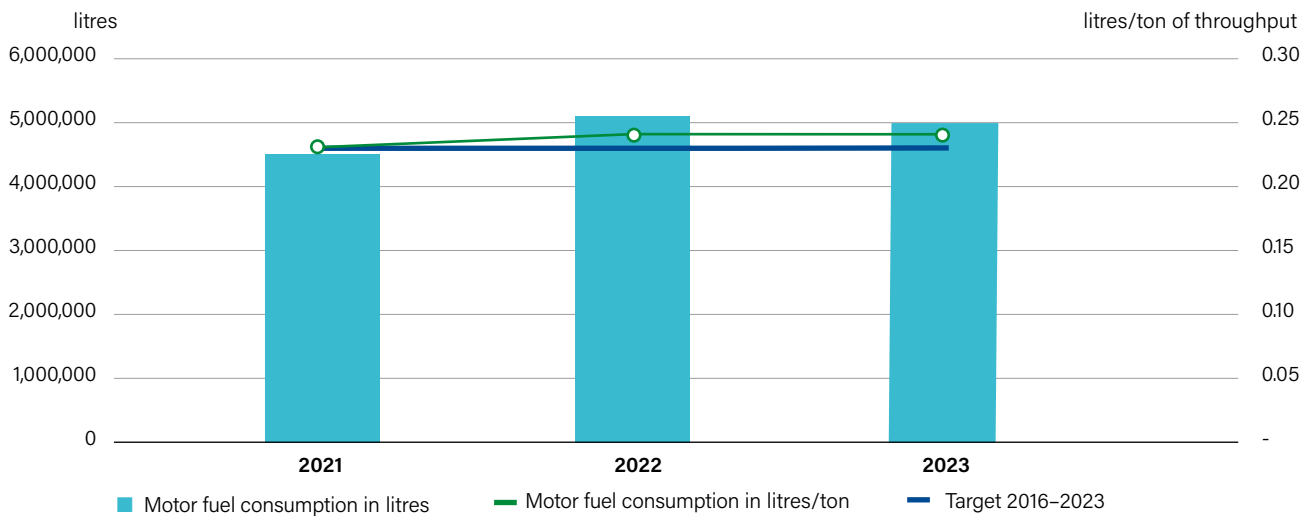
Consumption of energy for Luka Koper, d. d., by source



Luka Koper, d. d., has the strategic goal to build 6 MW of solar power plants by 2025, which will result in generating enough electricity to ensure up to 20 percent of our own consumption.

The calculations of energy and emission conversion values are based on typical net calorific values of individual energy sources for 2023, as stated by the Republic of Slovenia in its latest national greenhouse gas inventories submitted to the Secretariat of the United Nations Framework Convention on Climate Change (source: Slovenian Environment Agency).

Consumption of motor fuel for Luka Koper, d. d. (non-renewable source)

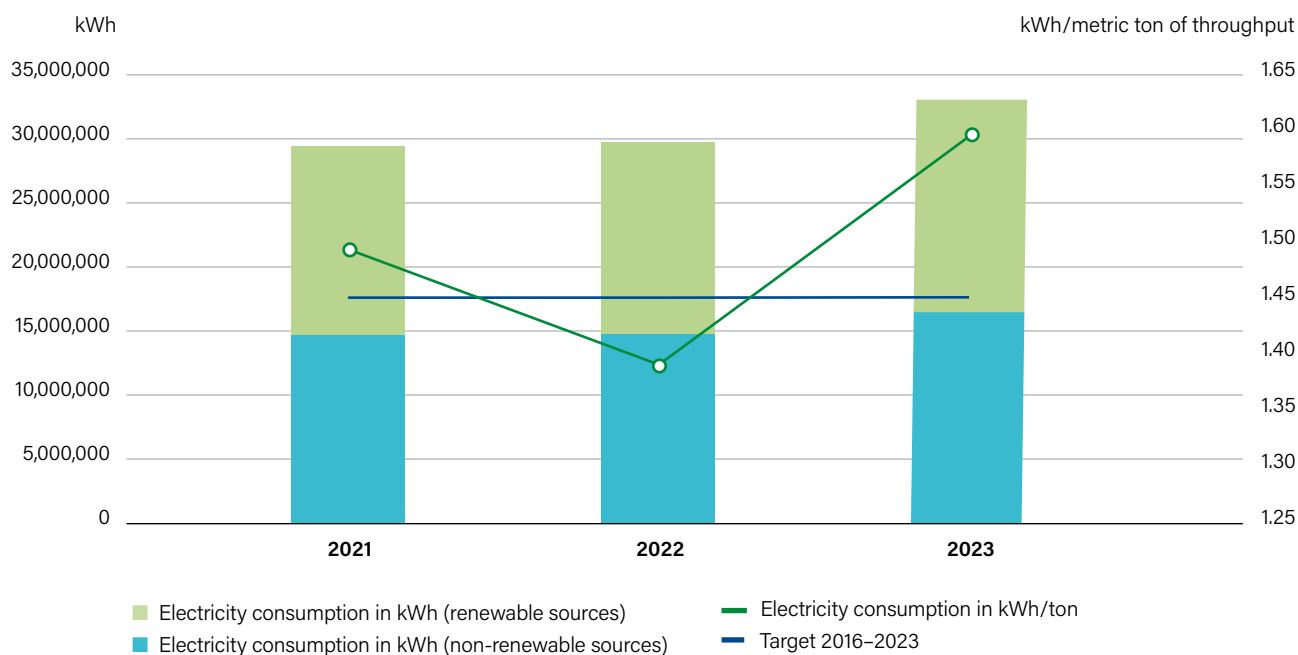


In 2023, motor fuel consumption for Luka Koper, d. d. totalled 179,652 GJ. In motor fuel and electricity consumption, data is expressed as consumption per metric ton of throughput. The specific consumption of motor fuel in 2023 at 0.241 l/t was higher than in 2022 and deviates from the target (0.230 l/t) by 4.9 percent. In 2023, the absolute consumption of motor fuel was higher than planned and 6.4-percent higher compared to 2015, mainly due to machinery electrification, the use of diesel generators at the container terminal to connect refrigerated containers, whose throughput has been increasing sharply in recent years. The higher than planned consumption of motor fuel was also due to higher operating hours of the diesel generators on the eRTG bridge cranes due to problems with the APS connections.

Working processes in the port require abundant use of diesel-fuelled ground equipment. The largest consumers include terminal tractors, forklifts, rubber-tired gantry cranes (RTG), reach stackers, loaders, vehicles used for rail traction, passenger cars, and vans.

In 2023, the container terminal was the largest consumer, accounting for 66 percent of all motor fuel consumption in the port. With the purchase of new e-RTG and RMG cranes, and diesel-powered RTG cranes being replaced, motor fuel consumption at the container terminal will gradually decline. In purchasing new transport machinery, the Company follows the latest technological and environmental requirements.

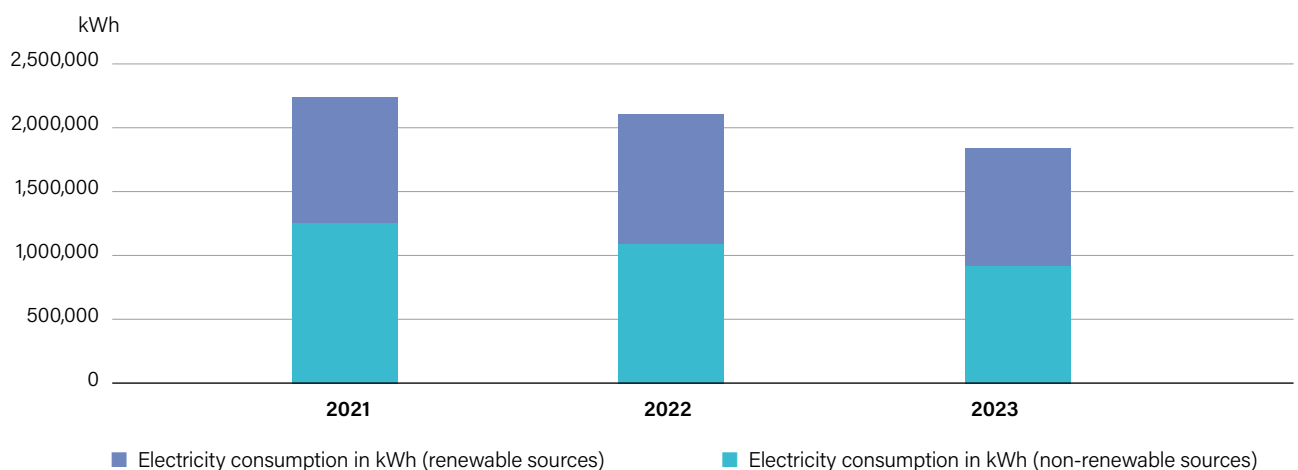
Consumption of electricity for Luka Koper, d. d.
(renewable and non-renewable sources)



In 2023, electricity consumption for Luka Koper, d. d., totalled 119.793 GJ. Specific electricity consumption is defined as electricity consumption per ton of cargo transhipped and does not include electricity consumption outside the organisation. We do not sell electricity. In 2023, the consumption was 1.59 kWh/t, which is 9.9 percent above the target (1.45 kWh/t). Absolute electricity consumption was higher than last year by 11.3 percent and higher than in 2015 by 52.5 percent, which is due to the progressive electrification of port machinery, increased handling of refrigerated cargo, and electricity consumption to power refrigerated containers. At the beginning of last year, three additional electric gantry cranes (e-RTGs) were put into operation at the Container Terminal.

Port operations are carried out using machinery and equipment with high nominal powers, resulting in high power consumption. The largest consumers in the port include ship-to-shore cranes, engine rooms for food refrigeration on the reefer cargo terminal, the lighting and power supply for refrigerated containers. The use of new electrified rubber-tired gantry cranes (e-RTG) and rail mounted gantry cranes (RMG) at the container terminal will increase electricity consumption in the coming years further still. All new gantry cranes are fitted with systems that recover the electricity generated when the cargo is lowered to the ground and feed it back into the grid. The increase in power consumption due to the new cranes will be partly compensated by investment in new LED lights across the port and construction of solar power installations

Consumption of electricity for the economic zone (renewable and non-renewable sources)





New e-RTG cranes, Photo: Kristjan Stojaković

In 2023, electricity consumption for the economic zone totalled 6,613 GJ. The consumption of electricity within the economic zone covers all subtenants and other companies in the area of the Koper port, which are connected to the internal electricity network of Luka Koper, d. d.

With energy efficiency activities carried out in 2023, we reduced fossil fuel consumption by 3,474 GJ and electricity by 294.30 GJ from 2022, thus reducing the emissions by 175,213 kgCO₂eq and contributing to the improvement of the Company's carbon footprint. Calculations of the reduced energy consumption are performed on the basis of measurements and the Rules on the methods for determining energy savings (Official Gazette of the Republic of Slovenia, No 57/21).

19.11.3 Implementation of improvement programmes to reduce electricity and fuel consumption⁸²

In 2023, the following was implemented:

- Activities to renovate electrical installations at storage facilities No 22 A, B, C at the general cargo terminal (detailed design documents);
- Purchase of electric scooters for the Reefer Cargo Terminal;
- Activities for the construction of storage facility No 54 at the General Cargo Terminal;
- Activities to renovate lighting at storage facilities No 23 A, B, C, D and H at the General Cargo Terminal;
- Maintenance of SEE Electrical software;
- Maintenance of the ENIS energy monitoring and information system;
- Activities for the construction of the RTP Luka Koper, d. d., distribution transformer station,
- Completed activities before the construction of a solar power plant on the roof of the general cargo terminal storage facility, including obtaining a building permit and selecting a contractor through a public procurement procedure;
- Obtained detailed design documents from the selected contractor for the energy rehabilitation of the boiler room No 7 Pacorini; the implementation phase of the investment will be carried over to 2024;
- Finalised restoration of lighting in 17A storage hall at the general cargo terminal;
- Construction of a solar power plant on the roof of the TA dispatch centre at the car terminal,

⁸² GRI 302-4

The following was not implemented in 2023:

- Complete renovation of electrical installations at storage facilities No 22 A, B, C at the general cargo terminal;
- Complete renovation of lighting at storage facilities No 23 A, B, C, D and H at the general cargo terminal;
- Installation of network analysers and upgrade of the SCADA control system for electricity consumption; the investment will be carried over to 2024;
- Complete construction of a solar power plant on the roof of the general cargo terminal storage facility;
- Complete energy rehabilitation of the boiler room No 7 Pacorini, as the investment has been put on hold due to the realisation that the boiler house in its current form is scheduled to be demolished and later relocated due to the chosen concept for the expansion of the container terminal and the subsequent construction of a new main thoroughfare to Pier II;
- Complete energy renovations of the lighting at the container terminal;
- Complete renovations of the lighting in storage facilities 23G, 23K, 23J of the dry bulk terminal;
- Purchase of two vehicles for the needs of the container terminal;
- A control and data acquisition system regarding the operation of port ground equipment was not established, as this will be a multi-annual project;
- Energy audit at the liquid cargo terminal;
- Purchase and installation of APS connections for eRTG cranes at the container terminal, as this will be a multi-annual project;
- All procedures for the construction of storage facility No 54 at the general cargo terminal;
- Installation of a charging station for electric vehicles next to the administrative building of the dry bulk terminal.

19.11.4 Electricity and fuel consumption reduction programmes planned for 2024

The following will be implemented in 2024:

- Finalised construction of a solar power plant on the roof of the general cargo terminal storage facility;
- Gradual construction of solar power plants on the roofs of storage facilities No 13,16,19,27 and 33 at the general cargo terminal;
- Installation of network analysers and upgrade of the SCADA control system for electricity consumption;
- Finalised energy renovations of the lighting at the container terminal;
- Energy-efficient renovation of the boiler room No 7 Pacorini;
- Energy rehabilitation of the administration building of the container terminal;
- Installation of lighting of tracks 35C and 36C and track-side handling areas at the dry bulk cargoes terminal;
- Upgrade of the electric passenger lift in the silo building at the dry bulk cargoes terminal;
- Purchase of two vehicles for the needs of the container terminal;

- Maintenance of SEE Electrical software;
- Maintenance of the ENIS energy monitoring and information system;
- Continued procedures for the installation of the Luka Koper, d. d., transformer station;
- Continued establishment of a control and data acquisition system regarding the operation of port ground equipment, which is a multi-annual project;
- Complete renovation of the lighting in storage facilities No 23G, 23K, 23J of the dry bulk cargoes terminal;
- Continued purchase and installation of APS connections for eRTG cranes at the container terminal, which is a multi-annual project;
- Complete renovation of electrical installations at storage facilities No 22 A, B, C at the general cargo terminal;
- Complete renovation of lighting at storage facilities No 23 A, B, C, D and H at the general cargo terminal;
- Renovation of electrical installations at storage facility No 30 A, B, C at the general cargo terminal;
- Installation of a charging station for electric vehicles next to the administrative building of the dry bulk cargoes terminal;
- Continued procedures for the construction of storage facility No 54 at the general cargo terminal;
- Procedures for the procurement (replacement) of four RTG cranes at the container terminal;
- Installation of meters to measure electricity consumption by terminal in resources not yet included in SCADA;
- Reconstruction of the refrigeration equipment at the reefer terminal;
- Replacement of the worn-out split air-conditioning units in residential facilities at the container terminal;
- Rehabilitation of the façade of the wagon loading/unloading station of the grain silo at the dry bulk cargoes terminal;
- Purchase of two electric vehicles for specialised departments;
- Renovation of the ventilation system in the 'central changing rooms' facility.

19.12 Drinking water and groundwater management⁸³



The internal water supply network that brings drinking water to the port and comprises around 30 km of pipes, is maintained by the Company aiming to reduce losses. Drinking water is provided in its entirety by the public company Rižanski vodovod.

Drinking water is used for public utility purposes, for the supply of ships and for some industrial processes (e.g. wood soaking, food refrigeration, on construction sites, for vehicle and machinery washing, etc.). We have the water right (from May 2017) for the use of drinking water for industrial processes, but the consumption is significantly lower than specified in the permit. For the purposes of fire water pump testing, as a source of fire water, damping of the coal deposit handling area, etc., the groundwater is also used in the port (via a well), although it is brackish. In 2023, 21,472 m³ of groundwater was extracted from this borehole, which was

used mainly for cleaning road surfaces, and this amount is also within the limits of the water permit. Compared to 2022, we used 35% less groundwater. The lower water withdrawal is related to the fact that more rain fell in July and August 2023 (source: meteo.si - Official weather forecast for Slovenia - National Meteorological Service of the Republic of Slovenia - Archive (gov.si)). Groundwater quality measurements are carried out every two years, last time in 2022, to check the possible impact of port operations on groundwater quality (previous measurements were carried out in 2020). No pollutants were detected in either of the last two measurements carried out (components checked: aromatic hydrocarbons - BTX, polychlorinated biphenyls - PCBs, organotin compounds, polycyclic aromatic hydrocarbons - PAHs, phenolic index, mineral oils).

Drinking water consumption is not directly dependent on throughput. The increased load on transport surfaces (increased traffic) results in more frequent damage to the water supply network. We are working to control leaks and are in the final phase of a five-year rehabilitation program for the entire port water system.

A water consumption control system is in place, with meters connected to a computer in the control centre. When a leak is detected, remediation is started.



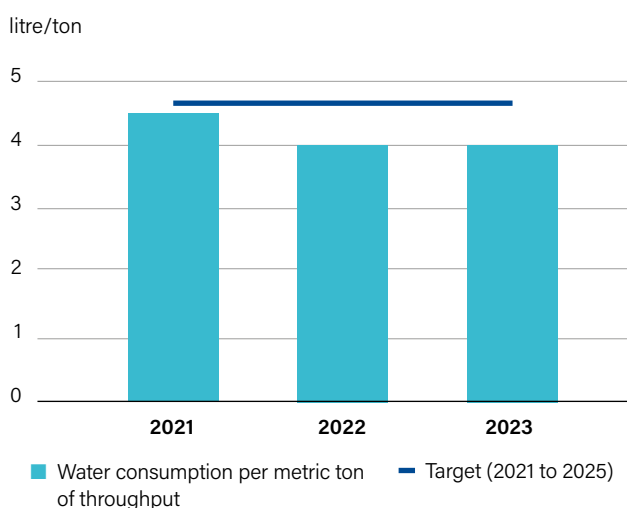
⁸³ GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5

Source of water supply and type of water used in 2023

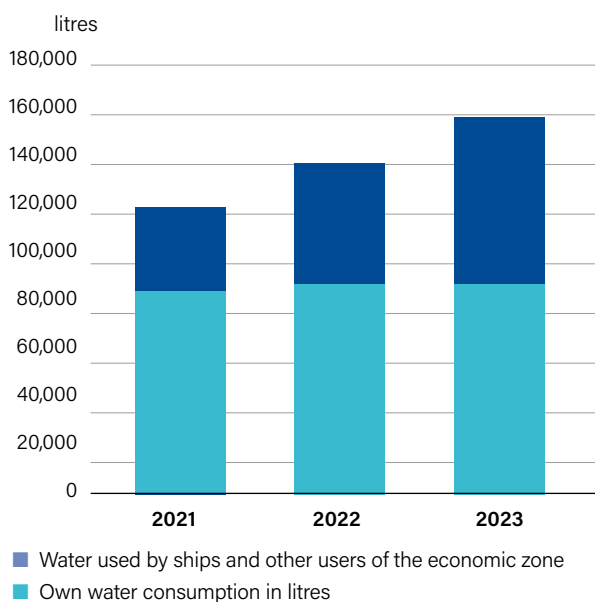
	Annual amount of water (in 1.000 m ³)	Notes
Source of water supply:		
From public water supply	158,896	Rižanski vodovod, water quantity is measured by meter
From own source	21,472	Port well, water quantity is measured by meter (the water is brackish; sodium value 4,020 mg/l)
Other	8,510	Precipitation (estimated) for technological wastewater The estimated water quantity is calculated from the product of the catchment area and the average rainfall.
Water consumption - TOTAL:	188,878	
Water consumption:		
Municipal wastewater	40,280	Municipal water drained into the public sewer 38,000 m ³ (estimate), port small wastewater treatment systems total 2,280 m ³ (19 small wastewater treatment systems, 120 m ³ each, assessment). Municipal water from the small wastewater treatment systems is estimated using the following formula: $\frac{\text{no. of employees} \times 45}{3}$ for other municipal water the same formula is used, except that the number of people is estimated, and visitors are also taken into account.
Industrial wastewater	13,068	See table in Chapter 19.13 'Types of wastewater in the port, annual amounts, and compliance with the law' Industrial water, which is produced by the use of drinking water, is measured by meters. Industrial water, which is the result of precipitation, is estimated and calculated from the product of the catchment area and the average amount of precipitation.
Water incorporated into products, evaporated water	44,612	Assessment
Water loss due to system failure	20,771	Damage to the water supply network due to heavy machinery, frost, wear and tear, damage during construction, estimate
Water for ship supply:	70,147	Ship supply, water quantity is measured by meter
Water consumption - TOTAL:	188,878	

The quality of drinking water is monitored annually, particularly microbiological measurements of quality in all key points of the port's water supply network. Microbiological inadequacy was observed at some sites, but measures were taken (e.g. chlorine shocks, replacement of mechanical parts in the network, restricted use of drinking water) to ensure safe drinking water.

Drinking water consumption per metric ton of throughput



Absolute drinking water consumption in the port



19.12.1 Implementation of improvement programmes to increase resource efficiency

In 2023, the following was implemented:

- Reconstruction work on the water supply network in accordance with the 2018-2023 Plan for the maintenance and repair of the water and hydrant network;
- Regular microbiological analyses of drinking water in the port's water supply network.

The following was not implemented in 2023:

- Complete reconstruction of the water supply network in accordance with the 2018-2023 Plan for the maintenance and repair of the water and hydrant network.

19.12.2 Resource efficiency improvement programmes planned for 2024

The following will be implemented in 2024:

- Completed reconstruction of the water supply network in accordance with the 2018-2023 Plan for the maintenance and repair of the water and hydrant network,
- Regular microbiological analyses of drinking water in the port's water supply network,
- Measurements of quality of groundwater from the well and comparison of the content of pollutants with measurements from 2020 and 2022.



19.13 Wastewater management⁸⁴



The port generates technological wastewater, the quality of which is measured by an authorised organization with built-in treatment plants at the outlet. Types of wastewater:

- Industrial wastewater from the port machinery washing facility (outlet to the Koper Central Wastewater Treatment Plant);
- Stormwater runoff from the liquid cargoes terminal on Pier I (outlet to the sea);
- Industrial wastewater from the livestock terminal (outlet to the Koper Central Wastewater Treatment Plant);
- Stormwater runoff from the liquid cargoes terminal on Pier II (outlet to the sea);
- Stormwater runoff from the dry bulk terminal due to storage of scrap iron (outlet to the sea);
- Industrial wastewater from the container washing facility (outlet to the Koper Central Wastewater Treatment Plant);
- Stormwater runoff from the ship's bilge water collection facility (outlet to the sea).

The container washing facility has an organized wastewater recycling system, which requires additional regular internal checks whether the treated wastewater meets the microbiological parameters of quality drinking water. According to the results, the device works effectively.

Limit values, parameters and sampling frequency for all devices were set by the Slovenian Environment Agency, and for plants with an outlet to the Koper Central Wastewater Treatment Plant by its operator, i.e. public utility company Marjetica, d. o. o., as is defined in the environmental permit (No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022). The treatment technology (possible addition of chemicals in the treatment process), specific legislative requirements regarding the types of wastewater and the location of the outlet (type of wastewater receiver) were taken into account.

Due to the precipitation washout of the paved areas, precipitation wastewater is also generated across 288 ha of the port. Many oil interceptors are installed on these surfaces to prevent environmental contamination in the event of spills. The volume of these cannot be measured. Having an outlet to the sea or Rižana River, oil interceptors are designed to retain oils. Supervision of their operation is carried out by the contracting party, and the Company has determined the scope and manner of inspection and cleaning and emptying of oil interceptors. In addition, three sensors are installed inside the port area to detect the presence of oils in the sea, which is described in the Chapter 19.16 'Sea Water Protection'.

Municipal wastewater is treated with the help of 19 small treatment plants. Wastewater quality measurements are performed by an organization authorised by the Slovenian Environment Agency. In addition, internal control over the operation of devices is carried out, whereby we have determined the scope and method of their inspection and cleaning and emptying. The efficiency of operation is also checked indirectly by microbiological measurements of sea water quality in the port water area, which is described in the Chapter 19.16 'Sea Water Protection'.

Most of the remaining municipal wastewater is discharged to the Koper Central Wastewater Treatment Plant, which is managed by the public utility company Marjetica, d. o. o. The estimated volume of this wastewater is 38,000 m³.

⁸⁴ GRI 3-3, 303-2, 303-4

Types of wastewater in the port, annual amounts, and compliance with the environmental permit (No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022).

Type of wastewater	Annual volume (m ³) in 2021	Annual volume (m ³) in 2022	Annual volume (m ³) in 2023	Compliance of measurements with the environmental permit in the year
Stormwater runoff from the liquid cargo terminal on Pier I	0 (No wastewater was released into the sea)	0 (No wastewater was released into the sea)	380	Compliant
Stormwater runoff from the liquid cargoes terminal on Pier II	2,300	2,300	2,300	Compliant
Stormwater runoff from the liquid cargoes terminal on Pier II	10	10	10	Compliant
Stormwater runoff from the storage of scrap iron on Pier II of the dry bulk terminal	2,700	- The scrap iron storage site was abolished.	- The scrap iron storage site was abolished.	Since 2022, scrap iron has no longer been handled and stored at the location. Measurements are consequently no longer performed.
Stormwater runoff from the storage of scrap iron on Pier I of the dry bulk terminal	3,500	3,500	3,500	Compliant
Stormwater runoff from the storage of scrap iron on Pier I of the dry bulk terminal, along the NAS9 Hall	-	2,700 New scrap iron storage site	2,700 New scrap iron storage site	Non Compliant*
Stormwater runoff from the bilge water collection facility (facility managed by Luka Koper INPO, d. o. o.)	Newly installed oil interceptor	214	263	Compliant
Industrial wastewater from the livestock terminal	1,995	1,541	1625	In the wastewater, ammonium nitrogen exceeded the limit value for discharge into the sewerage network, while other parameters were below the prescribed limit values.**
Industrial wastewater from the machinery washing facility	882	970	1121	Compliant
Industrial wastewater from the container washing facility	657	503	432	Compliant
Municipal wastewater	39,040	40,040	40,280	Compliant Measurements are taken at 19 outlets of small treatment plants.

* From the area where the scrap iron is stored, stormwater flows through the oil interceptor into the sea. The measurements made showed elevated COD and BOD5 parameters, indicating organic contamination of the water. When determining the cause, we found that there is an intrusion of sea water, and the operation of the oil interceptor is less effective in such cases. We decided to install a new oil interceptor directly on this surface, i. e. at a level where it will not be affected by the sea. The existing oil interceptor was also emptied several times and the contents handed over to an authorised waste collector. The site only occasionally stores scrap iron, which is only kept on the surface for a few weeks, meaning that the wastewater is not constantly generated. The quantities of wastewater are small, so we estimate that there has been no environmental pollution.

** In the industrial wastewater of the livestock terminal, of all the parameters, only ammonium nitrogen exceeded the limit value by 10%. As the wastewater flows into the Koper Central Wastewater Treatment Plant, where it is further treated, we estimate that the impact on the environment has been minimal, as the volumes of wastewater are also small. The cause of the increase has not been identified, but we assume that it comes from the secretions of livestock.

19.13.1 Implementation of improvement programmes to reduce wastewater emissions

In 2023, the following was implemented:

- submitted application for an amendment to the environmental permit (No 35444-2/2016-13 of 15 Jun 2017 and amendments No 35440-50/2019-10 of 21 Oct 2020 and No 35447-4/2021-2550-10 of 27 May 2022) regarding the emissions of wastewater into the environment, as we have installed an additional small municipal sewage treatment plant within the new Dispatch Centre at the car terminal on plot number 878/1, cadastral municipality Ankaran; also, for the sewage treatment plant, which is part of the washing facility at the livestock terminal, on the basis of a new expert opinion from the operator of the Koper central sewage treatment plant, to which this waste water flows, we have requested a modification of two parameter limits; and we have requested a reduction in the sampling frequency for the wastewater from the container washing facility, as the wastewater volumes are very small (approx. 500 m³ per year), and an increase in the defined annual municipal wastewater generation volumes, as these are increasing due to the increase in the number of employees. The application has not yet been considered by the Environment Agency.

19.13.2 Wastewater emission improvement programmes planned for 2024

The following will be implemented in 2024:

- Installation of a new oil interceptor on the scrap iron storage and handling area;
- Activities for the development of project documentation for increasing the capacity and energy efficiency of providing domestic hot water (DHW) in the central locker room.

19.14 Light pollution⁸⁵



Light pollution is governed by the Decree on limit values due to light pollution of environment, based on which all port lighting was adjusted years ago in such a way that the luminous flux is not pointed upwards. The causes of light pollution in the port include the lighting of storage areas, working sites, transport routes, and rails. While operations require adequate light levels according to rules for safety at work, this, on the other hand, impacts the environment. All lighting in the port area is designed to avoid upward shining and complies with the Decree on limit values due to light pollution of environment (Official Gazette of the Republic of Slovenia, No 81/07, 109/07, 62/10, 46/13 in 44/22 – ZVO-2). The legislation also requires regular updates to the lighting plan. The valid version of the plan, which was made to accommodate the additional lighting in the port area, dates from late 2021. It is published on the port website <https://www.luka-kp.si/en/company/sustainable-development/zakonodaja-in-okolje/>. The plan is being revised again and is expected to be completed before summer 2024. The changes to the plan generally refer to the replacement of existing lighting with new, more energy efficient LED lighting.

19.14.1 Implementation of improvement programmes to reduce light pollution

No activities were planned in this field.

19.14.2 Light pollution improvement programmes planned for 2024

The following will be implemented in 2024:

- Update of the lighting plan and publication on the Company's website.

⁸⁵ Light pollution – additional indicator (ref GRI 305-7)

19.15 Biodiversity⁸⁶



The content is partially presented in Chapter 19.3 ‘Living in harmony with the environment’, whereas the approach and results in the field of marine diversity are described below. Marine diversity can be affected directly or indirectly through the processes of sea sediment dredging, shipping, ballast water input, wastewater discharges, noise, etc. Indirect inflows are also monitored by measurements, the results of which are presented in the Chapter 19.16 ‘Sea water protection.’

No special agreements have been concluded for the marine part, as there are no dedicated protected species or marine areas operators.

A while ago, outside the concession area (off the coast of Ankaran), we started monitoring the environmental status indicator of two underwater grass species (dwarf eelgrass or *Zostera noltei* and little Neptune grass or *Cymodocea nodosa*) growing near the port (for results, see Chapter 19.3 ‘Living in harmony with the environment’). The monitoring is carried out in two ways, by monitoring leaf length (annual measurement) and by mapping the area (once every three years).

19.15.1 Implementation of biodiversity improvement programmes

We focused on monitoring the status of underwater meadows, which, however, are not located in the concession area of the port, where the sea is too deep for the seagrass (*Zostera noltei*, *Cymodocea nodosa*) to grow there. These two species of grass grow in the direction of Ankaran, where the depth of the sea is three meters at most. Monitoring of the status of the underwater meadow was established in 2018 as part of the Ro4 berth construction project in Basin III, located in the direction of Ankaran. Measurements of the meadow status were carried out prior to construction and during grass growth. During construction, status measurements were not possible as the action is carried out at a time when grasses are not growing. The first measurements of sea meadow status show that seagrass leaves are quite long, which means that anthropogenic impacts are present and that the condition is poor or very poor. When marine phanerogams are exposed to low levels of light (due to turbid water), they respond by distributing more biomass into leaves, which are therefore longer. By elongating the leaves, they can capture more light, which they devote to photosynthesis. The monitoring of the leaf length of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) was repeated in 2023 and compared with the measurements made previously. After five years, the reference site for the little Neptune grass in the Moon Bay (MeZa) was sampled again. Status evaluation regarding the leaf length measurements is performed using the MediSkew index. The MediSkew Index is a combination of two metrics based on the length of grass leaves, thus representing a method for a quick overview of underwater meadows in wide Mediterranean coastal areas.

Monitoring points for monitoring the state of seagrass meadows of the species Cymodocea nodosa and Zostera noltei

Station code	Latitude	Longitude	Type of grass
LuKp1	45°34.140' N	13°44.215' E	<i>Zostera noltei</i>
LuKp2	45°34.350' N	13°44.183' E	<i>Cymodocea nodosa</i>
LuKp3	45°34.551' N	13°43.861' E	<i>Cymodocea nodosa</i>
MeZa	45°32.306'	13°36.607'	<i>Cymodocea nodosa</i>

⁸⁶ GRI 3-3, 304-1, 304-2, 304-3, 304-4

The results of the ecological status of seagrass meadows of little Neptune grass (*Cymodocea nodosa*) sampled at the above monitoring points expressed in MediSkew

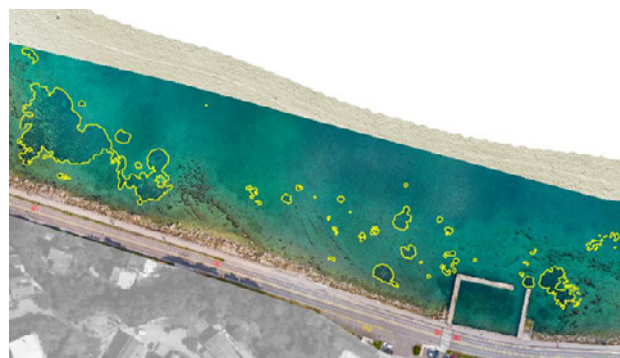
Date	Monitoring point	MediSkew points	MediSkew sites	MediSkew meadows	Ecological status	Number of leaves measured	Number of adult leaves
1.7.2021	LuKp2_1	0.39	0.415	0.37	Good	300	238
1.7.2021	LuKp2_2	0.44				300	207
1.7.2021	LuKp3_1	0.26	0.325			300	231
1.7.2021	LuKp3_2	0.39				300	212
11.7.2022	LuKp2_1	0.60	0.550	0.50	Moderate	300	279
11.7.2022	LuKp2_2	0.50				300	286
11.7.2022	LuKp3_1	0.51	0.450			300	276
11.7.2022	LuKp3_2	0.39				300	269
5.7.2023	LuKp2_1	0.34	0.395	0.37	Good	300	232
5.7.2023	LuKp2_2	0.45				300	223
5.7.2023	LuKp3_1	0.33	0.342			300	263
5.7.2023	LuKp3_2	0.36				300	272
12.7.2023	MeZa_1	0.087	0.12		Very good	300	177
12.7.2023	MeZa_2	0.1				300	186

(source: Monitoring of the condition of sea meadows at Basin III of Luka Koper, d. d., National Institute of Biology, Marine Biology Station Piran)

The overall ecological status of the underwater meadow in the direction of Ankaran has improved in 2023 as compared to 2022 and is now assessed as good. The table also shows the seagrass leaf length results from the reference site of Moon Bay (MeZa_1,2), which is considered to be a site with minimal impacts.

In the Gulf of Trieste, *Posidonia oceanica* is only present in a small area off the Slovenian coast between Koper and Izola. It appears in the form of large fragments and small islands. The fragments of the *Posidonia oceanica* seagrass meadow are well developed and relatively uniform, but there are differences in terms of their immediate surroundings. In certain fragments, the *Posidonia oceanica* seagrass meadow continues into the biocenosis of photophilic algae, while in others it is surrounded by a dense meadow of little Neptune grass. In early 2023, we mapped the habitat (determined its extent) of the *Posidonia oceanica* using bathymetric surveys and overwater and underwater video recording. In 2024, we will set up monitoring of this seagrass meadow, which will be carried out every two years and will include a comparative analysis with data from previous measurements.

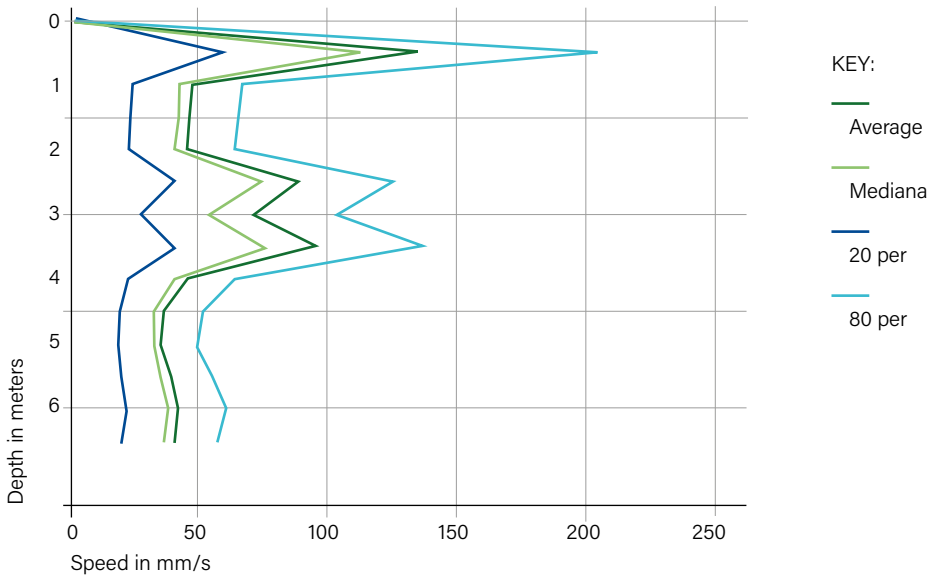
In addition, we check the distribution of meadows of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) in the Ankaran area once every three years. The mapping, i. e., the delineation of the edges and extent of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) meadows will be carried out in 2024 and the results will be published in the next annual report. The frequency of checking the extent of underwater meadows is envisaged to increase to every 2 years.



Mapped areas of *Posidonia oceanica* habitats between Koper and Izola, Photo: Sirio, d. o. o.

As part of the monitoring of underwater meadows, a current meter was installed on a buoy within the port area in Basin III to monitor the direction and velocity of sea currents throughout the water column. The velocity of currents in 2023 is shown in the figure below. The speed of sea currents is highest at the surface.

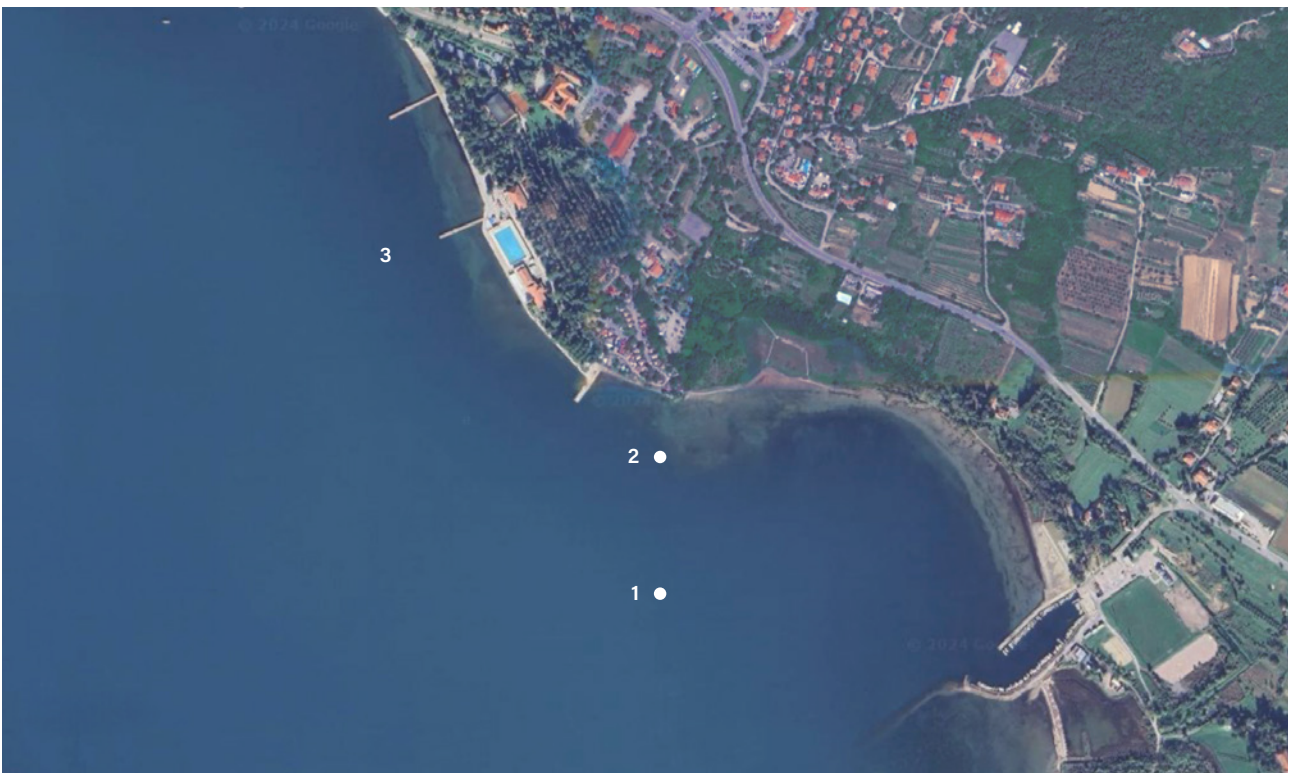
The results of the speed of sea currents measured in Basin III, based on depth in 2023



The direction and strength of water currents are also important in understanding the transport of particles that increase sea turbidity. Increased turbidity of the sea is caused by natural phenomena (rain, wind, waves, sea blooms) as well as anthropogenic factors (shipping, dredging). There-

fore, illuminance measurements are performed at locations where underwater meadows are located. The figure below shows the locations where illuminance measurements were also performed during seagrass growth.

Locations of seawater illuminance measurements (number 1-Loc1, number 2-Loc 2, number 3-Loc3)



Results of illuminance measurements in areas where meadows of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) grow

2023	Loc3 (bathing beach)	Loc2 (Moon Bay)	Loc1 (Luka KP)
31. 07. 2023	0.54	0.54	0.52
29. 09. 2023	0.32	0.34	0.26
2022	Loc3 (bathing beach)	Loc2 (Moon Bay)	Loc1 (Luka KP)
14. 07. 2022	0.37	0.30	0.35
23. 09. 2022	0.36	0.31	0.30
2021	Loc3 (bathing beach)	Loc2 (Moon Bay)	Loc1 (Luka KP)
10. 08. 2021	0.39	0.36	0.41
08. 09. 2021	0.50	0.36	0.35

The illuminance level is expressed as a relative value to the surface, where the value is 1. Measurements of illuminance (transparency of the sea) carried out at the end of July showed better results at all three locations, i.e. greater illuminance compared to 2022 and 2021, while the results of the measurements carried out in September do not differ significantly.

Quarterly monitoring the quality of water in the strait that crosses the port and connects the sea to Škocjanski Zatok was continued. In all measurements to date, the mineral oils index was less than 20 µg/l, which is in line with the set target and an indicator that there has been no water pollution from stormwater discharges from the port's paved areas.

In 2023, the following was implemented:

- Annual measurement of the length of dwarf eelgrass and little Neptune grass leaves in the Ankaran area and evaluation of the ecological status;
- Quarterly monitoring the quality of water in the strait that crosses the port and connects the sea and Škocjanski Zatok;
- Continuous monitoring of lighting and sea currents and video surveillance of the marine environment.

The following was not implemented in 2023:

- Mapping and verification of the extent of meadows of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) in the Ankaran area.

19.15.2 Biodiversity improvement programmes planned for 2024

The following will be implemented in 2024:

- Continued monitoring of the status of underwater meadows by measuring the length of seagrass leaves, checking and mapping the extent of dwarf eelgrass and little Neptune grass in the Ankaran area, and increasing the frequency of monitoring to every 2 years;
- Continued monitoring of lighting, sea currents, and sea water quality and video surveillance of the marine environment;
- Continued quarterly monitoring of water quality in the Škocjan strait.

19.16 Sea water protection



In accordance with the Concession Agreement for the performance of port activity, management, development and regular maintenance of the port infrastructure in the area of the Koper cargo port, Luka Koper, d. d., regularly carries out activities to prevent and eliminate consequences of marine pollution.

An important part of the public utility service performed by Luka Koper, d. d., is regular inspections of the port water area and the removal of driftwood, debris, waste and other abandoned and discarded objects from the sea.

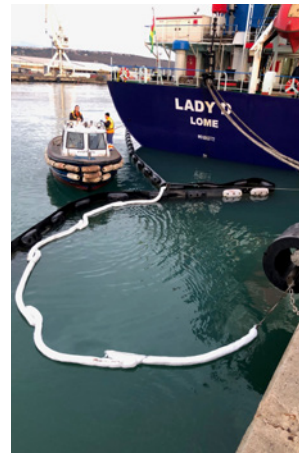
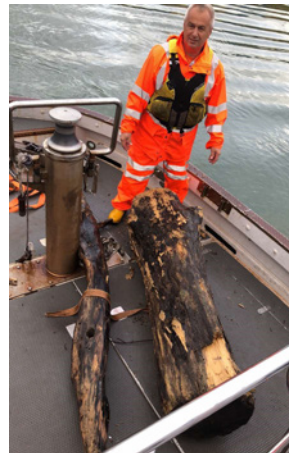
To this end, Luka Koper, d. d., has special dedicated equipment and vessels, as well as adequately trained staff.

Considering the capacities and loads that result from port operations, Luka Koper, d. d., may mobilise its staff and resources for the process of preventing and addressing the impacts of sea pollution outside the port, thus assisting the relevant state bodies.

In the event of incidents at sea, Luka Koper, d. d., acts in compliance with the applicable Protection and rescue plan of Luka Koper, d. d. for industrial accidents, which defines minor, medium-sized and major accidents.

Figure: A view of the cleaning of debris throughout the Luka Koper, d. d., port water area and the installation of spill socks in the Basin II.

Photo: Maritime unit Luka Koper INPO, d. o. o.



In all instances of marine pollution, Luka Koper, d. d., acted in accordance with the Means and Resources Activation Scheme for Minor Accidents, and remedied the effects of pollution within the concession area.

The Marine Protection Unit of Luka Koper, d. d., participated in the training for the performance of protection, rescue and assistance tasks in the event of ecological and other disasters at sea. The objective of the training is to carry out practical activities in segments to limit the spread and clean-up of pollution at sea. The most important part was the towing, splicing and anchoring of water barriers to contain the slick and prevent its further spread.

The International Convention on Oil Pollution Preparedness, Response and Co-operation was adopted under the International Maritime Organisation (IMO), and later supplemented by a protocol for pollution by harmful and hazardous substances. Based on this Convention, the IMO has developed a series of training programmes on marine pollution planning, response and management. These programmes are delivered at three levels, according to the tasks, competences and responsibilities of the participants. All Luka Koper Group employees working in the field of marine safety are required to obtain and renew their certificates every 36 months. Prior to the Sea 2023 exercise, initial and refresher training was conducted for employees of Luka Koper d. d. and Luka Koper INPO d. o. o.

In accordance with the Protection and Rescue Plan, the Sea 2023 exercise was organised and successfully carried out in 2023. It was based on the assumption that a car carrier had departed from Basin II at high speed and a tanker was not properly moored at the silo berth. As a result, the loading arm was damaged and disconnected, and fuel was released into the sea. The fuel was contained by a protective float curtain boom and cleaned by the Kormoran and Seagull environmental vessels. The movement or propagation of the slick was predicted using a marine simulator.



Figure: Participants gathering by the sea at the end of the 'Sea 2023' exercise.

Photo: Jure Barovič

The Luka Koper group also participated in the international exercise of joint Slovenian, Italian and Croatian intervention in the event of an accident at sea. The exercise tested preventive measures and preparedness, and its main objective was to test the activation and communication of units and the coordination for a joint and coordinated response of all available capabilities in the event of a large-scale pollution incident in the North Adriatic. The exercise was led by the Italian Coastguard, and on the Slovenian side, participation in the exercise was coordinated by the Civil Protection Headquarters for the Coastal Region. There were over 100 participants, including the Luka Koper Group.

19.16.1 Statistics for interventions at sea⁸⁷

	2021	2022	2023
Number of identified incidents at sea	43	51	34
Number of interventions in the port water area	40	50	34
Number of incidents not requiring intervention	3	1	0
Number of pollution incidents outside the port water area	0	0	0

In 2023, 34 minor events were recorded in the port water area, all of which were controlled at the location of occurrence or detection and in no case had an impact on the environment. Most of the incidents were related to the occurrence of large quantities of wood and other debris carried to the port water area of Luka Koper, d. o. o., by the River Rižana or from the open sea.

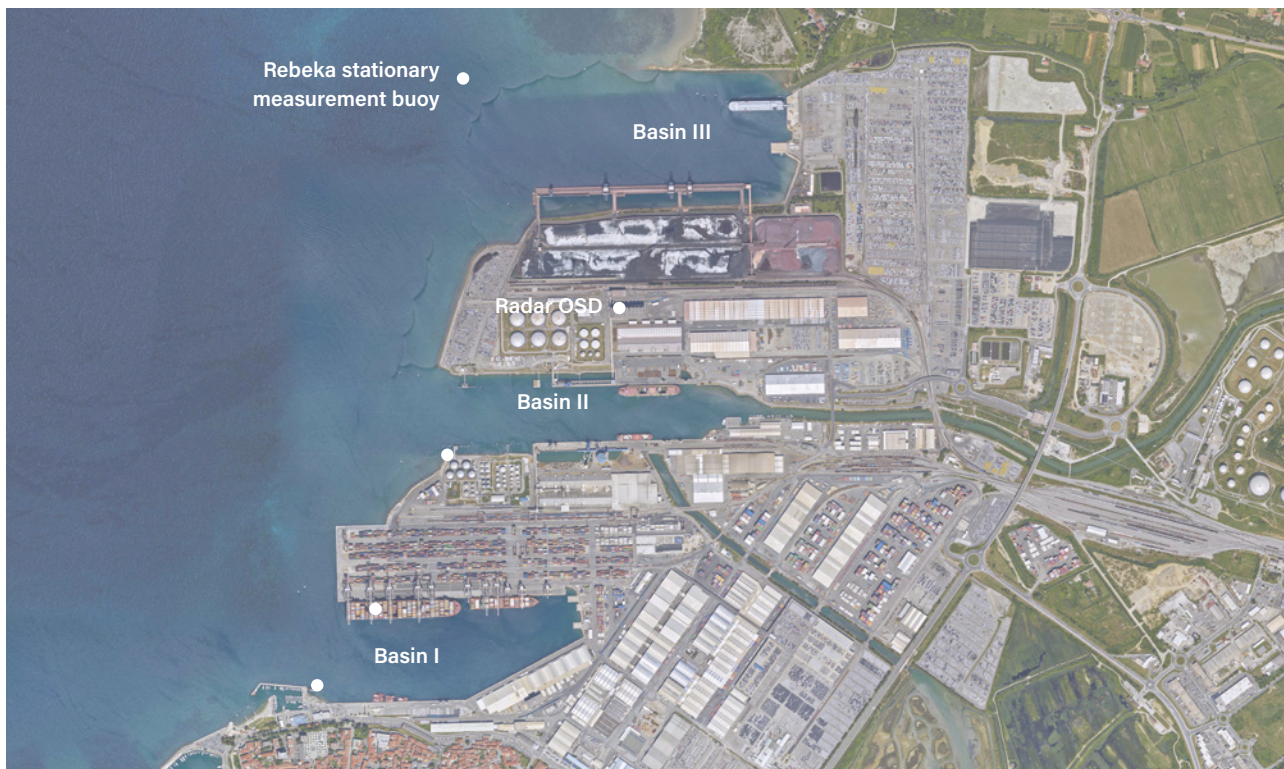
Recently, Luka Koper, d. d., has been organising workshops for all new employees as well as others, to emphasise the importance of preventing the occurrence or immediately detecting even the smallest pollution at sea, reporting it to the Safety and Control Centre (SCC) of Luka Koper, d. d., and taking immediate action. The SCC initiates an intervention and reports it in the CIIS system upon any pollution sensor alarm or radar detection and upon all calls.

In 2023, the number of incidents was lower than in the previous year, which can also be attributed to informing all employees of the importance of incident prevention and the implementation of certain measures to reduce coal dust marine pollution in Basin III.

The REBEKA state-of-the-art measuring equipment for monitoring sea water quality is located in front of the entrance into the port's Basin III. The results are displayed on the website <http://www.zivetispristaniscem.si/>. The buoy continuously monitors the general parameters of sea water. The table below shows the measured values. No limit values are stipulated.

⁸⁷ GRI 413-1

Monitoring points for monitoring the quality of the sea (locations of the Rebeka stationary measurement buoy, three stationary measurement devices and a radar for monitoring possible spills of oil products)



Results of sea quality measurements from the Rebeka measuring buoy

Rebeka measuring buoy	2021	2022	2023
Sea temperature (°C)	between 10 and 30	between 11 and 30	between 8.8 and 28.6
Salinity (g/l)	between 35 and 38	between 35 and 43	between 33.8 and 39.7
Oxygen content (mg/l)	between 6 and 12	between 3 and 9	between 5.13 and 8.77
pH	between 8.2 and 8.5	between 8.1 and 8.3	between 8.2 and 8.4
Turbidity (NTU)	between 0 and 2	between 0 and 10	between 0 and 10

The results of the measurements of the general sea quality parameters do not vary significantly between from year to year, with only slightly higher turbidity values recorded, which are partly related to sensor vegetation. No limit values are defined.

The monitoring of the microbiological parameters of sea water quality continued in all three basins of the port. Legislation relating to the monitoring of the microbiological quality of seawater is only mandatory for bathing sites. Nevertheless, parameters that may indicate faecal contamination of the sea have been monitored in the port. The results within the port during the bathing season show compliance with the bathing water values, as shown in the tables below. In the port area, microbiological non-compliance could be caused by ships due to faecal discharges or inadequate treatment of the port's faecal treatment plant.

Microbiological quality of sea water in the port in 2021 (in cfu/100 ml)

Monitoring point	Parameter	Apr	May	Jun	Jul	Aug	Sept	Oct	Limit value for bathing water
Basin I	Intestinal enterococci	**D	251	*NPD	est. 4	**D	est. 5	33	370
Basin I	E. Coli	est. 9	400	**D	est. 9	*NPD	est. 4	12	1,000
Basin II	Intestinal enterococci	61	141	11	46	13	58	220	370
Basin II	E. Coli	122	390	32	56	oc 7	39	370	1,000
Basin III	Intestinal enterococci	*NPD	111	*NPD	24	*NPD	**D	est. 6	370
Basin III	E. Coli	**D	330	*NPD	est. 7	est. 5	*D	est. 4	1,000

*Note: NPD – no presence detected

**Note: D – detected

est. – estimated

Microbiological quality of sea water in the port in 2022 (in cfu/100 ml)

Monitoring point	Parameter	Apr	May	Jun	Jul	Aug	Sept	Oct	Limit value for bathing water
Basin I	Intestinal enterococci	est. 5	18	**D	**D	**D	38	370	370
Basin I	E. Coli	**D	est. 8	*NPD	*NPD	**D	13	1,000	1,000
Basin II	Intestinal enterococci	14	360	12	82	10	140	370	370
Basin II	E. Coli	**D	530	17	61	**D	180	1,000	1,000
Basin III	Intestinal enterococci	**D	est. 4	**D	est. 6	*NPD	10	370	370
Basin III	E. Coli	*NPD	est. 6	*NPD	*NPD	**D	est. 6	1,000	1,000

*Note: NPD – no presence detected

**Note: D – detected

est. – estimated

Microbiological quality of sea water in the port in 2023 (in cfu/100 ml)

Monitoring point	Parameter	Apr	May	Jun	Jul	Aug	Sept	Oct	Limit value for bathing water
Basin I	Intestinal enterococci	D	D	est. 3	NPD	D	37	/	370
Basin I	E. Coli	est. 7	NPD	est. 8	D	D	12	/	1,000
Basin II	Intestinal enterococci	42	28	42	14	est. 8	170	/	370
Basin II	E. Coli	68	32	57	29	25	150	/	1,000
Basin III	Intestinal enterococci	D	NPD	NPD	NPD	est. 5	28	/	370
Basin III	E. Coli	D	NPD	NPD	NPD	10	est. 7	/	1,000

*Note: NPD – no presence detected

**Note: D – detected

est. – estimated

The microbiological quality of the sea is highest in Basin I and III. Microbiologically, Basin II is more polluted, but this is attributed to the outflow from the Central municipal wastewater treatment plant operated by Marjetica Koper, d. o. o., since its outlet runs into the initial part of Basin II. Approximately 5 million m³ of recovered sewage is discharged from this treatment plant into Basin II of the port.

There are three sensors at fixed positions in the port that continuously monitor potential oil spills. One is installed in front of the Koper marina fuel station; one is located at Berth 7d in Basin I and on the liquid cargo throughput berth in Basin II. In 2023, the sensors detected no pollution. The sensors are constantly taking measurements and the alarm system is connected to the port's Security and Control Centre.

The hydrocarbon sensors on the water surface only detect spills directly underneath, i.e. along the shoreline. Any pollution that may occur on the seaward side, i.e. in the middle of the basins or in the waterway, is detected by a new dedicated radar installed on top of the silo of Luka Koper, d. d. The system has the advantage of operating 24 hours a day, even in conditions of reduced visibility. In addition to detection, which allows immediate action, it also helps the intervention team to identify the movement of the slick and to take effective action. The Luka Koper, d. d., system is compatible with the existing system used by the Slovenian Maritime Administration. This makes it possible to ensure surveillance of the entire Bay of Koper, i.e. an important part of the Luka Koper, d. d., port water area, the entry channels, the ships' anchorage and the rest of the Bay of Koper.

Figure: A radar for detecting pollution at sea, installed on the roof of a silo of Luka Koper, d. d. Photo: Jure Barovič

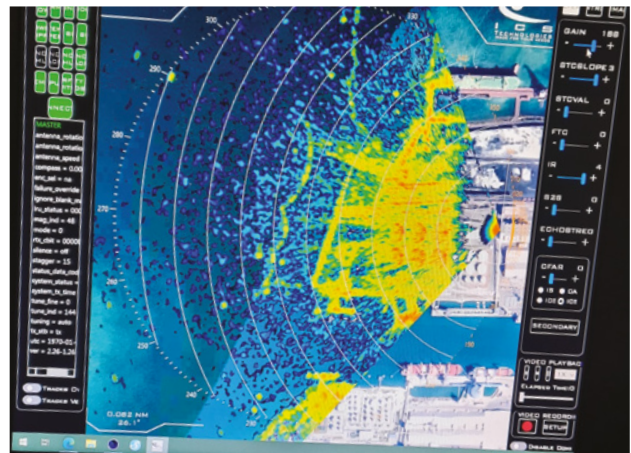
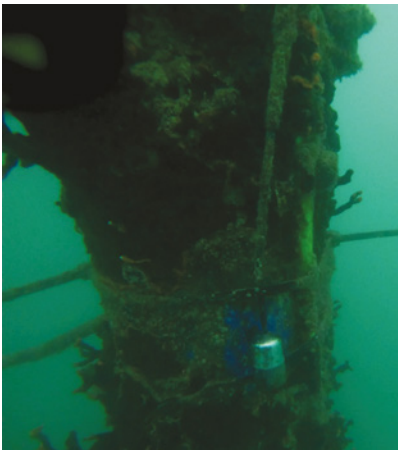


Figure: Location of the fixed underwater noise monitoring station installed in the port area and the underwater noise meter



We also continue to monitor underwater noise. The main source of continuous anthropogenic underwater noise is shipping activity, therefore, we decided to set up a measuring system.

Sound propagates underwater as mechanical waves that are transmitted through the water medium. It is more stable in water than in air and can travel greater distances without significant attenuation.

Human-induced sound in the sea is divided into two groups. Short-term (impulsive) noise is generated by seismic surveys, explosions, construction work (pile driving) and the use of sonar. The second type of noise is long-lasting (continuous) noise, which is generated by dredging, shipping and energy devices. The two types of noise affect marine organisms differently. Continuous noise is mainly generated by vessel traffic. In addition to ship noise, environmental noise sources also contribute to the sound field. Environmental noise is caused by noise from distant vessels (small

boats, jet skis, sailboats, swimmers, etc.), underwater animal sounds, natural sources such as wind, precipitation and waves, and accidental events.

A stationary noise meter has been installed below sea level in the offshore area of the port, at the entrance to Basin II. The measuring device takes measurements continuously. It is operated by the contractor, the Institute of Occupational Safety, Ljubljana. Underwater noise measurements are not yet standardised and limit values have not yet been set. The measuring station (hydrophone) records the sound pressure at a sampling frequency of 22,050 Hz and then calculates the equivalent unweighted noise level L_{eq} for a time interval of 10 minutes. The measuring station additionally analyses the sound pressure level in the field frequency bands between 50 Hz and 5,000 Hz. The Technical Group on Underwater Noise at European Union level ("TG Noise") proposes that Member States establish monitoring of underwater noise levels in third-octave bands with centre frequencies at 63 Hz and 125 Hz, as shown in the table below.

Results of underwater noise measurements in the port

Energy annual average [dB] Year of measurement	L_{eq}^*	L_{eq63Hz}^{**}	$L_{eq125Hz}^{***}$
2022	125.9	114.8	116.3
2023	126.5	115.1	116.3

* L_{eq} [dB] equivalent unweighted broadband noise level
 ** L_{eq63Hz} [dB] equivalent unweighted noise level within the third-octave band with centre frequency at 63 Hz
 *** $L_{eq125Hz}$ [dB] equivalent unweighted noise level within the third-octave band with centre frequency at 125 Hz

As the measurements have been carried out since 2022, it is not yet possible to assess trends or the spatial distribution of underwater noise. The results can be compared with the national underwater noise monitoring of the Ministry of Environment and Spatial Planning, which indicates that the average noise levels during the summer period ranged between 127 and 139 dB, but the exact location of the measurements in the Slovenian Sea was not given (source: Marine Environment Management Plan 2017–2021, May 2017).

- Cooperation with an inter-ministerial group to develop a protocol for the management of waste that could arise in the event of a major accident at sea.

The following was not implemented in 2023:

- Complete introduction of a checklist for supplying ships with fuel (bunkering).

19.16.2 Implementation of sea water protection improvement programmes

In 2023, the following was implemented:

- Continued measurements to monitor seawater quality; Completed second phase of floorboard renovation at the liquid cargo terminal;
- An exercise to check the revised Protection and Rescue Plan;
- Renewal training for a part of maritime responders in accordance with IMO recommendations in cooperation with the Faculty of Maritime Studies and Transport, and extension of certificates validity;

19.16.3 Sea water protection improvement programmes planned for 2024

The following will be implemented in 2024:

- Introduction of a checklist for supplying ships with fuel (bunkering);
- Continued measurements to monitor seawater quality and trends in sea currents;
- Renewal training for a part of maritime responders in accordance with IMO recommendations in cooperation with the Faculty of Maritime Studies and Transport, and extension of certificates validity.

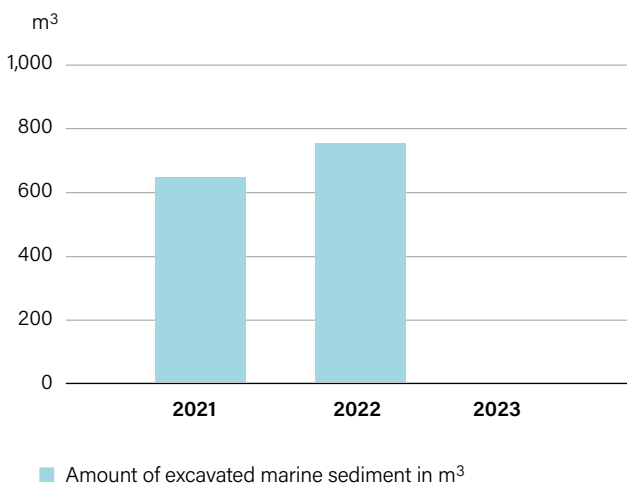
19.17 Seabed dredging and management of marine sediments



To ensure safe navigation of ships, a certain depth has to be maintained at all times in the port, marinas and harbours. To this end, the seabed is occasionally dredged, which leads to the issue of having to deposit the marine sediment onshore.

As the areas available for onshore sediment disposal are limited, the Company has been exploring alternative options of using the excavated material. In recent years, the excavated marine sediment was deposited in purpose-built cassettes, but these are now almost filled. In 2023, dredging was not carried out, so there was no depositing in cassettes either

Marine sediment excavated in the port area by year



On land, Luka Koper, d. d., can dispose of sediments only in the area of the Ankaran Bonifika, for which it has already obtained the environmental permit, but the cassettes have not yet been built. In this area, ownership must be arranged, a building permit obtained, and alternative habitats arranged in the Ankaran peripheral canal prior to the disposal of the excavated sediment.

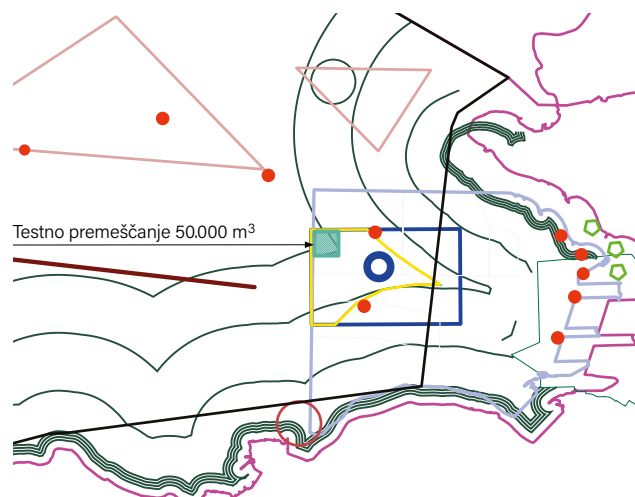
An alternative to depositing marine sediment on land is to relocate it back to the sea. All countries are opting for this. In Slovenia, this option is now allowed by the adopted

Maritime Spatial Plan, but it is necessary first to carry out a test relocation, perform measurements of potential impacts and assess the impacts on this basis. The Maritime Spatial Plan envisages a number of mitigation measures for the implementation of the test relocation, and control over the realisation will be carried out by various approvers. In 2023, we drew up a programme for the implementation of the test relocation and obtained consent for its implementation from the consenting authorities.

The test relocation will be a one-off disposal of a limited amount of marine sediment (up to 50,000 m³), to be carried out within the defined test area shown in the figure below. Monitoring and impact assessment will be carried out during the implementation. Following the test relocation, further relocations will await the results of the monitoring. If the results of the monitoring of the test relocation show that there are no significant impacts, nature conservation, cultural and water consents may be issued for further relocation of marine sediment at the potential sites (Map 6 - Marine and Maritime Transport Areas of the Maritime Spatial Plan) to enable sediment relocation to take place at these sites. Further relocation at potential sites is subject to the same conditions as those set for the test relocation, or other conditions as determined by the competent consenting authorities (the full reference is taken from the Decree on Maritime Spatial Plan Slovenia (Official Gazette of the Republic of Slovenia, No 116/21)).

Illustration of the area envisaged for the implementation of the one-off test relocation of marine sediment

Source: Maritime Spatial Plan Slovenia



19.17.1 Implementation of improvement programmes for excavated marine sediment management

In 2023, the following was implemented:

- A modelling study on the potential dispersion of particles in the event of marine sediment relocation in the sea;
- Preliminary archaeological investigations in the sea in the area planned for the test marine sediment relocation, but no archaeological remains were found;
- Development of a comprehensive programme to monitor the ecological status of the sea during the implementation of the marine sediment relocation test;
- Obtaining all the necessary consents to carry out a test relocation of marine sediment;
- Mapping of the Neptune grass meadow in the direction of Žusterna.

19.17.2 Improvement programmes for the management of dredged marine sediment planned for 2024

The following will be implemented in 2024:

- Selection of a contractor to carry out the dredging and test relocation of marine sediment and perform environmental monitoring during the implementation.

19.18 Radioactivity of consignments

In accordance with the Decree on checking the radioactivity of consignments that could contain orphan sources (Official Gazette of the Republic of Slovenia, No 10/19 and 44/22 – ZVO-2), radioactivity levels of all consignments coming from third countries have to be monitored to detect illegal radioactive shipments; furthermore, measurements were carried out continuously during the year at all road exits from the port and on some of the rail tracks using fixed measuring devices. In numerous consignments, exceedances of the natural background radioactivity were recorded, but in all cases, the increase observed was due to the natural characteristics of the consignments (e.g. potassium radioactivity present in bananas, potassium, radium and thorium radioactivity present in fertilizers, granite, fibreglass, ceramics) or of truck drivers having been treated with radioactive isotopes (e.g. iodine radioactivity in thyroid therapy). Even in the case of handled scrap iron, we detected no illegal shipments that would cause increased radiation.

19.18.1 Implementation of improvement programmes for radioactivity of consignments

In 2023, the following was implemented:

- Reports on annual results of measurements to the Slovenian Nuclear Safety Administration (SNSA);
- Verification/calibration of measuring devices.

19.18.2 Improvement programmes for the radioactivity of consignments planned for 2024

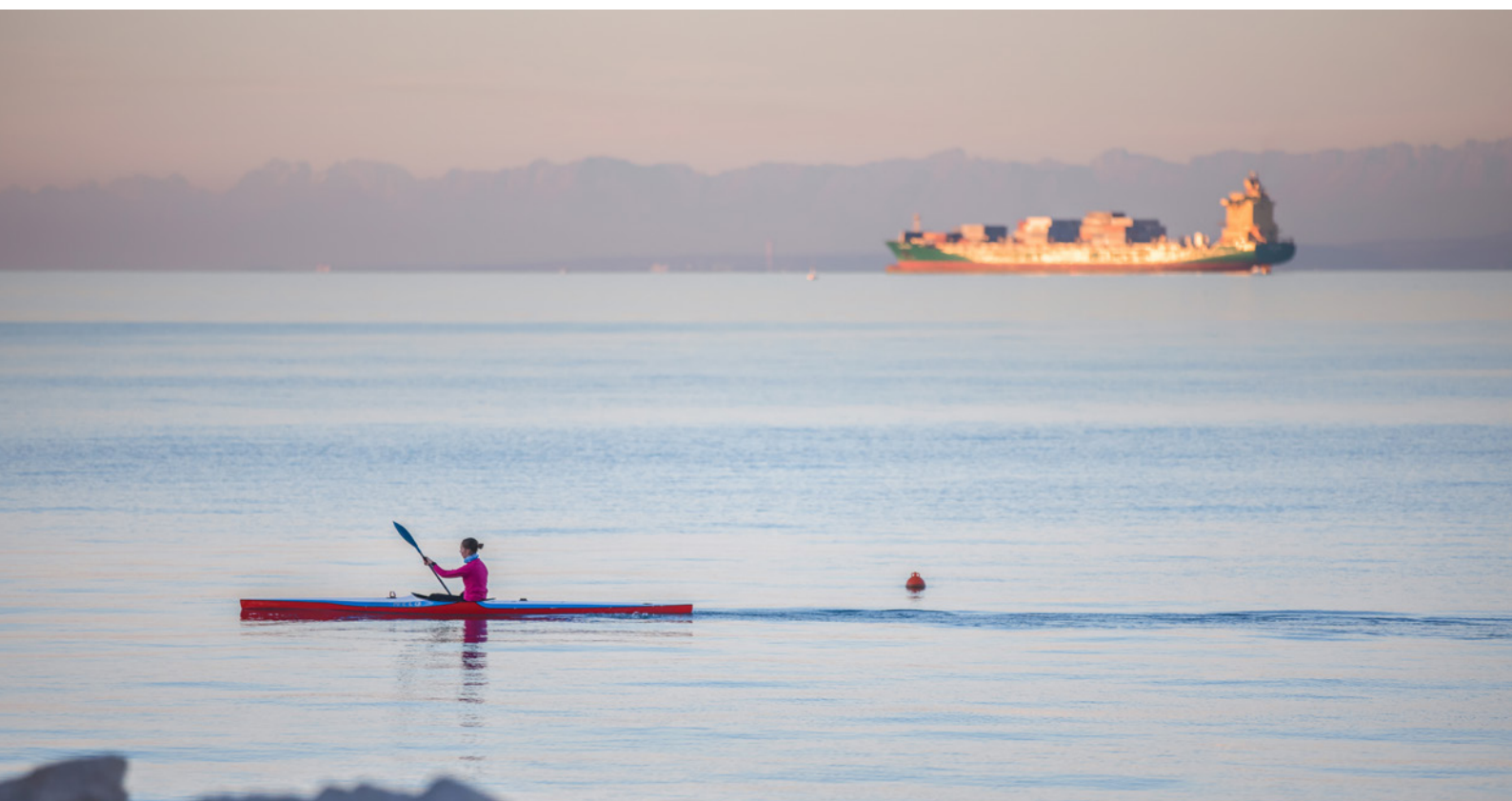
No activities are planned for this year.

Managing Social Impacts of Sustainable Development

ESG	Important reporting topics	Chapter
S – SOCIAL VIEW	Occupational safety and health	20 Safe and healthy port environment
	Quality of service delivery	23 Sustainable relationship with customers
	Digitisation	24 Digital transformation
	Employment	21.1 Employee management and training system
	Employee engagement	21.3 Ensuring safety of employment and social security of employees
	Training and education	21.2 Educating and training of employees.
	Socially responsible activities	22 Social responsibility
	Quality of services delivered	23 Sustainable relationship with customers
	Benefits for employees	21.1.11 Employee benefits
Cooperation with educational institutions	21.4 Cooperation with educational institutions	

Strategic orientations of Luka Koper by environmental aspect

a new 2024-2028 Strategic Business Plan was adopted at the end of 2023, setting out the social objectives for sustainable development.



Strategic Orientations – Social Aspect

1. Occupational safety and health

- We will upgrade staff training programmes on safe working practices.
- We will improve the culture of health and safety at work.
- We will integrate aspects of occupational safety and health into management, reward and promotion systems.
- We will improve working conditions (changing rooms, rest areas, staff mobility).
- We will ensure emergency transport.
- We will optimise traffic flow in common areas.

2. Employment

- We will establish central management of available staff to increase the organisation's flexibility.
- We will speed up the recruitment and redeployment process.
- We will provide jobs for people with disabilities.

3. Training and education

- We will develop the core competences of management and key personnel.
- We will adapt our staff training and development to the future requirements of our business (digitalisation, automation, sustainable business).

4. Benefits for employees

- Possibility of concluding insurances.
- Upon retirement, we will provide additional severance pay from the so-called post-employment fund.
- Post-employment fund.
- Sports activities.
- Remuneration of employees in accordance with the provisions of the collective agreement.

5. Employee engagement

- Employee engagement will be regularly monitored and improved through the development of key competencies for management and key personnel and annual interviews.
- We will carry out activities to change the organisational culture in the company.

6. Quality of service delivery

- We will provide services tailored to our customers' needs, continuously monitor their satisfaction and improve accordingly.
- We will deliver our services reliably, safely and in accordance with our customers' orders.
- We will increase the efficiency of service delivery processes through digitisation.
- We will raise awareness among our employees about the importance of quality, safe and efficient performance of our services.

7. Socially responsible activities

- We will continue to provide balanced and transparent information to all key stakeholders.
- We will establish a continuous and substantive dialogue with local communities and strengthen cooperation on the implementation of mitigation measures.
- Our sponsorships and donations will prioritise support for sustainable and community-based projects.
- We will develop a plan to proactively communicate the sustainability performance of the company.
- We will strengthen internal communication and informing employees and encourage them to be more involved in the communication process.
- We will increase the key stakeholders' awareness of the activities and development of Luka Koper.
- We will strengthen the positive perception of our Company as a socially responsible enterprise.
- We will strengthen the reputation of Luka Koper, d. d., in the local, national and international environment.

8. Digital transformation

- With the help of digital technologies, we will improve the use of resources and increase the port's productivity, while also reducing its impact on the environment, which will also help reduce operating costs.

20 Safe and healthy port environment



20.1 Description of the Occupational safety and health system⁸⁸

In the context of occupational safety and health, four impacts were identified and assessed in terms of their impact on stakeholders. Two potentially negative impacts are identified, i. e., serious occupational injuries and occupational diseases. Management measures are recognised under the Risk and Opportunity Management System.

The policy of a safe and healthy work environment is implemented in the Luka Koper Group by ensuring that modes of operation, work processes and cooperation processes with external stakeholders are in accordance with the legislation (Health and Safety at Work Act with regulatory provisions – ZVZD-1) and the ISO 45001:2018 occupational safety and health management system, for which Luka Koper, d. d., was certified on 17 Apr 2020. The major starting points in implementing the system are continuous improvement, hazard identification and prevention of injuries before they occur at all. In order to ensure the appropriate competencies of staff working in the field of occupational safety and health, training programmes have been organized for internal auditors of the health and safety at work system according to the ISO 45001:2018 standard.

The occupational safety and health system has been devised to include in the framework of the annual planning the examination of risk related to occupational safety and health based on risk assessment and risk register. Risks are identified with an assessment of work-related risks and analysis of accidents at work and other exceptional events. Based on identified significant risks, annual targets are set, and improvement programmes devised, including the activities required to achieve the objectives set. The implementation of the improvement programme is monitored in quarterly work programmes and in the annual report on occupational safety and health. Suitability of the system is verified and assessed in the framework of regular internal and external audits and based on management reviews.

⁸⁸ GRI 2-13, 3-3, 403-1, 403-9

⁸⁹ GRI 2-13

⁹⁰ GRI 403-1, 403-8

In the field of occupational health, the Luka Koper Group has been planning and implementing the promotion of health in the workplace, while also providing the required resources and method of monitoring. Health promotion activities are based on a health needs assessment.

20.2 Occupational safety and health

20.2.1 Organisation⁸⁹

At the highest level of Luka Koper, d. d., the Member of the Management Board - Worker Director ensures that the occupational safety and health management system is established, implemented, maintained and improved. Coordination of activities in the field of occupational safety and health, monitoring of legal requirements and the transfer or harmonisation of internal documentation with the necessary changes, has been established within the occupational safety and health department. In order to perform professional tasks related to ensuring safety and health at work, individual occupational safety and health officers are assigned to various organisation units. The companies in the Luka Koper Group use the same occupational safety and health system, with professional tasks carried out by either professional staff or external contractors.

A working group for the promotion of health at work has also been appointed in Luka Koper, d. d., which is presented in greater detail below. Independently of this, the Luka Koper sports club with over 1,170 members operates in the framework of the Luka Koper Group and is presented below.

20.2.2 Workers covered by the occupational health and safety management system⁹⁰

Employees who are directly covered by the occupational safety and health management system and whose work or work-related activities are supervised by Luka Koper, d. d., are employed either by Luka Koper, d. d., or by recruitment agencies (agency employees). Employees of subsidiaries are involved and supervised by the subsidiaries.

Subsidiaries, external contractors and all others entering the Koper port area are employees whose work or work-related activities are not directly under the control of Luka Koper,

d. d., therefore, their responsible conduct is ensured through concluded contracts, safety measure agreements, and other agreements. Proper compliance with the requirements and implementation of measures is checked by periodic preventive controls or internal audits or audits by external contractors. The requirements that apply to external participants are defined in Port Regulations and other internal acts of Luka Koper, d. d., and are available on the Company's website.

Average number of employees of the Luka Koper Group in 2023: 1,861.5 (82% of all involved in the process).

Average number of agency workers the Luka Koper Group in 2023: 399 (18% of all involved in the process).

20.2.3 Hazard identification, risk assessment and investigation of incidents⁹¹

The basis for the effective identification of hazards/ harmfulness and the introduction of the necessary safety measures is a correctly made risk assessment, which is prepared by the occupational safety and health professionals (OSH officers) at the level of individual organizational units in cooperation with the occupational safety and health department. The risk assessment is performed in accordance with the internal methodology, which covers all critical risk factors. Based on daily monitoring of work processes, incidents occurring in the port area, information and complaints from employees, and new findings resulting from technological progress, the risk assessment is systematically revised.

Workers involved in individual work processes have the right and duty to monitor the circumstances at the work sites and immediately inform the work process managers of any deficiencies/harms and other phenomena that could endanger the safety and health of individuals in the work process. One of the key tasks of work process managers is to establish a safe and healthy working environment at work sites in cooperation with OSH officers. Legislation in the Republic of Slovenia, on the basis of which Luka Koper, d. d., had prepared internal acts regulating safety and health at work, very clearly defines the right of workers to refuse work if they believe that their safety is endangered or not sufficiently taken care of. At the level of Luka Koper, several different professional areas and players are involved in the treatment of perceived shortcomings, including observations and comments of employees regarding the provision of safe working conditions, as a result of which no negative attitude of employees has been perceived in this regard. Independently of the work processes, a system has also been established at the level of Luka Koper, through which employees can submit their ideas and suggestions for improvements. The latter regularly include proposals to ensure a higher level of safety and health at work. Prior to implementation, each proposal receives an expert assessment of its impact and eligibility.

In accordance with internal documents in the field of safety and health at work, Luka Koper, d. d., provides comprehensive treatment of work-related incidents. Any incident that results or could result in an injury to the worker or major property damage, is reported to the security control centre, which in turn informs and activates all necessary intervention services and specialised departments. The circumstances of incidents are discussed in detail by OSH experts, who determine, based on internal protocols, whether additional risk mitigation measures should be introduced in order to prevent a recurrence of the incident (revision of risk assessment, individual corrective measures, etc.).

20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health⁹²

Luka Koper Group companies have contracts with occupational health providers to ensure the implementation of health measures. Luka Koper, d. d., has concluded a contract with two occupational medicine practitioners who have the relevant competences for the provision of health services. Within the framework of the mentioned competences, the occupational physician performs the following tasks in particular:

- Carries out medical examinations of employees to determine the health status of employees and their ability to perform certain work in the work environment and to acquaint employees with the risks associated with their work or work environment. Medical examinations are conducted for all employees and agency workers. The scope and time interval of medical examinations are determined on the basis of the workplace risk assessment. The organisation of medical examinations takes place within the occupational safety and health department, which enables easy access to services and data. Appropriate confidentiality of personal data is also ensured in accordance with the GDPR. Medical examinations are free of charge for workers and are conducted during working hours.
- Monitors and analyses the situation regarding occupational diseases and work-related diseases and identifies the causes. There are no recognised or diagnosed occupational diseases among employees and agency workers.

Occupational health practitioners' reports of findings from preventive health check-ups show that endocrine, nutritional and metabolic diseases are the most common, followed by eye diseases, symptoms and signs, abnormal clinical and laboratory findings, and ear diseases. Musculoskeletal disorders are on the rise, in line with the National Institute of Public Health data. The risks associated with health problems are managed by introducing preventive measures into work processes and through a health promotion programme.

91 GRI 3-3, 403-2, 403-9

92 GRI 2-25, 403-3, 403-6, 403-7, 403-10

At Luka Koper, d. d., a total of 26 employees are recognised as having a disability by the Pension and Disability Insurance Institute of Slovenia, of which 10 obtained a decision in 2023. Six employees are currently in the process of obtaining a decision. These are mostly disabilities from musculoskeletal disorders, which can also be the result of forced posture at work, as identified in the workplace risk assessment. On the basis of the degrees of disability identified, the employees are either reassigned to Luka Koper INPO, d. o. o., which employs 74 people with disabilities (100 for the Group) or to another suitable position within Luka Koper, d. d., where the requirements and limitations given by the Commission are met, or they remain in the same position, according to the limitations identified. Appropriate job adjustment or reassignment shall also be made in the event of medical restrictions arising from medical certificates following preventive health examinations.

20.2.5 Training on safe and healthy working practices⁹³

The Luka Koper Group provides regular training and competency tests for safe and healthy work. Training is mandatory for all employees and agency workers, either upon the start of employment, before starting work in another position or before new technology and new means of work are introduced, and when a change is introduced in the work process that may influence a change in safety at work. The training consists of general and specific components and is carried out theoretically and practically on the basis of training programmes. After each completed training programme, a theoretical and practical skill test is performed, and an appropriate performance report is prepared. Training programmes and competency tests are carried out during

working hours and are free of charge for workers. Most training programmes and competency tests are performed by internal contractors (lecturers, mentors, instructors). Depending on the work performed by an employee, mandatory periodic checks of theoretical and practical competence for safe and healthy working practices are also performed.

20.2.6 Worker participation and consultation with employee representatives⁹⁴

All the important issues of occupational safety and health involve the Works Council of the company in question and the trade unions that represent the employees. The Luka Koper, d. d., Works Council also has a Safety and Health Committee, which is consultative in nature. Ongoing issues are dealt with on an ongoing basis when they are detected, while more complex issues are brought to the Works Council meeting for further discussion on the basis of a decision. Worker participation is defined in internal documents of Luka Koper, d. d., (collective bargaining agreement, employee participation agreements, organisational regulations, etc.) and can take place through employee representatives, as cooperation based on legal or other requirements or directly by an employee when there is a direct influence on safety and health at work (hazard identification, inadequate measures for safe work, emergency, etc.). Accessing information and communication take place through internal communication tools, such as: meetings, interviews, sessions, internal mail, intranet, short news, the Port bulletin, etc. In accordance with internal documents, employees who express opinions in good faith, take initiatives and exercise their rights should not be held accountable.

20.3 Occupational safety and health objectives⁹⁵

20.3.1 Occupational safety and health objectives for 2023

Achievement of occupational safety and health objectives in 2023

Planned	Achieved - Luka Koper d. d.	Achieved - Luka Koper Group
0 serious injuries	1 serious injury	1 serious injury
A maximum of 17 injuries per million hours worked (employees + agency workers)	26 injuries / million hours worked	25.6 injuries / million hours worked
A maximum of 20 collisions in internal transport per million hours worked,	16.9 collisions / million hours worked	16.4 collisions / million hours worked
A maximum of 35 collisions in handling areas per million hours worked	73 collisions / million hours worked	70.1 collisions / million hours worked

■ Objective attained in 2023 ■ Objective not attained in 2023

The planned targets apply to Luka Koper, d. d. The achievement of objectives is analysed in more detail below.

93 GRI 403-5

94 GRI 403-4

95 GRI 3-3, 403-9

20.3.2 Occupational safety and health objectives for 2024

- 0 serious injuries,
- A maximum of 16.5 injuries at work per million hours worked,
- A maximum of 20 collisions in internal transport per million hours worked,
- A maximum of 35 collisions in handling areas per million hours worked.

20.4 Compliance with occupational safety legislation⁹⁶

The basic legislation regulating occupational safety and health is the Occupational Safety and Health Act with regulatory provisions ZVZD-1. Compliance with legislative requirements is verified by means of permanent internal control, internal and external audits and on the basis of inspections.

In 2023, five inspections were carried out at Luka Koper d. d. by the Labour Inspectorate of the Republic of Slovenia. Two inspections were carried out to investigate an occupational accident/unsafe occurrence, one to inspect the situation on a construction site, one to inspect technological procedures and one related to labour relations. Two requests for information were made and one measure was imposed. All obligations have been fulfilled and the proceedings have been stopped.

Luka Koper d. d. received no fines from inspection decisions in 2021, 2022 and 2023.

20.5 Injuries at work⁹⁷

20.5.1 Number of injuries at work

For the purposes of injury statistics in the Luka Koper Group and the calculation of various indices presented below, injuries at work are taken into account when requiring at least one day of sick leave. In addition to those listed, 24 other injuries in employees of Luka Koper, d. d. and 9 injuries in agency workers were recorded in 2023 but required no sick leave.

Number of injuries at work in Luka Koper Group

	2021	2022	2023
Luka Koper, d. d.	39	39 (1)	60 (1)
Recruitment agencies	24	17	29
Luka Koper Group	70	58	94
External actors	10	20	24

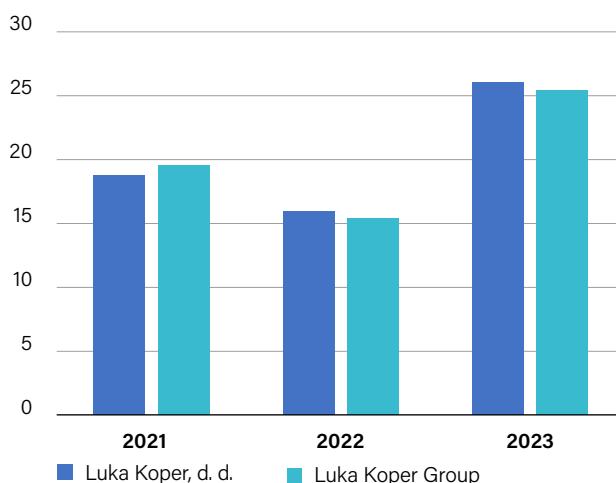
*The number of serious injuries in brackets, the total number outside of the brackets.

⁹⁶ GRI 2-27

⁹⁷ GRI 403-9

External actors include external truck drivers and providers of various works and services. A record of all reported injuries is kept for external actors and subsidiaries, but no data on sick leave is available.

Number of injuries at work per million hours worked (Luka Koper Group) by years



In 2023, employees of Luka Koper, d. d., performed 2,804,899.95 hours of work, agency workers 617,825.11 hours of work, and a total of 3,540,647.43 hours of work were done in the Luka Koper Group.

Compared to the previous two years, the Company records an increase in the number of injuries among employees of Luka Koper d. d. and agency workers in 2023.

A more detailed analysis does not reveal any particular trend that stands out. These are mainly minor injuries. The most exposed group of workers, those employed as port transport workers, suffered the highest proportion of injuries. The body parts most frequently injured are ankles and fingers. The causes of the injuries vary, partly related to the current conducts of the worker (wrong movements, overloading of a part of the body, loss of control of work objects, etc.), and partly related to the growth of the port (lack of space, new recruitments - workers need time to gain the relevant experience, etc.).

When an occupational injury occurs, an analysis of the incident is carried out, the participants/witnesses are interviewed and, in the light of the findings, additional measures are adopted to prevent a recurrence and re-familiarisation with health and safety measures is carried out.

20.5.2 Review of serious injuries

In August 2023, there was one serious occupational injury: a firefighter was struck by lightning. The unfortunate event

occurred during a storm recovery operation (roof removal) despite the precautions taken. The effective intervention of colleagues by offering first aid and the short response time of emergency medical aid (paramedics) helped to ensure that the worker was successfully treated and transported for further care. The worker makes a successful recovery.

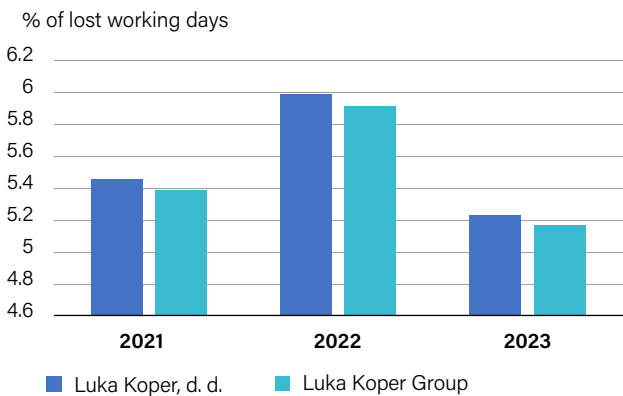
20.5.3 Summary of collective injuries

Two collective injuries were recorded in 2023. In both cases, it was a traumatic shock as a result of an event. One incident involved a firefighter being struck by lightning, resulting in two close colleagues being off sick for several working days. The second incident is the unmooring of a ship that occurred in July 2023 at the container terminal as a result of a storm. Three employees were on sick leave due to traumatic shock.

20.5.4 Summary of sick leave

Sickness absence is monitored by the indicator of the proportion of working days lost due to sickness, injury, care and attendance. In 2023, sick leave in Luka Koper, d. d., was at 5.23 percent, which is somewhat lower than the national average of 5.9 percent for 2023. In the Luka Koper Group, sick leave was 5.16 percent.

Proportion of working days lost due to sick leave per employee by years

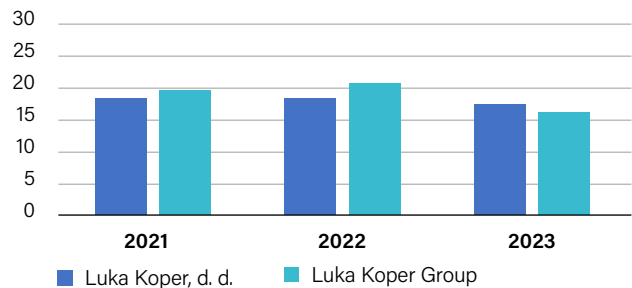


20.6 Loss events⁹⁸

Loss events that are the subject of analysis are the events that resulted in pecuniary loss or material damage.

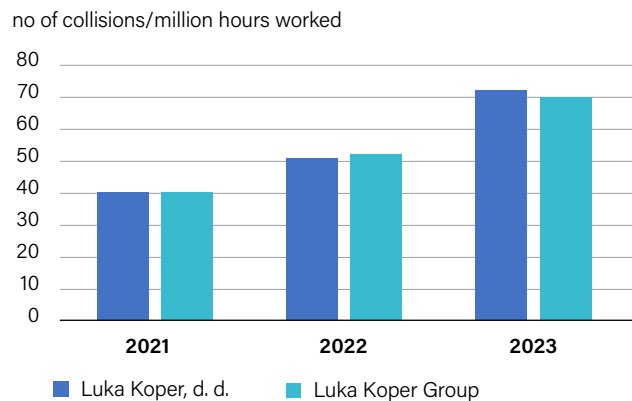
Of all the loss events recorded in the Luka Koper Group, occurrences that stand out in their numbers are the events where the loss was due to collision.

Number of collisions in internal transport (roads, parking places) per million hours worked by years



The number of collisions in internal transport (roads, parking places) has been declining over the years, which is partly due to improvements in traffic regulation (new entrances, improvement of traffic arrangements, renovation of the internal public transport system, safety promotion, etc.), whereas damage events are partly still related to the human factor, i.e., compliance with traffic safety rules.

Number of collisions in handling areas per million hours worked by years



The target for the number of material damages (collisions) in handling areas was set for the first time in 2022. The majority of cases (69%) are collisions with immovable assets (infrastructure, parked/stationary vehicles, containers, etc.), mainly involving internal vehicles and work machinery. 30 percent of collisions on handling areas are caused by drivers of new vehicles (external contractors). The number of collisions has been increasing in recent years, which can be partly attributed to the increased volume of work (congestion of storage areas, record number of external trucks in the port area, intermingling of various participants), and partly, the indicator is influenced by participants' behaviour (non-compliance with instructions, rules, signs, etc.).

98 GRI 403-7

20.7 Summary of most important activities performed in the area of occupational health and safety in 2023⁹⁹

- In order to upgrade training programmes in the company, activities to establish e-training for safe work (theoretical part) and activities to improve the practical part of training for safe work were continued. As part of this, a virtual reality simulator is expected to be delivered for the training of port machinery operators. The equipment is scheduled for delivery in the first quarter of 2024.
- An application for electronic inspection of work equipment was developed. It will contribute to an easier and shorter process of creating records of the equipment inspected and easier management of the overall record of inspections. It has already been tested and will be rolled out to a smaller group. The application is expected to be operational and in use by the end of 2024.
- Awareness-raising on occupational safety and health measures was carried out through the Port Bulletin, posters, workshops and rounds in the port.
- A draft revision of the health risk assessment for all workplaces has been produced.
- An action plan to reduce risk factors has been drawn up, with key proposals to improve occupational safety and health.

Virtual reality simulator design

Source: Scenario Srl (for the needs of Luka Koper, d. d.)



⁹⁹ 3-3, 403-7, 403-9

20.8 Health care¹⁰⁰

The Luka Koper Group takes care of the health of its employees at three different levels: by ensuring the rights arising from the collective bargaining agreement, through a health promotion programme and by co-financing the programme of the Luka Koper Sports Club.

20.8.1 Rights under the collective bargaining agreement

In order to facilitate workers' access to health services that are not directly related to their work, the employees are entitled under the collective bargaining agreement to leave with pay for up to 8 hours per month to see a personal doctor or specialist. As part of activities to promote blood donation, in addition to the legal right to be absent on the day of donation, workers also are entitled to an additional day of paid absence.

20.8.2 Health promotion

In the Luka Koper Group, each company has its own health promotion programme, which in certain segments is linked to the health promotion programme of Luka Koper d. d. The health promotion programme of Luka Koper, d. d., is devised by representatives of all major organisational units, and senior management. Both employees and agency workers are involved in activities. The health promotion priorities are based on the report of a certified occupational physician, a survey of psychosocial risk factors and observations of employees and management. The main priorities still comprise control of nutritional and metabolic diseases, musculoskeletal disorders, harmful habits related to excessive use of psychoactive substances, alcohol and cigarettes, and improvement of interpersonal relationships. Musculoskeletal disorders mostly affect machinery workers and office workers, which is particularly due to extreme posture. In order to maintain and improve the psycho-physical fitness of employees and agency workers, Luka Koper, d. d. has implemented the following activities:

- Successfully implemented the 'Luka 10,000' project. Almost 200 employees participated, making 10,000 steps a day for 30 consecutive days. Luka Koper INPO, d. o. o. also participated in the project.
- Luka Koper, d. d. distributed fresh fruit to employees and visitors six times a year.
- Guidelines for safe and healthy office work have been developed, with a focus on computer aids.
- The level of stress burden caused by work-related stress has been measured (psychosocial risks).
- The first smoking cessation workshop was held.
- A second training ground for stretching and relaxation has been installed at the dry bulk terminal.

20.8.3 Luka Koper Sports Club

Each year, Luka Koper, d. d. donates part of its funds to the Luka Koper Sports Club, which promotes an active and healthy lifestyle and the well-being of Luka Koper Group employees. Since 1972, the club has been providing year-round organised sports and recreational activities for its members outside regular working hours. The Club's activities are diversified and tailored to the needs of its 1,170 members. Activities take place in 14 sports sections, based on a pre-approved programme of work.

20.9 Occupational health and safety activities planned in 2024¹⁰¹

- Upgrade of training process (introduction of e-training for the theoretical part of occupational safety and health (OSH) and continuation of activities to upgrade the practical part of OSH training).
- Completion of the risk assessment and implementation of any additional safety measures related to the change in the legislation on manual handling of loads.
- Implementation of an application for electronic management of work equipment inspections.
- Activities to improve existing safety measures for work at height, in particular for work where the specificities of the work process require a specific approach to ensure that workers are adequately protected against falls from height/into depth.
- Implementation of a more comprehensive campaign to raise awareness of the importance of occupational safety and health measures.

¹⁰⁰ GRI 3-3, 403-6

¹⁰¹ GRI 403-9

21 Care for employees



21.1 Employee management and training system¹⁰²

The identified impacts under the employee management and training system are shown in Item 17.5 'Materiality Matrix and Identified Impacts'.

Luka Koper, d. d., monitors the management of actual positive impacts by periodically measuring the organizational climate, satisfaction and engagement of employees, most recently through an online survey in 2022. SIOK and Gallup questionnaires were used to enable comparability of results. The results were compared with the Slovenian average and with four large comparable companies. In 2023, a number of workshops were organised to present the results to staff, management and social partners with the aim of finding the reasons or causes for the results achieved. Despite the relatively high scores achieved, the negative trend compared to the 2019 measurement has led to an action plan for improvement. The results in the area of organisational climate and employee satisfaction are above the Slovenian average and the average of comparable large companies, while the result in the area of employee engagement is below the Slovenian average and the average of comparable large companies.

The Luka Koper Group is considered an important employer in the region, with an impact on employment in other supporting activities.

Indicators monitored by the organisation in 2023:

- Implementation of the personnel plan (lengthy recruitment procedures, inadequate applications to vacancy announcements, failure to pass medical examinations and refusal of offers of employment): 94%. 160 employments were formed in Luka Koper, d. d., and 172 at the level of the Luka Koper Group.
- Implementation of the Agency Workers Plan: 100%.
- Low employee turnover (2.3 in Luka Koper, d. d. and 2.6 in Luka Koper Group).
- Assessment of the suitability of new recruits (100% successfully completed probationary period).
- Proportion of employees involved in annual interviews at the level of Luka Koper d. d. and B-1: 55% and 69% respectively.
- Proportion of managers with highly developed managerial competences: 85.3%.
- Proportion of employees involved in training: 88%.
- Average number of hours of training per employee: 19.1 hours.
- Proportion of internal staffing for key positions: 79%.

Targeted implementation of functional training of employees is a strategic activity of the Company. The approach is set out in the Company's internal guidance on HR training and education, knowledge transfer systems and co-financing ongoing training. Training objectives, programmes and funds are included in the Company's annual business plan. The starting points for training are the needs of the work processes, the required and desired skills for the jobs and the less developed competences. Success of the chosen approach is monitored by measuring satisfaction after the completed training, by means of exams, promotions of employees to higher level of qualification and workplace flexibility based on acquiring, transferring and using knowledge, assessments of staff competences in annual interviews and assessments of tutors. Most of the training is internally organised programmes and work induction programmes as part of the mentoring and coaching scheme for each new employee or when employees are assigned to another workplace.

Digitalisation of operations is one of our most important strategic objectives. Using new technologies, Luka Koper, d. d., will carry out a digital transformation of key processes. In 2023, the co-funded projects provided training to employees to enhance and strengthen digital competences related to the introduction of advanced digital technologies in business processes. Training was provided in information

¹⁰² GRI 2-7, 2-8, 2-26, 3-3

and data literacy, communication and collaboration, digital content creation, information security and the use of e-applications.

Employee engagement affects satisfaction, performance, organisational results, i.e., service quality and company affiliation. The quality and responsible conduct of annual interviews and the facilitation of employee growth and career development have a significant impact on engagement. At Luka Koper d. d., the indicator for the proportion of annual interviews conducted at B-1 level in 2023 was 68 percent and at the level of the company 55 percent. The annual interviews are computerised. In 2024, a set of activities will be developed to raise this percentage, in particular to link annual interviews to the promotion and remuneration process. Measures to improve engagement relate in particular to improving annual interviews and a clear hierarchy structure.

Every third employee, or 35 percent of employees in the Luka Koper Group, received one of the forms of career development, i. e. promotion to another more demanding position or promotion to a higher level of qualification and flexibility in the workplace. At Luka Koper, d. d., the share of internal recruitment in key positions is also monitored, which was 79 percent in 2023. A more transparent system of career development is being established, with clear criteria for promotion and a distinction between career development and internal vacancy announcements, with a view to filling vacancies more quickly.

Engagement is also affected by the quality of leadership. In 2023, the Leadership Academy, a training programme integrating managers from all levels of the organisation, is being run. The content of the Leadership Academy includes topics in leadership skills development, as well as topics that have been identified as opportunities for improvement in the measurement of climate, satisfaction and engagement. The 360-method assessment of managers confirmed the planned value of the indicator on the proportion of managers with highly developed leadership competences, i.e. an overall competence score of at least 4 on a scale of 1 to 5, not including the manager's self-assessment. The share of such managers was 85.3 percent.

Employee benefits, described in Chapter 21.11 'Employee benefits', increase employee loyalty and reduce turnover.

The good practice of providing each new recruit with a Code of Ethics and a practical guide to ethical conduct at the time of recruitment continues. This is the first time employees are made aware of responsible behaviour policies and practices, whereas communication with employees during the course of their employment takes place both through a customised mobile app and through traditional, printed media. The Luka Koper Group communicates with the employees mostly through the following key communication channels:

- Short news or notifications that are received by all employees via e-mail or is posted on bulletin boards by secretarial services;

- Mobile application that enables a secure connection to the company's information environment; Company employees can access e-mail, the LukaNET intranet portal, the absence management system, the online e-learning platform and the online platform for conducting annual interviews,
- Luški glasnik/Port Bulletin, a printed monthly the mission of which is to keep all employees and the wider port community informed about what is happening in Luka Koper, as well as to bring employees together and facilitate their continued growth and development.
- The Company has an Intranet site, LukaNET, where general information, all internal documents of the company, platforms and instructions are available to the employees if they need them for the performance of work.

Human resources management is based on strategic documents, which are implemented through annual personnel and training plans as part of the company's business plans. The 2020 - 2025 Strategic Plan has been the basis so far. In 2023, the new 2024-2028 Strategic Business was adopted, which also defines the HR orientations, objectives and projects, which are as follows:

- Ensuring an adequate personnel structure to support growth and be ready for the climate transition and introduction of the smart port concept;
- Upgrade staff skills in digital competences, targeted and project management and sustainable development;
- Reduce occupational injuries and health impacts on employees through continuous improvement, as the safety and health of employees and other actors in the port are a prerequisite to execute any activities;
- Focus on innovation and connect with development institutions to apply new technologies and create a comparative advantage;
- Increase operational efficiency and optimise capacity utilisation, thereby improving revenue and cost efficiency.

Human resource management policies and practices are set out in the company's internal documents. Recruitment procedures are run in a transparent and non-discriminatory manner through HR committees. All employees have the possibility for further development by being included in annual interviews and training. Efficiency of human resource management is monitored through turnover and sick leave indicators (below the Slovenian average), by means of a bi-annual assessment of organisational climate, employee satisfaction and engagement, by assessing all management functions based on the 360-degree method, and by assessing cooperation between organisational units. The aim of the last indicator is to ensure coordinated efforts of units to achieve common goals and to serve as an indicator of performance for all units from the perspective of working with users of services.

Data, shown later in this Chapter, were obtained from the personnel records of the SAP information system.

21.1.1 Number of employees by company and in the Luka Koper Group

	31 Dec 2021	31 Dec 2022	31 Dec 2023
Luka Koper, d. d.	1,577	1,638	1,757
Luka Koper INPO, d. o. o.	131	131	133
Adria Terminali, d. o. o.	25	27	27
TOC, d. o. o.	5	5	5
Luka Koper Group*	1,738	1,801	1,922

* Logis-Nova, d. o. o. and Adria Investicije, d. o. o., subsidiaries of the Luka Koper Group, are not included in the table since they have no employees.

21.1.2 Number of employees in Luka Koper, d. d. as at 31 December by gender¹⁰³

As at 31 Dec 2023	Number of employees		Share in %		Number of employees	Share of ALL employees in %
	Men	Women	Men	Women		
Employees						
Luka Koper, d. d.	1,596	161	90.8	9.2	1,757	100.0
Luka Koper Group	1,747	175	90.9	9.1	1,922	100.0
Indefinite Employee						
Luka Koper, d. d.	1,594	159	90.9	9.1	1,753	99.8
Luka Koper Group	1,744	175	91.0	9.0	1,916	99.7
Fixed-Term Employee						
Luka Koper, d. d.	2	2	50.0	50.0	4	0.2
Luka Koper Group	3	3	50.5	50.5	6	0.3
Zero-hour Employee						
This form of work does not apply.						
Part-time Employee						
Luka Koper, d. d.	1,591	156	91.1	8.9	1,747	99.4
Luka Koper Group	1,735	170	91.1	8.9	1,905	99.1
Part-time Employee						
Luka Koper, d. d.	5	5	50.0	50.0	10	0.6
Luka Koper Group	12	5	70.6	29.4	17	0.9

Methodology: The table shows the numerical situation as at the last day of the reporting period (31 Dec). For each element, the share/percentage of the total result is shown. The overall result is shown as a share/percentage of all employees in Luka Koper, d. d. or in the Luka Koper Group. Employees in tables are shown only by male and female gender, as there are no employees who identify themselves differently (category 'other' or 'undisclosed').

On the last day of 2023, the Luka Koper Group had 1,922 employees, an increase of 121 employees or 7 percent from the year before. The growth trend in the Luka Koper Group and Luka Koper, d. d. thus continues.

Due to the nature of the work, 91 percent of the workforce is male. The employment in the basic transshipment process of Luka Koper, d. d., and the transitions of agency workers to full-time employees have had a decreasing impact on the proportion of women in the workforce, despite the fact that more and more women are also working in jobs traditionally associated with male labour, e.g. crane operator, harbour machinery driver, lorry driver, foreman, warehouseman, security guard.

¹⁰³ GRI 2-7, 405-1

The employees have permanent contracts, while less than one per cent of the employees have a fixed-term employment relationship (managerial, replacement, project-related work). In the past years, induction into the job or increased workload were among the reasons for the fixed-term employment.

Over 99 per cent of Luka Koper Group employees work full time. In two-thirds of cases, the reason for the reduced working time is disability, followed by parenthood and, in some cases, illness, partial retirement and project-related work.

21.1.3 Number of employees in Luka Koper, d. d. as at 31 December by region of residence¹⁰⁴

As at 31 Dec 2023	No of empl.	Share in %	No of empl.	Share in %	No of empl.	Share in %	No of empl.	Share in %	No of empl.	Share in %	No of empl.	Share in %	Share in % ALL employees in %	
	Coast-Karst Region		Primorska and Notranjska Region		Central Slovenia		Goriška Region		Other region		Other country		Total	
Employees														
Luka Koper, d. d.	1,597	90.9	121	6.9	9	0.5	7	0.4	1	0.1	22	1.3	1,757	100.0
Luka Koper Group	1,756	91.4	125	6.5	9	0.5	9	0.5	1	0.1	22	1.1	1,922	100.0
Indefinite Employee														
Luka Koper, d. d.	1,594	90.9	121	6.9	8	0.5	7	0.4	1	0.1	22	1.3	1,753	99.8
Luka Koper Group	1,751	91.4	125	6.5	8	0.4	9	0.5	1	0.1	22	1.1	1,916	99.7
Fixed-Term Employee														
Luka Koper, d. d.	3	75.0			1	25.0							4	0.2
Luka Koper Group	5	83.3			1	16.7							6	0.3
Zero-hour Employee														
This form of work does not apply														
Part-time Employee														
Luka Koper, d. d.	1,588	90.9	121	6.9	8	0.5	7	0.4	1	0.1	22	1.3	1,747	99.4
Luka Koper Group	1,740	91.3	125	6.6	8	0.4	9	0.5	1	0.1	22	1.1	1,905	99.1
Part-time Employee														
Luka Koper, d. d.	9	90.0			1	10.0							10	0.6
Luka Koper Group	16	94.1			1	5.9							17	0.9

Displaying the highest share, i.e., 91 percent to originate in the Coastal and Karst Region, the structure of employees by region of residence reflects the nature of transshipment, i. e., ensuring the continuous provision of services throughout the year and flexibility of services. The increase in the percentage of employees from the Coast-Karst Region is the result of employees having arranged their residence closer to their place of work.

¹⁰⁴ GRI 2-7

21.1.4 Number of agency workers¹⁰⁵

	31 Dec 2021	31 Dec 2022	31 Dec 2023
Luka Koper, d. d.	324	352	431
Luka Koper Group	332	359	439

Methodology: The table shows the number of agency workers on the last day of the reporting period (31 Dec).

In addition to regular employees, the Luka Koper Group also employs agency workers, who are equal in rights and obligations to regular employees. The business model of Luka Koper d. d. provides for agency work due to the uncertain economic market conditions as a consequence of the global situation. In order to ensure the smooth implementation of the labour process, a new procurement procedure for agency work was carried out in 2022 (Call for Tender 124/2022). Four recruitment agencies were selected in the call for tenders and Luka Koper, d. d., concluded with them a Framework Agreement for the posting of workers to the user for a period of 4 years. As at 31 Dec 2023, there were 431 posted agency workers in Luka Koper, d. d. They perform work in the basic handling and warehousing process (foreman, truck driver, port transport worker and qualified port transport worker - forklift driver). Terminations and recruitments of selected candidates from the ranks of agency workers among the regular employees of Luka Koper d. d. are replaced on a regular basis. There were additional 8 posted agency workers in the Luka Koper Group in the position of sailor - maintenance technician. As at 31 Dec 2022 and 31 Dec 2023, the total number of agency workers in the Luka Koper Group was 359 and 439 respectively, which shows an increase of 22 percent.

21.1.5 Share of employees in Luka Koper, d. d. and Luka Koper Group covered by collective bargaining agreement¹⁰⁶

	Luka Koper, d. d.			Luka Koper Group	
	31 Dec 2021	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023
Employees covered by collective agreement	98.2	98.2	98.1	98.1	97.8
Employees outside the collective agreement framework	1.8	1.8	1.9	1.9	2.2
TOTAL	100.0	100.0	100.0	100.0	100.0

97.8 percent of Luka Koper Group employees have an employment contract based on the collective bargaining agreement. On the basis of the legislation governing remuneration of managers in majority-owned companies of the Republic of Slovenia, the Remuneration Policy of the Management and Supervisory Bodies of Luka Koper, d. d. and the Management Bodies of the Subsidiaries in the Luka Koper Group, adopted on 25 May 2023, applies to the directors of subsidiaries. Luka Koper, d. d., uses the Remuneration Policy for Employees under Special Employment Contracts, as amended on 20 September 2022. The terms and conditions of employment are defined in the job descriptions in accordance with the systemisation of jobs or the Act on Systemisation (adopted on 14 August 2018).

¹⁰⁵ GRI 2-8

¹⁰⁶ GRI 2-19, 2-20, 2-30

21.1.6 Employee structure in Luka Koper, d. d. and Luka Koper Group by age group¹⁰⁷

Age groups (years)	Luka Koper, d. d.						Luka Koper Group			
	31 Dec 2021		31 Dec 2022		31 Dec 2023		31 Dec 2022		31 Dec 2023	
	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %
Under 30	175	11.1	157	9.6	176	10.0	165	9.2	182	9.5
30–50	1,132	71.8	1,192	72.8	1,242	70.7	1,269	70.5	1,318	68.6
Over 50	270	17.1	289	17.6	339	19.3	367	20.3	422	22.0
Total number of employees	1,577	100.0	1,638	100.0	1,757	100.0	1,801	100.0	1,922	100.0
Average age of employees	41.9		42.2		42.3		42.8		42.9	

Methodology: The data are shown numerically and as a share in the reported period.

The average age of employees in the Luka Koper Group and Luka Koper, d. d. is increasing.

21.1.7. Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by gender¹⁰⁸

As at 31 Dec 2023	Number of employees		Share in %		Number of employees		Share in %	
	Men		Women		Total			
Recruitment by gender								
Luka Koper, d. d.	145	90.6	15	9.4	160	100.0		
Luka Koper Group	157	91.3	15	8.7	172	100.0		
Departures by gender								
Luka Koper, d. d.	37	90.2	4	9.8	41	100.0		
Luka Koper Group	48	92.3	4	7.7	52	100.0		

Methodology: The data are shown numerically and as a share in the reported period.

Despite non-discriminatory job announcements, 91 percent of the new candidates in employment procedures were male.

21.1.8 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by age group¹⁰⁹

As at 31 Dec 2023	Number of employees		Share in %		Number of employees		Share in %	
	Under 30		30–50		Over 50		Total	
Recruitment by age group								
Luka Koper, d. d.	53	33.1	98	61.3	9	5.6	160	100.0
Luka Koper Group	54	31.4	104	60.5	14	8.1	172	100.0
Departures by age group								
Luka Koper, d. d.	6	14.6	20	48.8	15	36.6	41	100.0
Luka Koper Group	6	11.5	22	42.3	24	46.2	52	100.0

In line with the growth in turnover, employment is also growing, especially in the core transshipment process. There is an increase in the proportion of recruitments in the older age groups, which is due to the transition of experienced

persons from agency workers to full-time employees and to the recruitment to professional and managerial positions. The proportion of departures in the younger age groups is increasing.

¹⁰⁷ GRI 2-7

¹⁰⁸ GRI 401-1

¹⁰⁹ GRI 401-1

21.1.9 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by region of residence¹¹⁰

As at 31 Dec 2023	Number of employees		Share in %		Number of employees		Share in %		Number of employees		Share in %	
	Coast-Karst Region		Central Slovenia		Primorska and Notranjska Region		Other		Total			
Recruitment by region												
Luka Koper, d. d.	141	88.1	6	3.8	10	6.3	3	1.9	160	100.0		
Luka Koper Group	151	87.3	7	4.0	12	6.9	3	1.7	173	100.0		
Departures by region												
Luka Koper, d. d.	32	78.0	2	4.9	5	12.2	2	4.9	41	100.0		
Luka Koper Group	41	78.8	2	3.8	7	13.5	2	3.8	52	100.0		

The largest share of new recruitments is still from the Coast-Karst Region.

21.1.10 Comparison of recruitment, departures and fluctuation rate¹¹¹

	Number of new employments			Number of departures			FLUCTUATION RATE (in %)*		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Luka Koper, d. d.	70	109	160	27	48	41	1.6	2.8	2.3
Luka Koper Group	77	124	172	38	61	52	2.1	3.3	2.6

*Fluctuation calculation method = No of departures/(previous No of employees + new employments) x 100

Among departures, half of all departures relate to termination agreements. The number of extraordinary terminations has been increasing. A quarter of the departures are old-age retirements, and there are some examples of disability retirements, death and transitions between affiliated companies in the Luka Koper Group.

Luka Koper, d. d., and the Luka Koper Group have a significantly lower employee turnover rate than the entire logistics industry, where the turnover is at 20 percent. The turnover rate is slightly lower compared to 2022.

110 GRI 401-1

111 GRI 401-1

21.1.11 Employee benefits¹¹²



When it comes to employee benefits in the Luka Koper Group, there is no division among those employed for a fixed-term or part-time, and those employed for an indefinite period or full working hours, and there is no gender pay gap.

The only difference is related to the voluntary supplementary pension insurance, in case of which temporary employees are paying their monthly premiums themselves, whereas others are co-financed different shares of the legal premium depending on the age of the employee.

Having met the relevant conditions, all employees are covered by financial incentive instruments.

Social security, health insurance and pensions are in place for all. Employees can also take out accident insurance and insurance for medical check-ups with specialists on favourable terms.

The provisions on salaries and benefits applicable to employees also apply to agency workers. They are paid at the same rate or under the same conditions as regular staff in the same posts and on the same payday. They are entitled to allowances for individual and business performance bonuses, and the same amount of holiday allowance, Christmas and business performance bonuses. They are currently not yet subject to the flexibility and competence level allowance and are not covered by the supplementary voluntary pension scheme.

In 2023, employees were regularly receiving the monthly payment of salary, which is aligned to the 6-month growth of the inflation index in compliance with the provisions of the collective bargaining agreement. If the positive growth in value added per employee is recorded, the signatories of the collective bargaining agreement agree on a salary increase, which must remain behind productivity growth. The average salary in Luka Koper is higher than the Slovenian average salary. In 2023, the minimum gross salary amounted to EUR 1,203.36, and the guaranteed wage was EUR 237.73. There were no payments below the guaranteed wage in 2023 in both Luka Koper, d. d. and the Luka Koper Group. In 2023, salaries of employees in Luka Koper, d. d., exceeded the statutory minimum wage in the Republic of Slovenia; only in exceptional cases, individual employees were entitled to the payment of the statutory supplement to the minimum wage. The number of employees who received at least one minimum wage supplement in 2023 was 353, in 14 different positions. Annual leave allowance,

Christmas bonus and performance bonus were paid. In accordance with the criteria of the enterprise collective agreement, group merit is awarded quarterly. A great majority of employees participate in the voluntary supplementary pension insurance. Since 2018, upon retirement, employees receive an additional severance payment from the post-employment fund in addition to the severance pay in accordance with the legislation.

In 2023, the ratio of the total annual salary of the highest paid individual in the organisation to the median total annual salary for all employees (excluding the highest paid individual) was as follows:

- 4.59 for Luka Koper, d. d., and
- 4.67 for the Luka Koper Group.

The increase in the total annual salary of the highest paid individual of the organisation against the average increase in the total annual salary of all employees (except the highest paid individual) was as follows:

- for Luka Koper, d. d., 8.96 percent for the highest paid individual and 1.67 percent on average for all employees; the percentage increase in the total annual salary for the highest paid individual in the company being 0.19 of the average percentage increase in the total annual salary for all employees (except the highest paid individual); and
- for the Luka Koper Group, 8.96 percent for the highest paid individual and 2.02 percent on average for all employees; the percentage increase in the total annual salary for the highest paid individual in the group being 0.23 of the average percentage increase in the total annual salary for all employees (except the highest paid individual).

The annual gross salary data is taken from the calculation of regular and variable performance-related salaries for employees under the collective bargaining agreement and regular salaries for employees under management and other individual contracts (excluding the payment of variable salaries in 2022, which are calculated after the annual report has been approved). The median calculation comprises employees who were paid by Company/Group for a full year's pool of full-time regular hours. The average increase of total annual salary was calculated on the basis of the hours worked by all employees except the highest paid individual.

¹¹² GRI 2-21, 201-3, 202-1, 401-2

21.1.12 Number of Luka Koper, d. d., and the Luka Koper Group employees who took parental leave and returned to their workplace, by gender¹¹³

Exercising parental rights:

	Luka Koper, d. d.			Luka Koper Group
	2021	2022	2023	2023
Men	95	97	94	98
Women	9	9	9	9
TOTAL	104	106	103	107

All employees have the right to exercise parental rights, which comprise maternity, paternity and parental leave. Anyone who applies is allowed to use it. All employees who exercise their parental right, return to the same workplace at the end of their leave. Five employees who exercised parental leave rights in 2023 have not yet completed their entitlements by 31 December 2023. After 12 months, 103 of the 106 employees who used parental rights in 2022 are still employed. The reasons for termination are not related to parental leave (1 consensual termination, 1 retirement, 1 extraordinary termination due to the presence of illegal psychoactive substances in the workplace).

Return to work after exercising parental rights in 2023 (immediately) and maintaining employment after 12 months:

	Luka Koper, d. d.			Luka Koper Group	
	2023 immediately	2023 ratio returned/left	2023 after 12 months	2023 immediately	2023 ratio returned/left
Men	90	0.95	94	94	0.9
Women	8	0.88	9	8	0.88
TOTAL	98	0.95	103	102	0.95

21.1.13 Education structure of employees as at 31 December

Level of education	Luka Koper, d. d.				Luka Koper Group			
	No of employees 31 Dec 2023	Share (%) 31 Dec 2023	No of employees 31 Dec 2022	Share (%) 31 Dec 2022	No of employees 31 Dec 2023	Share (%) 31 Dec 2023	No of employees 31 Dec 2022	Share (%) 31 Dec 2022
VIII/2	3	0.2	1	0.06	3	0.2	1	0.06
VIII/1	24	1.4	25	1.5	26	1.4	27	1.5
VII	140	8.0	130	7.9	148	7.7	139	7.7
VI/2	248	14.1	245	14.9	255	13.3	251	13.9
VI/1	122	6.9	117	7.1	129	6.7	124	6.9
V	532	30.3	481	29.4	575	29.9	524	29.1
IV	550	31.3	505	30.8	607	31.6	559	31.0
III	16	0.9	17	1.04	28	1.5	29	1.6
I-II	122	6.9	117	7.1	151	7.9	147	8.2
TOTAL	1,757	100.0	1,638	100.0	1,922	100.0	1,801	100.0

The intensive recruitment implemented for operating positions in the basic transshipment and warehousing process, for which lower levels of education are sufficient, has affected the education structure of Luka Koper, d. d., and the Luka Koper Group, mainly by increasing the proportion of employees with level IV and V education. 1.5% of employees receive co-financing for attaining higher education through an education contract, and employees also participate in higher education programmes on their own initiative and with their own financial resources.

¹¹³ GRI 401-3

21.1.14 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by job category¹¹⁴

	Luka Koper, d. d.						Luka Koper Group			
	31 Dec 2021		31 Dec 2022		31 Dec 2023		31 Dec 2022		31 Dec 2023	
	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %
Management (Management Board, b-1)	20	1.3	22	1.3	23	1.3	25	1.4	26	1.4
Other management	341	21.6	317	19.4	338	19.2	334	18.5	358	18.6
Highly skilled	185	11.7	193	11.8	204	11.6	203	11.3	214	11.1
Operators	1,031	65.4	1,106	67.5	1,192	67.8	1,239	68.7	1,324	68.9
Total	1,577	100.0	1,638	100.0	1,757	100.0	1,801	100.0	1,922	100.0

21.1.15 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by job category and by gender¹¹⁵

As at 31 Dec 2023	Number of employees		Number of employees		Number of employees	Share in %
	Men	Share in %	Women	Share in %		
Management (Management Board, b-1)						
Luka Koper, d. d.	17	73.9	6	26.1	23	100.0
Luka Koper Group	19	73.1	7	26.9	26	100.0
Other management						
Luka Koper, d. d.	321	95.0	17	5.0	338	100.0
Luka Koper Group	343	94.8	19	5.2	362	100.0
Highly skilled						
Luka Koper, d. d.	141	69.1	63	30.9	204	100.0
Luka Koper Group	147	68.7	67	31.3	214	100.0
Operators						
	1,117	93.7	75	6.3	1,192	100.0
Luka Koper Group	1,238	93.8	82	6.2	1,320	100.0
Total						
Luka Koper, d. d.	1,596	90.8	161	9.2	1,757	100.0
Luka Koper Group	1,747	90.9	175	9.1	1,922	100.0

114 GRI 405-1

115 GRI 405-1

21.1.16 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by job category and by age group¹¹⁶

As at 31 Dec 2023	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %
	Under 30		30-50		Over 50		Total	
Management (Management Board, b-1)								
Luka Koper, d. d.	/	/	11	47.8	12	52.2	23	100.0
Luka Koper Group	/	/	11	42.3	15	57.7	26	100.0
Other management								
Luka Koper, d. d.	12	3.6	236	69.8	90	26.7	338	100.0
Luka Koper Group	12	3.3	245	67.7	105	29.0	362	100.0
Highly skilled								
Luka Koper, d. d.	8	3.9	147	72.1	49	24.0	204	100.0
Luka Koper Group	8	3.7	153	71.5	53	24.8	214	100.0
Operators								
Luka Koper, d. d.	156	13.1	848	71.1	188	15.8	1,192	100.0
Luka Koper Group	162	12.3	909	68.9	249	18.9	1,320	100.0
Total								
Luka Koper, d. d.	176	10.0	1,242	70.7	339	19.3	1,757	100.0
Luka Koper Group	182	9.5	1,318	68.6	422	22.0	1,922	100.0

9.2% of employees at Luka Koper, d. d., are women (9.1% in the Luka Koper Group). In terms of job category, the proportion of women is highest in the professional ranks (30.9% for Luka Koper, d. d. and 31.3% for the Luka Koper Group). In terms of age groups, the proportion of employees in the 30-50 age group is the highest (70.7% for Luka Koper, d. d., and 68.6% for the Luka Koper Group). The structure of the workforce has a low proportion of young people under 30 (10% for Luka Koper, d. d., and 9.5% for the Luka Koper Group), which is the result of the intensive search for and recruitment of candidates with experience.

116 GRI 405-1

21.2 Educating and training of employees

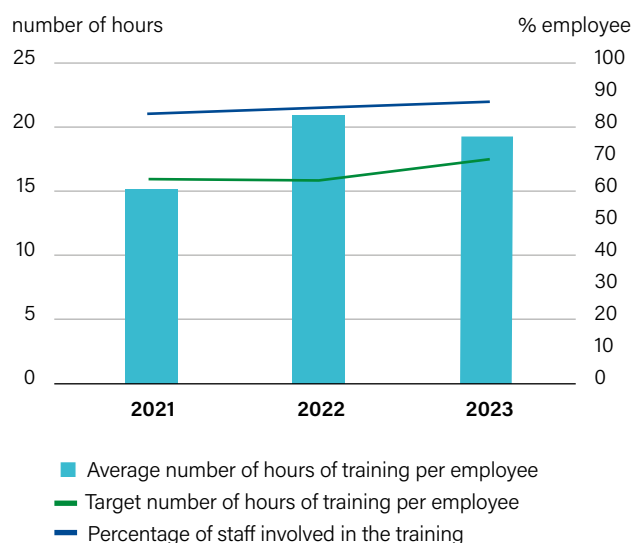


21.2.1 Employee training¹¹⁷

In 2023, 88 percent of employees were included in training programmes. The average number of training hours in the Luka Koper Group and Luka Koper, d. d. was 19.1 and 19.2 hours respectively. The slightly lower number of training hours compared to 2022 is due to the number of online training programmes delivered by external training institutions (webinars) and the introduction of new online programmes in the internal training platform Knowledge Room, which are shorter in duration than traditional training formats. The online classroom can be accessed by all employees, including those who do not have access to a computer at work, via the Capsule mobile app and shared computers. An online test of occupational safety knowledge is being set up.

As part of establishing the Knowledge Centre, activities are underway to procure a virtual reality simulator to simulate work on key machinery and to set up premises, training grounds and equipment for the practical part of training.

Average number of hours of training and share of employees involved in education, in Luka Koper, d. d.



Average number of hours of training in Luka Koper, d. d., and the Luka Koper Group, by gender and job category

	Luka Koper, d. d.			Luka Koper Group
	2021	2022	2023	2023
All employees	15.1	20.8	19.2	19.1
Women	21.7	15.7	15.2	14.8
Men	7.5	21.3	20.6	19.6
Management (Management Board, b-1)	28	21.9	36.5	32.5
Other management	6.1	13.5	19.6	19.1
Highly skilled	26.5	22.8	17.3	17.0
Operators	5.2	22.5	20.4	19.4

The average number of training hours is significantly higher for men than for women, mainly as a result of employment and training in the operation of machinery in the core process. This also results in a high average number of hours of training for operators.

¹¹⁷ GRI 2-26, 404-1

21.2.2 Introduced programmes¹¹⁸

The training programmes are linked to the needs of work processes. Every staff member is included in the induction plan as part of the mentoring and coaching system when they are recruited or assigned to another position.

In addition to the skills required by law and the skills required to do the job, job descriptions also include skills that improve the performance of the work process. The acquisition and use of these skills enable the employee to advance or be promoted to a higher level of competence and flexibility in the existing job. Employees are involved in training throughout their employment. Most of the training is organised within regular working hours.

Based on the assessment of employees' development potential, individual employee development plans were drawn up with programmes to develop managerial and social competences.

By training operators to manage various types of machinery, we ensure that they have the flexibility to move between units according to work needs.

Luka Koper implements the concept of lifelong learning through continuous training and refresher courses for employees to improve communication skills, foreign languages, project management, training for internal auditors, training for Works Council members and trade union representatives, management skills, technical training, public procurement, and training for knowledge transfer instructors.

The range of training content for strengthening digital competences and a healthy lifestyle has been increasing.

Retirement preparation workshops or meetings are organised for employees from time to time, presenting the legislation on retirement, the experience of Luka Koper pensioners and the possibilities of joining the Luka Koper pensioners'

association, the possibility of working as a port guide after retirement and continuing to receive the in-house newsletter, the Port Bulletin. No other specific training programmes are provided for pre-retirement employees, but they are included in the regular training programmes together with other younger employees.

21.2.3 Career development of employees¹¹⁹

Luka Koper, d. d., provides employees with opportunities for personal and professional development through promotions to other, more demanding positions and by placing employees at a higher level of competence and flexibility in their current position. Following the completion of the 2021 project, a more transparent system is being established for the promotion or career development of employees. A distinction is being made between career development and internal job advertisements to fill vacant positions more quickly. The process of identifying successors is continuous. The employee participates in the process of measuring social and managerial competences voluntarily on the basis of self-registration, the proposal of the unit management, co-financing of education or the proposal of the HR department when recruiting for positions where a successor has not been identified. Identification of new candidates is mainly based on an analysis of the annual interviews, during which employees highlight their career ambitions. A pool of successors, i. e., a pyramid of successions in key positions have been established. The system enables early identification of young prospective personnel. An individual development plan is drawn up for employees in cooperation with unit management. In order to prepare the succession plan for b-1 level, the competences for such positions (goal-oriented leadership, innovation and initiative, problem solving, teamwork, conflict resolution and introducing unpopular measures) are specifically measured for the employees with the highest development potential.

Promotion and internal mobility of employees

	Vertical and horizontal promotion			Classification into a higher level of qualifications and flexibility			Total internal employee mobility		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Luka Koper, d. d.									
Number	103	149	139	354	480	476	457	629	615
Share	6.5	9.1	7.9	22	29	27.1	29	38	35.0
Luka Koper Group									
Number			165			508			673
Share			8.6			26.4			35.0

The data for the Luka Koper Group were obtained in 2023.

¹¹⁸ GRI 404-2

¹¹⁹ GRI 404-3

Proportion of employees involved in career development in 2023, by gender and job category

	By gender			By job category		
	Men	Women	Management (Management Board, b-1)	Other management	Highly skilled	Operators
Luka Koper, d. d.						
Number	556	59	3	117	64	431
Share (of all employees)	31.6	3.4	0.2	6.7	3.6	24.5
Luka Koper Group						
Number	613	60	3	122	64	484
Share (of all employees)	31.9	3.1	0.2	6.3	3.3	25.2

In 2023, both in Luka Koper, d. d., and in the Luka Koper Group, 35 percent of employees were involved in some form of career development, such as promotion to another position or to a higher level of qualification and flexibility at work. Significantly more men than women are involved in career development. The highest number of promotions was among executive staff. Luka Koper, d. d., monitors the indicator for the percentage of internal promotion to key positions, which at 79 percent exceeds the planned target of 50 percent.

21.3 Ensuring safety of employment and social security of employees

The disability issue was dealt with by an established pattern of past practice by employing a share of disabled employees in the Luka Koper Group, in the disability company Luka Koper INPO, d. o. o. The share of employees with the disability status in Luka Koper, d. d., stood at 1.4 percent as at 31 December 2023. In 2023, two employees with acquired disability status were reassigned from Luka Koper, d. d. to the disability company Luka Koper INPO, d. o. o.

Disability – Number of disabled employees and their share in Luka Koper, d. d., and the Luka Koper Group

	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2022	31 Dec 2023	31 Dec 2023
Number of disabled employees	20	20	24	98
Share (%)	1.3	1.2	1.4	5.1

Number of disabled employees and their share in Luka Koper, INPO, d. o. o.

	31 Dec 2021	31 Dec 2022	31 Dec 2023
Number of disabled employees	73	73	74
Share (%)	55.7	55.7	55.6

21.4 Cooperation with educational institutions¹²⁰

The Luka Koper Group acts in a socially responsible manner in the field of development and education in the local and wider environment. It cooperates with many educational institutions in ensuring the mentorship of essays and diploma papers and offering compulsory internship to secondary school and university students and participates in school career fairs. In 2023, Luka Koper, d. d., co-financed the acquisition of a higher level of education for 1.5 percent of employees. In the last two years, it has intensified company scholarships for youth, with 10 contracts having been concluded for this purpose.

¹²⁰ GRI 2-26

22 Social responsibility¹²¹



The company's activities have a negative impact on the social environment, particularly in terms of environmental issues. Negative factors affecting the local community and the social environment are identified and addressed in the sustainability report.

These themes are recognised in the organisation's policies, identified in internal quality management system documents and already recorded in the report under management approaches. The relations and impacts on the social environment are described in detail in the Sustainable Development and Social Responsibility Strategy of Luka Koper, d. d., which sets out the objectives that the company aims to achieve in cooperation with local and institutional stakeholders and taking into account the best international practices.

The port of Koper is located in the urban environment of the historic city centre of Koper and the Municipality of Ankaran, whereas in the hinterland, it borders the protected area of Škocjanski Zatok. Therefore, concern for the quality of people's lives and environmental protection is a priority highlighted in all development documents and key policies of the Company. The Company incorporated the principles of sustainable development into its operations and strategic orientations some time ago. In 2023, the Luka Koper Group continued to implement activities to achieve the objectives set out in the 2020-2025 Strategic Business Plan. In the 2024-2028 Strategic Business Plan, which was adopted in November 2023, the Luka Koper Group stated as its mission for the next five-year period to provide reliable, high-quality port services in line with sustainable development guidelines - with the aim of becoming the first choice among ports on the European southern transport route. The planned development is based on four starting points which provide for increasing infrastructure capacity and capability, accelerating the introduction of the smart port concept, ensuring adequate staffing, as well as taking care of sustainability aspects and reducing negative impacts on the environment and society.

The Luka Koper Group works well with the local community and aims to strengthen mutual relations through various

joint projects. In July 2018, Luka Koper, d. d. and the Municipality of Koper signed a Letter of Intent and agreed on the implementation of mitigation measures, which was materialised in November 2019 by the signing of an Agreement on the implementation of mitigation measures to reduce the environmental impacts of port operations. In the agreement, Luka Koper, d. d., committed to pay a dedicated annual donation of EUR 200,000 to the Municipality of Koper in the period 2019-2023, and the municipality will distribute the funds on the basis of an annual call for tenders to the beneficiaries - the inhabitants of the Koper city centre, who are most exposed to the impacts of port operations due to their proximity to the port.

During the five-year period of the agreement, four public tenders were held, to which 637 applications were submitted. Of these, 114 beneficiaries were selected and awarded grants. The municipality of Koper received a donation in the total amount of EUR 1,000,000 from Luka Koper for this purpose.

On 22 December 2023, Luka Koper, d. d., and the Municipality of Koper signed a new agreement on the implementation of mitigation measures to reduce the environmental impact of port operations. By signing the agreement, Luka Koper, d. d., undertook to pay the Municipality of Koper a dedicated donation of EUR 320 thousand each year of the duration of the agreement from 2024 onwards. Over five years, the municipality will receive a total of EUR 1.6 million in earmarked funds, which will be distributed to beneficiaries on the basis of a public call for tenders to implement measures to reduce the environmental impact of port operations.

In 2023, Luka Koper, d. d. paid an additional earmarked donation of EUR 40,000 to the Municipality of Koper for the landscaping and green cover of public areas in the historic city centre of Koper. With the new park areas, the municipality has extended the city's green system, contributing to improved living environment and mitigating the environmental impacts of the port operations.

The Luka Koper Group is aware that good neighbourly relations can only be established based on fair, transparent, and timely communication with the surrounding. It keeps adapting its communication tools to modern trends, while remaining faithful to informing the general public and other stakeholders through the media and web portals (www.luka-kp.si, www.zivetispristaniscem.si, www.seonet.ljse.si) and social networks. Among them is the sustainable portal Living with the Port (Živeti s pristaniščem), which brings

¹²¹ GRI 203-2, 3-3, 413-1, 413-2

together information on social responsibility, sustainable and green development activities in one place. The website also publishes and regularly updates the results of measurements of air quality (particulate matter emissions), seawater and noise emissions during the day, evening and night.

The attitude of the local environment towards the company Luka Koper, d. d., is checked annually by a public opinion poll among the inhabitants of the narrow strip around the port. In 2023, a total of 405 inhabitants of the Municipality of Koper and the Municipality of Ankaran participated in the poll. When asked how they assess the reputation of Luka Koper, 84 percent of respondents considered it a very reputable or reputable company. According to the vast majority of respondents (87 percent), Luka Koper, d. d., is a successful or very successful business company. Two thirds of respondents (66 percent) also agree with the plans to extend the northern part of Pier I. A good half of the respondents (53 percent) agree with the expansion of the port to the Ankaran Bonifika.

In order to bring the port's operations closer to the local community and the general public, in May 2023, Luka Koper d. d. again organised the traditional Port Day, which it has been organising since 2008, providing the general public with in-depth guided tours and activities along with a varied accompanying programme. The Port of Koper also allows tours to organised groups during the year, and the number of such tours has been on the rise in recent years (more than 300).

Indicators monitored by the organisation in 2023:

Public opinion poll - support for the port's spatial development plans:

- Planned share: 76%
- Realised share: 61%
- Index: 80

Public opinion poll - corporate reputation:

- Planned share: 85%
- Realised share: 84%
- Index: 99

Public opinion poll - contribution of Luka Koper to the economic development of Slovenia:

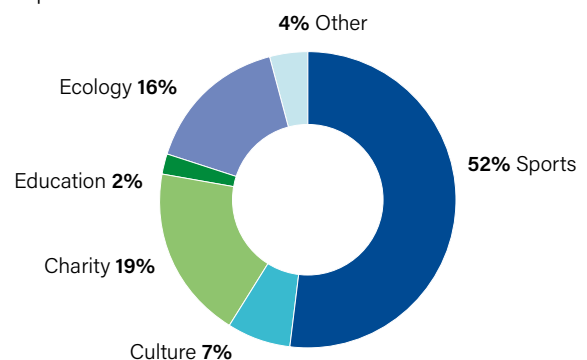
- Planned share: 78%
- Realised share: 69%
- Index: 88

22.1 Distribution of donations and sponsorships in 2023¹²²

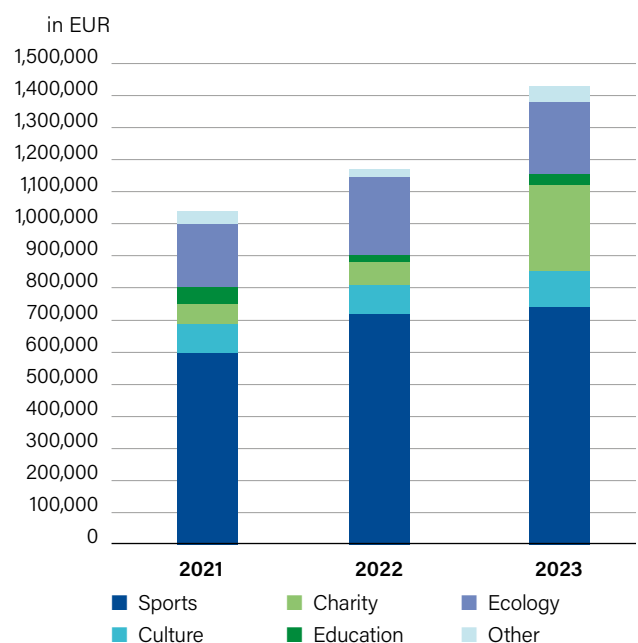
The company demonstrates its social responsibility to the local environment, which is most affected by port operations, by supporting organised groups and individuals who

implement projects or activities important for the quality of life of the population in the local area. In 2023, the Company re-launched a call for the distribution of sponsorship and donations from the Living with the Port fund, which is primarily intended to support smaller local projects. In the long run, the Company cooperates with key local stakeholders active in sports, culture, ecology, science, education and humanitarian activities. In 2023, EUR 1.4 million were allocated to these activities through sponsorships and donations.

In addition to the donation to the Municipality of Koper for the implementation of mitigation measures, in 2023, Luka Koper, d. d., also made a major donation to help eliminate the impacts of the August floods in Slovenia. It donated the required equipment and industrial dehumidifiers to the Administration for Civil Protection and Disaster Relief through the Red Cross Slovenia - Koper regional branch, and in a joint campaign with Adria Terminali and Goriške opekarne, it also participated in the donation of 241 pallets of brickwork for the needs of rebuilding damaged or completely destroyed buildings in flood areas. At the end of the year, it also signed an agreement with the Ministry of Finance, committing EUR 200,000 to the state to help eliminate the consequences of the floods.



22.2 Distribution and amount of donations and sponsorships in years 2021 to 2023¹²³



¹²² GRI 201-1, 413-1

¹²³ GRI 201-1, 413-1

23 Sustainable relationship with customers¹²⁴

In the context of sustainable relationships with customers, two impacts were identified and assessed in terms of their impact on stakeholders.

Partnership with customers is one of the main building blocks of the business success of Luka Koper. The company's specific organisation has enabled it to develop a special relationship with its customers, which it has carefully nurtured and built on year after year: being an honest, professional and reliable business partner. In a period of crises marked by the COVID-19 pandemic, the war in Ukraine and the new crisis in Gaza and the Red Sea, personal contact with customers has been and remains the key to developing sustainable services and long-term partnerships. Port promotional events and receptions for business partners in hinterland markets were organised in 2023. Sales and marketing personnel visited key existing and potential customers in the domestic and Central European inland markets and overseas markets. The company participated in international trade fairs as an exhibitor and visitor. Active participation took place as part of economic delegations abroad. The company participated and appeared as speaker at numerous national and international industry conferences, roundtables and forums.

23.1 Regular monitoring of customer satisfaction

The company monitors customer satisfaction on several levels and in several ways. Regular ongoing communication is crucial, and it is of key importance to respond quickly to any problems that customers might have in their business with Luka Koper, d. d. Communication takes place through various channels in the operational, technical and sales areas, allowing the company to keep up to date with customers' wishes and expectations. The Company's market representatives and agents in the main inland markets are also in daily contact with customers to obtain information for better understanding of the markets and related requirements.

The company usually conducts a survey every two years on the satisfaction of service users, customers and the perception of Luka Koper, d. d., compared to its competitors. A customer satisfaction survey was conducted in autumn 2023 to measure once again how well the company is doing in ongoing monitoring of customer expectations. The survey confirmed the expected level of customer satisfaction and pointed to further opportunities for improvement. The next

customer satisfaction survey is planned for 2025.

The Luka Koper Group works closely with the local port community, which consists of forwarders, ship brokers, carriers, rail operators, the police, the customs, the Slovenian Maritime Administration, inspection bodies, inspection and control service providers. The Luka Koper Group is only a part of the logistics chain, but an important one, representing a logistics route through the port of Koper together with other stakeholders.

23.2 Efficient and careful complaint handling

The company has computer-aided procedures for entering, processing and resolving claims for billing and service delivery, as well as prescribed procedures to prevent recurrence and reduce the number of claims, which were further improved in 2023. Complaints are also an indicator of customer satisfaction; solving them effectively and quickly is crucial for increasing customer satisfaction.

23.3 Consumer data protection¹²⁵

Luka Koper, d. d. is aware of the importance of personal data protection. Data is collected in accordance with applicable legislation and used only to provide more appropriate services and to provide important information to customers. Given the size of the company and the number of personal data collections that the company manages and given that the company is defined as part of the national critical infrastructure, a Corporate Integrity and Operations Compliance, Protection of Personal Data and Human Rights Officer has been appointed in the company.

23.4 Reliability of service delivery

Luka Koper, d. d., provides port services for the handling and storage of goods for customers/buyers on a continuous 365-day, seven-days-a-week, 24-hours-a-day, three-shift basis, based on their needs and the orders received.

The weather conditions that occasionally cause disruptions and interruptions to cargo handling services in the Port of Koper mainly comprise strong winds, such as northerly or tramontana in the summer months and north-easterly or bora in the winter months. In the event of a strong wind

¹²⁴ GRI 3-3

¹²⁵ GRI 2-13

forecast, some work processes most exposed to the wind are interrupted in the port for the safety of workers, work equipment and cargo. The cranes at the container terminal will automatically stop in the event of winds of 17 m/s or more. Such phenomena are rare and last mostly a few hours or a day or two at most.

There has been no strike at Luka Koper d. d., since 2011. Orderly and exemplary relations between the Management Board and trade unions and a high level of employee satisfaction allow work processes to run smoothly to the satisfaction of all stakeholders and represent a competitive advantage over ports where such interruptions occur from time to time.

Occasional interruptions due to routine maintenance of the Company's IT systems are communicated to users of our services in good time, and in the event of technical problems with the operation of these systems, we work with our subcontractors to resolve the problems as soon as possible and to mitigate any inconvenience that may arise.



24 Digital transformation

In 2023, one of the potential positive impacts identified was digital transformation, i. e., automation and computerisation of processes.

In the same year, 'SMART PORT', a digitisation strategy for Luka Koper, d. d., was devised, the aim of which is to increase the digital maturity of the company through digital technologies, improve the use of resources and increase the port's productivity, while also reducing its impact on the environment, which will also contribute to reducing operating costs. A broader view also covers the area of connectivity between different stakeholders in the logistics chain, with the aim of optimising global logistics and having a positive impact on economic growth and the environment. The company has therefore developed a set of activities, organised into major thematic clusters:

- Intelligent Infrastructure,
- Information and Communication Technology (ICT),
- Sustainable Port,
- Smart Operations,
- Single Point of Entry - SPC - SmartPort Community,
- Employees.

In 2023, the company has already launched a number of projects and activities to improve and digitise processes, and to increase the competences of its employees. A modern data warehouse has been set up to provide a compre-

hensive platform for operational reporting as a first step. Activities on decision-making models and digital twins have been launched. Renovation of the warehouse management system for encrypted goods and testing of forklift truck tracking equipment indoors has also started. A new mobile solution for unencrypted goods has been introduced to improve warehousing processes at the general cargo Terminal. Much attention has been paid to training employees to improve their digital competences through online training. Activities have started to set up a simulator to operate various types of machinery in use using virtual reality technologies. Technological and process optimisation continued across all port systems and the use of collaborative cloud solutions was expanded. Last but not least, the development of a new platform for business partners has been outlined, which will allow the development of additional functionalities in the area of web services, faster adaptation to the requirements of business partners and general improvements in the area of B2B integrations in the logistics chain.

In 2023, the company also held two online training programmes for all employees on its internal Knowledge Room platform:

- Importance of digital technologies and digital transformation for port processes,
- Impact of Industry 4.0 and Industry 5.0 on work processes.

Managing Governance Impacts of Sustainable Development

ESG	Important reporting topics	Chapter
G - GOVERNANCE ASPECT	Business compliance and prevention of corruption	27.1 Corporate integrity and operations compliance
	Human rights, discrimination and diversity	27.2 Respect for human rights.
	Restrictions on the expansion of the port area	
	Directly distributed economic value (payment of duties, taxes, dividend payments, etc.)	25 Stability and business performance
	Information Systems Security	28 Information Systems Security
	Leadership continuity	4.3 Management system
	Indirect economic value generated and distributed	25.1 Indirect impacts of operations of Luka Koper
	Financial Instruments	25.2 Direct economic value generated and distributed

Strategic orientations of luka koper by governance aspect

A new 2024-2028 Strategic Business Plan was adopted at the end of 2023, setting out the governance objectives for sustainable development.

Strategic guidelines - governance aspect

1. Human rights

- We will promote a sense of belonging, respect and dignity among our employees.
- We will ensure equal pay for work of equal value.
- We will raise awareness among employees of the importance of respecting human rights and conduct due diligence.
- We will promote the peaceful settlement of disputes.

2. Diversity

- We will promote diversity of skills and experience and continue our policy of equal employment opportunities regardless of gender or age.
- We will develop an inclusive culture.
- We will identify employee strengths and integrate them into business performance.

3. Discrimination

- We will ensure equal and fair treatment of all employees by promoting equal opportunities and zero tolerance of bullying and harassment in the workplace.

4. Protection of personal data

- We will enforce rights related to the protection of personal data.

5. Compliance and Integrity

- We will conduct our business in accordance with applicable laws and codes of reference as well as internal rules.
- We will deal promptly with reports of suspected irregularities or breaches of corporate integrity.
- We will monitor and report on the identified risks and actions under the Integrity Plan.
- We will update our internal rules and processes.
- We will perform an advisory function and training programmes.

6. Cyber security

- We will train all employees on the importance of information security.
- We will carry out regular security audits and implement state-of-the-art IT asset security protections and mechanisms.
- We will record and report all incidents and take appropriate action.

25 Stability and business performance¹²⁶



Luka Koper, d. d., as a socially responsible company, creates the conditions and the environment to ensure satisfaction of its customers, suppliers, employees, owners, as well as local and wider community, coexistence with the natural environment, and realisation of broader development projects. It maintains a balance between environmental and social aspects and economic requirements. The development strategy of Luka Koper is based on environmental management, its underlying principle being to introduce measures that will not only meet legal requirements, but also reduce adverse effects with the best available technology.

In 2023, the Luka Koper Group continued to implement activities to achieve the objectives set out in the 2020-2025 Strategic Business Plan. In 2023, the new 2024-2028 Strategic Business Plan was adopted, outlining a long-term five-year development path for the Luka Koper Group. It sets out key strategic objectives, strategic orientations, strategic and development projects. The Strategic Business Plan is reported in detail in Chapter 8 'Business Development Strategy'.

Measures to manage impacts are taken and monitored as part of the risk and opportunity management system, based on adopted policies, strategies, codes, regulations, rules of procedure, statements, guidelines and legislation, financial audits, stakeholder initiatives, complaints mechanisms, complaint mechanisms, etc.

The company's successful operations and reputation are linked to the work of material and service suppliers involved in the operation of the port system. Suppliers and procurement are reported in detail in Chapter 26 'Sustainable relationship with suppliers'.

To achieve its goals, the company also requires suitable infrastructure, which it ensures with corresponding investments and maintenance. Investments are reported in detail in Chapter 11 'Investments in non-financial assets'. The Corporate governance policy defines the company's principal management orientation, which is reflected, inter alia, in achieving ambitious performance results, systematic improvement of the quality of work, and setting targets

in business plans. The Luka Koper Group has been implementing its strategy and objectives, managing its employees and working on their development, devising and managing processes, taking measures and controlling all the companies of the Luka Koper Group. The business objectives of the Luka Koper Group companies are set out in the annual business plans in accordance with strategic orientations. The processes and structures of individual Luka Koper Group companies are organized accordingly to achieve the set goals. Achievement of targets and measurement of results are monitored by means of performance indicators, quarterly reports and work programmes, annual interviews with employees, preparation and implementation of the management review, as well as identification and management of risks and opportunities. Decisions are taken at meetings of the Management Board on the basis of given and discussed proposals. The decision-making responsibility is defined in the general acts of the Company and other internal regulations. The Company's values and its partnership corporate culture are built through communication, which is carried out regularly and systematically through Management Board meetings, periodic coordination, weekly operational meetings, quality team meetings and other forms of working meetings. Verification is carried out by superiors executing direct verification, by means of reports on the completion of work, verification of work programmes carried out, verification of Management Board decisions implemented, business reporting, internal and external examinations, internal and external audit and managerial checks, work reports for projects, etc. In case of derogations detected during verification and other forms of control, measures will be taken at the system level in accordance Management Board decisions, risk measures and responsibilities.

The Luka Koper Group was among the first European ports to organise its entire operations in accordance with international quality standards, which are reported in Chapter 25.4 'Quality System'.

With its numerous direct and indirect effects, port operations¹²⁷ play an extremely important role in the competitiveness of the wider economic area, creating added value in port operations and support port activities, and contributing to the creation of jobs as well as services and goods in the regional and national economy. The Luka Koper Group has significant direct and indirect effects on the Slovenian economy. Direct effects show in the added value generated in port operations (logistic services, cargo handling, internal transport, storage) and support port activities (pilotage,

¹²⁶ GRI 3-3

¹²⁷ Source: Study of the impact of port operations on the Slovenian economy from 2009 to 2018.

towage, victualling, maintenance of ships, berthing, vessel agents, the truck terminal, survey/inspection companies).

Indirect effects are particularly visible in the added value of forwarding, transportation, construction, technical, banking and insurance services and the services of public administration. The Luka Koper Group also gives encouragement to the wider social environment through sponsorships, donations and membership fees, and by paying compensation for the use of building land to the Municipality of Koper and the Municipality of Ankaran. Socially responsible activities (sponsorships, donations, mitigation measures) are reported in more detail in Chapter 22 'Social responsibility'. The municipalities also receive a part of the concession fee that Luka Koper, d. d., pays to the grantor, i.e., the state. The passenger transport is also conducive to the development of the city, the region and tourism.

The Luka Koper Group regularly pays salaries to employees, corporate tax, taxes and contributions from employee benefits, purchases to suppliers, dividends to owners. Since 2019, Luka Koper, d. d., has been paying a transshipment fee to the state for the construction of the second track.

25.1 Indirect impacts of operations of Luka Koper¹²⁸

The revenues arising from port operations represent about a quarter of the revenues of the economy in the Coast-Karst region, and that in the region, the added value of port operations exceeded 17 percent. The port business is also a major employer, providing as much as 15 percent of jobs in the region. The passenger transport of the Port of Koper is also conducive to the development of the city, the region and tourism.

In 2020, Luka Koper, d. d., commissioned a study from the Chamber of Commerce and Industry of Slovenia on the effects of port operations on the Slovenian economy in the years from 2009 to 2018. The results of the study are shown in the figure below.

The impact of the port sector on the economy in Slovenia and the Coast-Karst region (data from the 2020 study by the Chamber of Commerce and Industry of Slovenia)

What is considered a port activity?

CORE activities of Luka Koper

- handling
- storage
- management of port infrastructure

WIDER port support activities

- pilotage
- towage
- ship supply and maintenance
- mooring
- truck terminal
- control activity
- and other general services

In 2018 **7,154 jobs** were tied to port activities.



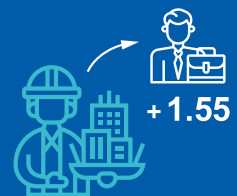
The total revenues of port activities in 2018 amounted to **EUR 1.2 billion**.



For each euro of added value generated, port activities contributed almost an **additional euro** to the added value in other activities.



In 2018, each job in port activities contributed to **1.55 jobs** in other activities.



One euro of sales in port activities in turn induces **3.3 euros** in the rest of the economy.

24% of the economy's revenue in the Coast-Karst region is tied to port activities.



128 GRI 3-3, 203-2, 413-1

25.2 Direct economic value generated and distributed¹²⁹

Among significant impacts identified by Luka Koper and its stakeholders were employee salaries, dividends paid to owners, payment of income tax, taxes and contributions on employee remuneration, payment of the concession fee, payment of the fee for the use of building land, payment of the transshipment fee, and sponsorships and donations, which are shown in the table below.



¹²⁹ GRI 201-1

Direct economic value generated and distributed of Luka Koper, d. d., and the Luka Koper Group

(in EUR)	Luka Koper, d. d.				Luka Koper Group			
	2023	Share in 2023 revenue	2022	Share in 2022 revenue	2023	Share in 2023 revenue	2022	Share in 2022 revenue
A REVENUES								
- from sales	309,284,223		310,196,680		312,772,489		313,462,636	
- financing	7,572,819		6,349,703		8,171,649		5,601,753	
- other revenue	4,040,758		2,338,538		6,068,506		4,265,615	
Total A	320,897,800		318,884,921		327,012,644		323,330,004	
B OPERATING COSTS								
Costs (excluding categories C, E, F and depreciation)	72,499,871	23%	56,591,808	18%	66,404,205	20%	50,984,287	16%
Total B	72,499,871	23%	56,591,808	18%	66,404,205	20%	50,984,287	16%
C LABOUR COSTS								
Labour costs (excluding employer's contributions from employee remuneration)	89,188,765	28%	81,999,906	26%	96,390,760	29%	88,761,854	27%
Total C	89,188,765	28%	81,999,906	26%	96,390,760	29%	88,761,854	27%
D PAYMENTS TO EQUITY HOLDERS AND OTHER SUPPLIERS OF FUNDS								
Dividends	35,000,000	11%	15,960,000	5%	35,000,000	11%	15,960,000	5%
- government (Republic of Slovenia, SDH, KAD)	23,486,090	7%	10,709,657	3%	23,486,090	7%	10,709,657	3%
- other owners	11,513,910	4%	5,250,343	2%	11,513,910	4%	5,250,343	2%
Interest	1,422,134	0%	405,344	0%	1,421,902	0%	404,967	0%
Total D	36,422,134	11%	16,365,344	5%	36,421,902	11%	16,364,967	5%
E INVESTMENTS IN THE SOCIAL ENVIRONMENT								
Sponsorships and donations	1,428,351	0%	1,170,259	0%	1,437,309	0%	1,175,358	0%
Total E	1,428,351	0%	1,170,259	0%	1,437,309	0%	1,175,358	0%
F CONTRIBUTIONS TO THE STATE								
Concession	10,650,012	3%	10,682,667	3%	10,650,012	3%	10,682,667	3%
Corporate income tax	10,672,466	3%	13,568,209	4%	10,929,687	3%	13,725,541	4%
Taxes and social contributions from employee remuneration	12,529,356	4%	11,577,922	4%	13,485,424	4%	12,479,435	4%
Fee for the use of building land	6,826,341	2%	6,830,441	2%	6,826,341	2%	6,830,441	2%
Transhipment fee ¹³⁰	5,595,511	2%	6,084,315	2%	5,595,511	2%	6,084,315	2%
Total F	46,273,686	14%	48,743,554	15%	47,486,975	15%	49,802,399	15%
Retained economic value (A-B-C-D-E-F)	75,084,994	23%	114,014,050	36%	78,871,494	24%	116,241,138	36%

130 Transhipment fee – special-purpose funds contributed by the Port of Koper to the construction of the Divača–Koper second railway track,

25.3 Membership and initiatives¹³¹

Luka Koper, d. d., and its employees are members of the following organisations:

- GZS – Chamber of Commerce and Industry of Slovenia: member of the Chamber's assembly, and of the administrative board of the Transport Association,
- ESPO – European Sea Ports Organisation,
- Chamber of Agriculture and Forestry of Slovenia,
- Association of Employers of Slovenia,
- Institute of Internal Auditors,
- FEPORT – Federation of European Private Port Companies and Terminals,
- NAPA – North Adriatic Ports Association,
- MedCruise – Mediterranean Cruise Port Association,
- MEDports – association of Mediterranean ports,
- IZS – Slovenian Chamber of Engineers,
- ZRSZV – Slovenian Chamber for Private Security,
- ICS – Institute of Corporate Security Studies,
- ZNS – Slovenian Directors' Association,
- Slovenian-Croatian Friendship Association,
- Public Relations Society of Slovenia,
- Fire Fighting Association of Slovenia,
- Association of Safety Advisers for the Transport of Dangerous Goods,
- Association of Works Councils of Slovenia - SCID (Study Centre for Industrial Democracy),
- ZPFS – Slovenian Corporate Treasurers Association,
- Bilans Tax Counselling,
- AmCham - American Chamber of Commerce,
- AXSMARINE,
- 6G Smart Networks and Services Industry Association IVZW (6G-IA),
- Slovenian-Japanese Business Council,
- Slovenian Business Club Belgrade,
- Slovenian Maintenance Society,
- Magyar Szállítványozók Szótsége (MSZSZ) – Hungarian Freight Forwarders Association,
- Svaz spedice a logistiky Češka – Forwarding and Logistics Association, Czechia,
- Manager Association,
- SLO/SLO Association of Citizens and Companies
- Combinet – Network for combined transport, Austria.

Luka Koper, d. d. is a signatory of:

- Slovenian Corporate Integrity Guidelines.
- Fair business Declaration,
- Commitment to respect human rights in business operations.

Luka Koper INPO, d. o. o. is a member of the following organisations:

- Association of Employers of Slovenia,
- Alliance of Companies Employing Persons with Disabilities of Slovenia,
- EBA (European Boatmen's Association),
- IBLA (International Boatmen's Linesmen's Association),
- Fire Fighting Association of Slovenia,
- Association of Works Councils of Slovenia - SCID (Study Centre for Industrial Democracy).

25.4 Quality system¹³²

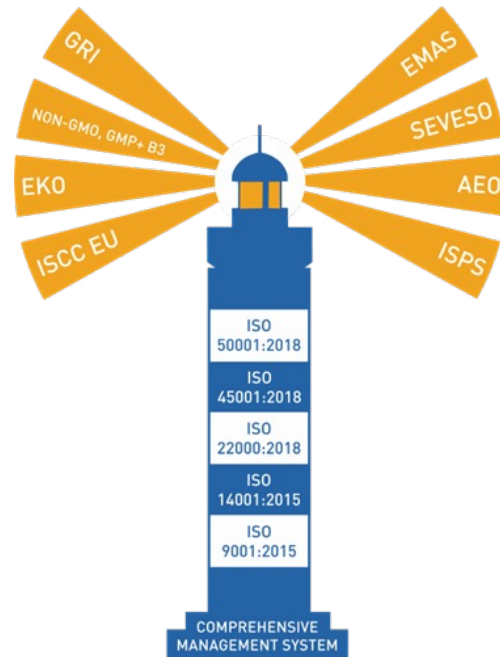
The introduction of a management system based on ISO internationally recognized standards in Luka Koper results from the decision to make systematic efforts to boost added value and customer satisfaction. The management system is implemented in Luka Koper, d. d., Luka Koper INPO, d. o. o. and Adria Terminali, d. o. o., in accordance with the definition in the Quality Management Rules of Procedure.

The unified management system combines requirements of different systems and other specific requirements:

- Quality management system compliant with ISO 9001;
- Environmental management system compliant with ISO 14001 and EMAS regulation;
- Safety and health at work management system compliant with ISO 45001;
- Food safety management system compliant with ISO 22000;
- Energy management compliant with ISO 50001;
- GMP+B3 standard, feed safety management system for transshipment and storage at the dry bulk cargoes terminal;
- Non-GMO (Non-Genetically Modified Organism) requirements for the separate handling and storage of non-GMO soybeans at the dry bulk terminal;
- Requirements of the ECO certificate for organically produced food and feed at the refrigerated cargoes terminal, general cargoes terminal and dry bulk cargoes terminal;
- Requirements of the AEO certificate for the status of authorized economic operator carrying out customs formalities;
- Requirements of the EU ISCC certificate for sustainable management of biofuels and biomass at the liquid cargoes terminal;
- Requirements of the SEVESO Directive on the management of major-accident hazards involving dangerous substances at the container terminal, liquid cargoes terminal and refrigerated cargoes terminal;
- Requirements of the ISPS (International Ship and Port Facility Security Code);
- GRI (Global Reporting Initiative) sustainability reporting standards.

Controlled systems are presented on the company's website [Quality – Luka Koper, d. d. \(luka-kp.si/en\)](http://Quality - Luka Koper, d. d. (luka-kp.si/en)). In 2023, the unified management system of Luka Koper was again verified and certified by a professional and independent institution.

The Luka Koper Group strives for continuous process management and improvement based on the P-D-C-A (Plan, Do, Check, Act) or the Deming cycle. The Group continuously improves its business processes as part of its business process management. Improvement actions are introduced based on perceived opportunities or weaknesses in a particular process or management system. Implementation steps are tracked in an IT-based management system, with a final step, before completion, to check the effectiveness of their implementation. The implementation of improvement measures and the verification of effectiveness are also addressed in internal audits and the preparation and conduct of management reviews and reported to management.



26 Sustainable relationship with suppliers

26.1 Building relationships with suppliers¹³³

The Luka Koper Group aims for an optimal number of suppliers in terms of procurement manageability as well as sufficient dispersion of suppliers to provide timely and appropriate purchases. The centralisation of procurement decisions has been subject to pre-determined responsibilities and powers of all the employees involved in the procurement process. While orders are issued and controlled centrally, procurement processes (goods collection, complaints, etc.) may also be carried out by decentralised organisational units of the company, which allows for a higher level of flexibility to meet the specific needs of individual organisational units. The company strives for well-organised, transparent business co-operation with suppliers, while maintaining an efficient, flexible procurement process that enables Luka Koper a smooth and efficient work process.

The Luka Koper Group pays great attention to developing relationships with suppliers in order to secure the necessary purchases in a timely manner, which are also appropriate in terms of quality and cost. This enables the transfer of good practices, enhances innovation, and creates added value for the users of port services, thus creating conditions for financial savings and more efficient port services. Common ground and mutual interests have to be found with the supplier, and the right balance achieved between the needs and expectations of the customer on the one hand, and benefits of the supplier on the other.

In accordance with the adopted procurement policy, which is the foundation of relations with suppliers and is based on respect for the company's core values, i.e. cooperation, responsibility, respect, affinity, and creativity, the company wants to achieve the key objectives – satisfaction of its customers, employees and owners – and ensure social responsibility to the environment. To some extent, the performance and reputation of Luka Koper depend on the performance of suppliers, therefore the company respects and appreciates their efforts in helping it achieve the key objectives. Efficiency, expertise, an ethical approach and integrity, social responsibility, environmental protection, and health and safety are the six principles of the procurement policy the Luka Koper Group wishes to pursue. The Procurement Policy of Luka Koper, d. d., serves as a guide for all employees and all suppliers. In the context of public procurement, Luka Koper, d. d., is committed to complying with the Decree on green public procurement, which further contributes to compliance with sustainable development guidelines.

Suppliers provide vital support to the operations of the Luka Koper Group. Good-quality suppliers contribute to higher efficiency of business processes in the Company, either directly by providing services or supplying products, or indirectly by increasing the efficiency and performance of work processes and business practices of the Company. Luka Koper strives to work with the best suppliers available. Strong partnerships have been built with a number of suppliers, who are also embracing the Company's sustainability policy. Cooperation with new suppliers is based on a desire to transform it into a long-term partnership.

Suppliers are categorised by the Luka Koper Group into four groups: suppliers for investments, suppliers for technical services for own needs, suppliers for products (various materials), and external contractors (transshipment, movement, freight transport and warehouse cleaning) and agencies (selection of employers to provide employee work for the needs of the Luka Koper Group).

External contractors and recruitment agencies for individual services are selected in an open competition process. Framework agreements have been signed with four recruitment agencies, on the basis of which workers are posted to work in the port.

Long-term partnership relationships with suppliers contribute to the process of finding common solutions for higher quality of procurement process management. Luka Koper, d. d., maintains regular communication with potential new suppliers, who can get listed in the online database at <https://luka-kp.si/slo/za-dobavitelje>. Based on communication with suppliers and the submitted bids, certificates, qualifications and evidence of experience, the company strives to select the best suppliers to collaborate with.

Achievement of objectives in the process of building relationships with suppliers is monitored quarterly by means of pre-determined indicators. Based on the findings of the analyses looking into the progress towards achieving the procurement objectives and into the relationship with suppliers, the company regularly introduces improvements.

In order to take timely action and manage the risks of poor procurement practices, the strengths and weaknesses of suppliers are monitored through evaluating and rewarding suppliers.

133 GRI 3-3

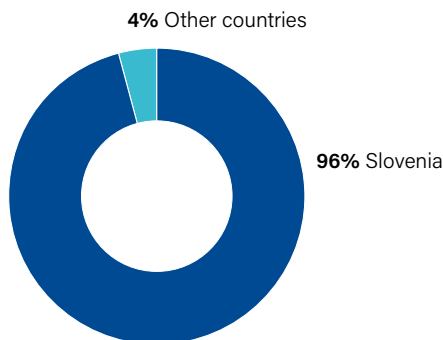
26.2 Supply chain¹³⁴

The selection of and collaboration with suppliers is a transparent pre-defined process. Preference is given to suppliers whose operation is in line with international management standards, who meet the requirements for occupational safety, show a high level of environmental awareness, and work with the Company and the Group in the spirit of principles and values shared by Luka Koper. Before being included in the list of suppliers, the credit rating of an individual supplier is always checked. In the event of any established tax debt or poor credit rating, the supplier is not invited to submit a bid. The criteria for the selection of suppliers also include commitment to social responsibility; therefore, when possible, preference is given to purchases that contribute to the economic development of the local environment. Here, the domestic market of the Republic of Slovenia represents the local environment, while the Koper and Ankaran municipalities represent the local community where the port operations are actually carried out. Almost 90 percent of the Company's suppliers are from the local environment, i.e. companies based in Slovenia.

In 2023, the value of the total purchases of Luka Koper, d. d., excluding VAT, amounted to just over EUR 131 million. Purchases made in the Slovenian market accounted for 96 percent of the total value of purchases. No changes were made to the supply chain in 2023.

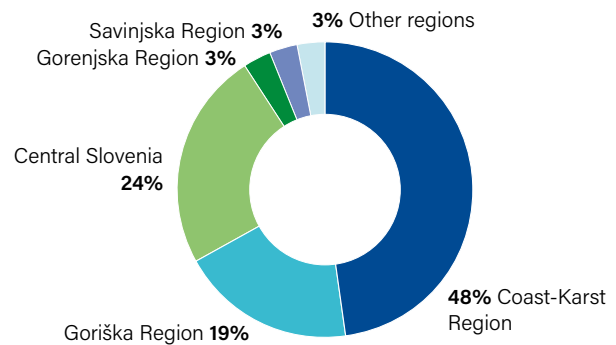
26.2.1 Share of total value of purchases of Luka Koper, d. d., in 2023 by country¹³⁵

Share of purchases in EUR



26.2.2 Share of total value of purchases by Luka Koper, d. d. in the Slovenian market in 2023 by statistical region¹³⁶

Share of purchases in EUR



26.2.3 Assessing supplier awareness¹³⁷

Luka Koper has adopted the Code of Conduct for Business Partners of the Luka Koper Group, which all suppliers familiarise themselves with and sign. By signing, business partners agree to comply with the standards set out in the Code. The business relationship between a business partner and Luka Koper is based on the business partner's operations being aligned with the requirements of international business standards, including ethical conduct, compliance with legislation, respect for human rights, environmental awareness and safety at work, confidentiality, etc. The Code of Conduct for Business Partners is published on the website [Corporate Documents - Luka Koper d. d. \(luka-kp.si\)](https://www.luka-kp.si/corporate-documents). All suppliers sign and undertake to comply with the Code of Conduct for Business Partners. In our day-to-day contact with the suppliers assessed, we have not identified any suppliers with significant actual or potential negative social impacts.

Luka Koper, d. d. regularly monitors and evaluates the cooperation with suppliers for the entire Luka Koper Group, in accordance with the internal regulation Supplier Management, which governs the management of supplier relationships. Under this regulation, the company normally carries out an evaluation of suppliers once a year. The assessment for 2023 is still under way for a total of 40 suppliers. They are assessed based on pre-determined criteria, One of the criteria for assessing suppliers comprises assessment of the environmental awareness and compliance with the environmental requirements of each supplier and the possible use of an environmental management system and an environmental and occupational health and safety criterion, which assesses breaches in the field of occupational health and safety and the environment. In 2023, 32 percent of the suppliers assessed were found to have in the field of the

¹³⁴ GRI 2-6, 3-3

¹³⁵ GRI 204-1

¹³⁶ GRI 204-1

¹³⁷ GRI 3-3, 308-2, 414-2

environment and occupational health. We identified no significant additional actual or potential negative environmental impacts in the supply chain in 2023. We are in regular contact with all suppliers and have taken appropriate action or agreed remedial action for those where minor breaches have been identified. We have not terminated our relationship with any of our current suppliers in 2023 as a result of the identified breaches.

Suppliers are assessed in four separate categories: the category of suppliers for investments, the category of suppliers for technical services, the category of suppliers for products, and the category of suppliers for external contractors and recruitment agencies. Each year, the Company selects the best supplier in each category, and the winners are given recognition.



27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights¹³⁸



Luka Koper, d. d. and the other companies of the Luka Koper Group strive to respect and strengthen corporate culture, integrity and compliance in their business operations. With such an approach, they ensure for their operations to be compliant with legislation, good business practices and ethical principles.

The aim of companies of the Luka Koper Group is long-term successful performance, which refers to long-term development, and includes commitment to sustainable development, i.e. a socially responsible attitude toward the social community and natural environment. This commitment is ingrained in our values and corporate culture. In doing so, the Luka Koper Group is aware that its long-term success and reputation are also determined by its corporate integrity, which is established based on the compliance of its operations with the legislation, business practices and ethical principles, the Code of ethics of the Luka Koper Group companies (hereinafter 'Code of Ethics') and other codes of professional ethics that its employees adhere to.

On 14 October 2014, Luka Koper, d. d. signed the Slovenian Corporate Integrity Guidelines and thus became an ambassador of the Guidelines, thereby committing itself together with other major companies in Slovenia to systematically regulate this area. Seeking to create the conditions for a highly ethical and responsible business conduct, protecting the interests of all stakeholders and minimising risks that might arise due to non-compliant conduct of employees, contracting partners or third parties, Luka Koper, d. d., has established the professional position Corporate Integrity and Operations Compliance Officer. A Corporate Integrity and Operations Compliance, Protection of Personal Data and Human Rights Officer (hereinafter: 'Corporate Integrity and Operations Compliance Officer') has been appointed, who is independent and reports directly to the company's Management and Supervisory Board and has reporting powers to external supervisory bodies.

The fundamental acts of the Company and the Luka Koper Group in the area of corporate integrity are the Code

of Ethics (adopted on 1 October 2019) and the Corruption Prevention Policy (adopted on 24 August 2023). The Code of Ethics, which was approved by the Management Board and Supervisory Board of Luka Koper, d. d., regulates the ethical principles or rules of conduct of the Luka Koper Group employees towards their colleagues and in business relations with other participants in the business environment, confidentiality of information, conflicts of interest, the receipt of gifts, and the reporting of breaches of the principles of ethical conduct and other irregularities in the companies. The Corruption Prevention Policy was also adopted and approved by the Supervisory Board, which complements the Code of Ethics and stipulates that compliance with the principles and rules regarding the prevention of corruption through compliance with laws and regulations is the responsibility of all individuals working for or on behalf of Luka Koper, d. d., or the Group, agencies, external consultants and other stakeholders related to the Company, and that the Group follows the principle of zero tolerance towards illegal and unethical and/or corrupt acts. This is expected of all individuals and organisations with whom we come into contact through our work, and includes customers, suppliers, consultants, associations, local authorities, government bodies and political parties.

The Code and Policy are available in electronic format on the Luka Koper, d. d., online portal to all employees, and on the Luka Koper, d. d., website to business partners and other interested parties. All new employees receive a printed copy of the Code and Policy upon being recruited and commit to respecting them by means of a statement. All employees, and particularly the executives, are expected to display a high level of professionalism and integrity in relation to other employees and also to customers, owners, the media, suppliers, public authorities and other partners. With their example, responsibility for results, the ability to transfer the goals of the organization into the goals of individuals, providing regular feedback on the performance of work to employees, managers guide employees in their development in the direction of achieving the company's shared goals and a higher ethical corporate culture.

In September 2019, the Management Board of Luka Koper, d. d. adopted the Corporate Integrity Strategy of Luka Koper, d. d. and the Luka Koper Group until 2025, which, in order to achieve the objective of building a system of ethical values and their internalisation with the knowledge that they are beneficial to all employees and Group companies,

¹³⁸ GRI 2-12, 2-13, 2-15, 2-23, 2-24, 2-25, 2-27, 3-3

provides for the regulation of the management of conflicts of interest, the whistleblower system, prevention of money laundering, the treatment and misuse of inside information and the investigation of fraud, the implementation of the ISO 37001:Management Systems for the Prevention of Corruption standard, and the promotion of an appropriate culture. At the end of 2023, the new 2024-2028 Strategic Business Plan was adopted.

The Corporate Integrity and Operations Compliance Officer prepares an annual work plan, which includes the handling of reports, compliance reviews, a training plan as well as other activities related to the area of activity and is subject to approval by the Management Board and familiarisation by the Audit Committee of the Supervisory Board and the Supervisory Board. The Officer informs the Management Board, the Audit Committee of the Supervisory Board and, on an annual basis, the Supervisory Board of Luka Koper, d. d. about his/her work through quarterly reports.

In 2023, Luka Koper established an updated secure channel for internal or external reporting of irregularities, while it keeps supporting any expression of suspicion, in good faith or on the basis of reasonable belief and ensuring that a whistleblower is protected from any punishment or retaliatory measures. Each natural or legal person may address to the Corporate Integrity and Operations Compliance, Protection of Personal Data and Human Rights Officer a report of corporate integrity violations for which the Officer is responsible. The Officer and the Committee shall process all the reports and notifications, even if submitted anonymously. A report of a breach of corporate integrity may be made through the secure channel available on the website of the company [Make a report - Luka Koper, d. d. \(luka-kp.si\)](#), or directly to the Officer, or to the following address Integriteta@luka-kp.si. The Officer and the Committee have to protect the identity of bona-fide whistleblowers and handle their data confidentially. In the event of illicit retaliatory measures against the whistleblower, appropriate procedures may be instituted against employees who carried out the illicit retaliation in accordance with the work code in force, of which the company management has to be informed. In case of an anonymous report, the identity of the bona-fide whistleblower should not be established. Each received report is recorded in the register of reported violations. Reports on reported violations are discussed regularly by the Audit Committee of the Supervisory Board, and also by the Supervisory Board once a year.

In 2023, the Rules of Procedure of the Corporate Integrity Officer and the Committee for Corporate Integrity Violations and the Handling of Reports in the Luka Koper Group were also updated, defining the appointment of the Corporate Integrity Officer and the Committees, their duties, powers and responsibilities, confidentiality protection, management of conflicts of interest, procedures for handling violations, as well as record and material management, monitoring and reporting, decision-making on business cooperation with customers and suppliers, the handling and misuse of inside information, training and consultancy procedures. Suspected breaches of corporate integrity are dealt with by the

Corporate Integrity and Operations Compliance Officer and a three-member committee. The members of the committee are appointed by the management at the proposal of the Officer. The Officer and the members shall act independently, in accordance with the principles of due diligence, confidentiality and applicable professional codes and established principles, criteria and ethical standards, and in the best interests of the company. In the examination of a case, the Officer and the members of the committee shall obtain and verify all relevant facts and circumstances in order to establish the correct factual situation, to clarify the suspected infringement in a comprehensive manner and to enable a proper assessment of the event or conduct to be made. Care is also taken to ensure that the case is concluded within a reasonable time. If the suspicion is well-founded, the committee will issue a decision and/or propose the necessary measures to remedy the infringement or to prevent the occurrence of harmful consequences, or recommendations or guidelines for the elimination of identified irregularities. It can make suggestions for improvement or further action against the responsible persons or offenders. If it is established that there are grounds for suspecting the commission of an offence for which the offender is being prosecuted ex officio, the Officer may refer the complaint, or part of it, to another competent authority. The Officer and the Committee have to protect the identity of the whistleblower and handle their data confidentially. In the event of illicit retaliatory measures against the whistleblower, appropriate procedures may be instituted against employees who carried out the illicit retaliation in accordance with the work code in force.

In 2023, the Corporate Integrity and Operations Compliance Officer dealt with thirteen reports of alleged breaches of corporate integrity and compliance submitted by external and internal actors. Of the thirteen reports, all of which were anonymous, seven were substantiated, none of which concerned suspected corruption. Three complaints concerned alleged discriminatory treatment at work and were unfounded. Following a review of both the applications and the internal processes, the Officer made seven recommendations, which were implemented in 2023.

The Luka Koper Group seeks to protect its property against fraud and corrupt practices by having a relevant internal control system. Employees in higher-risk positions are required to sign declarations on related parties, protection of inside information and avoidance of conflicts of interest, which they are also required to implement in practice. In 2023, the Corporate Integrity and Operations Compliance Officer ensured that these declarations were collected and recorded.

The Luka Koper Group has a Policy on Acceptance of Gifts in Group Companies, which defines limit values of gifts and hospitality and is available to all employees on the Luka Koper portal. As gifts and hospitality may create the appearance of an attempt to influence the objective and impartial performance of the work of Luka Koper employees or representatives of third parties, the circumstances in which gifts and hospitality are accepted and given must be handled with the utmost care and in accordance with the applica-

ble legislation and the internal regulations of Luka Koper. Gifts or hospitality may be given, offered or accepted if they are reasonable and appropriate and where there is no risk of creating the impression that the recipient's decision has been unduly influenced. Gifts should be symbolic or of small value, and entertainment should not be inappropriate or exceed reasonable costs. Spending on lavish or inappropriate gifts or entertainment (hospitality) can be defined as corruption and is therefore prohibited. Regardless of value, no staff member may accept or offer gifts of money, securities, gift and value vouchers, cards or precious metals. Luka Koper, d. d., keeps a record of gifts received. In case of uncertainty about accepting or offering a gift or hospitality, the employee should consult the Corporate Integrity and Operations Compliance Officer.

In 2023, Luka Koper, d. d., adopted a communication plan on corporate integrity with internal and external stakeholders. The plan contains communication principles, content, frequency, target groups, methods, and the persons responsible. The communication plan will be updated annually to ensure that all relevant content and stakeholders are included.

Following the implementation of the Code of Conduct for Business Partners of the Luka Koper Group, in 2023, the system of financial controls for verifying suppliers and customers was supplemented by a detailed review of their financial situation and non-financial controls, ownership structure, beneficial owners and their reputation. The business partner shall sign a declaration of conduct in accordance with the Code of Conduct for Business Partners of the Luka Koper Group, which shall oblige them to act in this manner in relation to the companies of the Luka Koper Group. Business partners that do not have due diligence measures in place in their processes and where feasible are required to implement these measures, otherwise Luka Koper d. d. may consider the risk to be unacceptable and terminate the cooperation. Business partners acting on behalf of or for the benefit of Luka Koper shall be informed of this prior to entering into or extending the contractual relationship and shall be warned of the nullity of the contract in the event of bribery. All contracts include an anti-corruption clause.

27.1 Compliance with laws and regulations¹³⁹

The internal regulations on compliance address all fields of activity, i.e., operations, sales of services, relationships with suppliers, shareholders, finance, accounting, security, ecology, safety at work, protection of personal data, business secrets, etc. Regarding compliance, Luka Koper, d. d., has been implementing preventive checks to ensure the compliance of operations, and ensuring a systematic procedure of recording, solving and analysing all types of non-compliance with the aim of introducing suitable improvement

measures, which results in constant improvement of the quality of operations. Internal audits shall verify that the performance of activities and the related results comply with the regulatory and management system requirements. The effectiveness of the business process is reviewed to identify opportunities to improve the system and eliminate any non-compliance. Non-compliance management is ensured by identifying and documenting non-compliance, addressing and correcting it, analysing the causes of non-compliance, identifying the necessary improvement actions to prevent recurring non-compliance, and understanding and clearly allocating responsibilities. Corrective action identifies and analyses the actual causes of deviations, while preventive action aims to eliminate the causes of potential non-compliance.

In the area of operations compliance, seven audits were carried out in 2023. In line with the work plan, compliance audits were carried out in the areas of contracting and performance, payment recovery, protection of personal data, handling of public information and procurement, management of business secrets and inside information, management of conflicts of interest, whistleblowing and safeguards in key processes to manage and prevent corruption. Several recommendations were issued. All recommendations, except for one due in 2024, have been implemented.

In the period from 1 January 2023 to 31 December 2023, 19 inspections or controls were carried out in Luka Koper, d. d.: 9 procedures are still ongoing, 10 procedures have been discontinued as irregularities have been corrected or none have been detected. In the same period, 24 inspections or controls were carried out in the Luka Koper Group, of which 12 were still pending and 12 were discontinued as at 31 December 2023. The inspection procedures did not reveal any significant deviations or breaches. Where deficiencies were identified, they were eliminated during the duration of the procedure, one subsidiary was fined EUR 30 for the offence identified, and no other more severe or restrictive measures were imposed that would have any impact on business processes. The inspections were mainly carried out by the Labour Inspectorate and the Environment and Energy Inspectorate.

27.2 Prevention of corruption¹⁴⁰

The Luka Koper Group is strengthening the process of promoting ethical values and internalizing them and ensures the management of risks the consequent reduction of operating losses. The Group pursues professionalism, loyalty and integrity in relation to its employees, customers, owners, media, suppliers, state and local authorities and other stakeholders, and concludes business relations transparently, respecting competitiveness and good business practices and with zero tolerance for corrupt or ethically questionable

¹³⁹ GRI 2-27

¹⁴⁰ GRI 205-1, 205-2, 205-3, 3-3

practices or unfair business practices. With the principles and rules of business ethics thus set, the Luka Koper Group seeks to establish the conditions in which its suppliers, customers, as well as their employees and contractors, and other stakeholders will be working in the spirit of the ethical rules of conduct.

In 2023, Luka Koper established a management system for the prevention of corruption that meets the requirements of ISO 37001:2016 Management Systems for the Prevention of Corruption. In January 2024, the company successfully passed the certification audit. The Rules of Procedure of the Luka Koper d. d. Management System Concerning the Prevention of Corruption were adopted, defining all the key building blocks of the system: the context of organisation, leadership and commitment, roles, responsibilities and authorities, planning, support, implementation, and process management and improvement. In planning and designing activities to establish and maintain a management system for the prevention of corruption, the company analyses and takes into account the context of the organisation, the needs and expectations of identified stakeholders and assesses the corruption risk at the organisational level on a regular basis, whenever there is a change in the assessment, and at least once a year. At the same time, it introduces measures to reduce the identified risks and determines the methods of their implementation. In 2023, Luka Koper, d. d. carried out an assessment of corruption risks in individual processes in accordance with the uniform methodology at the Group level, as presented in Chapter 14 'Risk and Opportunity Management'. The company estimates that it has listed all corruption risks relevant to the company. According to the inherent risk assessment prior to the measures taken, the highest rated risks were those related to the procurement of materials, goods and services and capital investments, and the related assessment of needs regarding procurement (key corruption risks related to the deliberate procurement of unnecessary materials, goods or services, possible procurement of surplus quantities, the use of unreasonably narrow technical specifications, failure to manage conflicts of interest and protect confidential information), sales (key corruption risks related to the possible setting of unusual commercial terms, unequal treatment in the provision of services and the possible write-off of receivables or issuance of credits) and recruitment (risk of awarding good employment positions and recruitment on the basis of personal, business or other inappropriate contacts for favours outside the company). Luka Koper, d. d., has listed internal controls for all identified risks. Activities for continuous improvement of the system will be carried out on the basis of periodic performance measurement reviews. A job risk assessment was carried out, identifying as the most at risk employees related to the sales and procurement process and, indirectly, all the most important functions that make procurement and recruitment requests. Following a job risk analysis, persons in positions with a higher corruption risk rating are required to complete a declaration on the management of conflicts of interest, specifying the entities with which they are associated. The statement on the management of conflicts of interest is also signed annually by the members of the Supervisory Board, the Management Board and other senior employees (b-1)

and forwarded to the Corporate Integrity and Operations Compliance Officer, who maintains the list. In the event of a potential conflict of interest, the person is obliged to inform his/her supervisor and the Officer, who shall take appropriate measures in accordance with the Conflicts of Interest Management Policy.

Luka Koper, d. d., manages the risk of sponsorship and donation funds being used as a means of bribery by having a Sponsorship and Donation Strategy approved by the Management Board and communicated to the Supervisory Board. The Strategy defines how applications will be processed, the appointment and functioning of the Committee, the criteria for the award of funds and the demonstration of compliance by the recipients of sponsorship funds. As part of the preparation of the business plan, a budget shall be established for sponsorships and donations, which shall not exceed 0.8 percent of net sales revenue. Once a year, the company launches the "Living with the Port" call for proposals, which is aimed mainly at one-off or one-year projects, primarily from the local environment. The call is governed by the Terms and Conditions and the criteria for the funding of projects under Luka Koper's sponsorship/donation call, which are publicly available on the sustainability portal www.zivetispristaniscem.si. Interested parties can send their proposals outside the call for proposals using the electronic form published on the company's website. In the case of sports associations and federations, the amount of the sponsorship is determined on the basis of pre-defined criteria. Any donation or sponsorship must be approved by the Company's Management Board and be subject to the conclusion of a contract. To measure the success of the sponsorship and donations management process, indicators with targets are set and regularly monitored.

The Corporate Integrity and Operations Compliance Officer oversees the implementation of the corruption risk management system, provides support to employees on issues related to corruption risks and corruption prevention activities. The responsibility to manage corruption risks is the responsibility of all individuals working for Luka Koper d. d. or the Group. The expected behaviour set out in the Anti-Corruption Policy is also expected of all individuals, companies or organisations with whom we come into contact in the course of our work, including customers, suppliers, consultants, associations, representatives of local communities, government bodies, political parties and other stakeholders.

The good practice of providing each new employee with a Code of Ethics and a practical guide to ethical conduct, which also identifies the risks of corruption, continues at the time of recruitment. All are introduced to the principles of port security, which cover integrity and corruption (how to behave in the workplace, ethical conduct, protection of business secrets, etc.). In 2023, all new employees were made aware of this, and in particular, employees who were recognised as performing work in positions with higher risks in this regard took part in training on corruption and integrity risks. Recruitment or promotion to these positions is subject to additional due diligence following an assessment of the position's risk of corruption. Awareness-raising and training

of employees on corruption risks is carried out according to a programme prepared and updated at least once a year, or in the event of major changes, by the relevant Human Resources department in cooperation with the Corporate Integrity and Operations Compliance Officer. The training programme is adapted to the level of exposure of the workplace to corruption risks and provides for a training frequency of at least once a year. The targeted training programme develops employee competences to identify risks early and apply safeguards to prevent corruption acts. Employees are encouraged to contribute to the effectiveness of the management system for the prevention of corruption by suggesting improvements. If an employee is offered or asked to pay a bribe by anyone, or if there is any suspicion of bribery,

corruption or a breach of policy, the employee has a duty to report it to their supervisor and the Corporate Integrity and Operations Compliance Officer.

In 2023, the Luka Koper Group again organised training programmes in the field of corporate integrity, human rights, compliance and personal data protection:

- ISO 37001:2016 Management systems for the prevention of corruption: 78 participants
- Potential conflict of interest: 86 participants
- Training of new employees on the principles of the Code of Ethics: 159 participants

Number and percentage of employees who took part in anti-corruption training, by region and job category

31 Dec 2023		Region of residence			Job category		
Number of employees who took part in the training (of all employees)	Share of all employees in %	Number of employees who took part in the training (of all employees), by region	Number	Share of all employees in %	Number of employees who took part in the training (of all employees) by job category	Number	Share of all employees in %
323	18.4	Coast-Karst Region	298	17.0	Management (Management Board, b-1)	19	1.1
		Central Slovenia	8	0.5	Other management	74	4.2
		Primorska and Notranjska Region	14	0.8	Highly skilled	106	6.0
		Other	3	0.2	Operators	124	7.1

Number and share of members of management bodies who took part in anti-corruption training, by region

Region of residence	Number	Share in % of all members of management bodies
Coast-Karst Region	5	45
Central Slovenia	4	36
Savinjska region	1	9
Posavska Region	1	9
Total	11	100

In 2023, there were no confirmed cases of corruption in the Luka Koper Group.

Employees attended the following external training programmes:

- Risk focus: 1 participant
- Risk management: 2 participants
- Training for a representative under the ZZPri (Whistleblowers Protection Act): 1 participant
- Cyber Reality: 1 participant
- Confidential information: 1 participant
- GDPR and Personal Data Protection Act: 1 participant
- Amendments to ZDR-1: 12 participants
- Conducting internal ethics audits in an organisation: 1 participant
- Video surveillance: 1 participant

27.3 Respect for human rights¹⁴¹



One impact was identified and assessed in terms of impact on stakeholders in the context of corporate integrity and compliance.

27.3.1 Diversity Policy¹⁴²

The Diversity Policy of the Management Board and Supervisory Board, amended in 2021, ensures diversity in the management bodies by setting out the target diversity to be pursued in terms of representation on the Supervisory Board and Management Board of the company in terms of gender, age, education and other personal circumstances of the members, as appropriate for the company, published on the website [Corporate Documents - Luka Koper d. d. \(luka-kp.si\)](#).

With the Diversity Policy of the Management Board and the Supervisory Board, the Company has set the framework for the composition of the two bodies to include appropriate representation of both genders (female and male) and varying age groups with a diverse range of relevant knowledge, skills and experience, which, given optimum management and risk control and management, ensures the long-term success of the Company in meeting its objectives and implementing its strategy (the diversity of the members of the Management Board by gender and age is reported in Chapter 4.6.2 'Presentation of members of the Management Board of Luka Koper, d. d. as at 1 January 2024', and on the gender and age diversity of the Supervisory Board in Chapter 4.5.1 'Composition of the Supervisory Board').

Based on identifying key personnel and successors, the company has prepared a range of candidates whose career objectives include the membership of the Management Board. This is a range of candidates/employees with various knowledge and experience, of different genders and ages; however, the process of selecting members of the Management Board is not within the competence of Luka Koper, d. d., but the Supervisory Board. The implementation of the policy is monitored by the HR Committee of the Supervisory Board, which in turn reports to the Supervisory Board.

The principles of diversity and equal opportunities for employees are intertwined with respect for human rights.

The gender and age diversity of the workforce is reported in Chapter 21.1 'Employee management and training system'.

27.3.2 Human rights¹⁴³

Since 2019, Luka Koper, d. d. has been a signatory to the Commitment to Respect Human Rights. The company is active within the working group of the Government of the Republic of Slovenia for the implementation of the National Action Plan on Business and Human Rights (NAN)¹⁴⁴. With this commitment, the company also follows the recommendations and expectations of SSH, which expects companies with state-owned assets to implement the relevant principles of the National Action Plan of the Republic of Slovenia on Business and Human Rights and to set an example to other companies in terms of respect for human rights.

In 2022, the Luka Koper Group adopted an action plan for the implementation of the Commitment to Respect Human Rights in Business, which includes both one-off and continuous measures or activities.

One-off measures include the systematisation of a post of Corporate Integrity, Compliance, Data Protection and Human Rights Officer in 2022, followed by the appointment of the Officer by the Management Board and confirmation by the Supervisory Board in 2023.

Another one-off measure is the establishment of a complaints mechanism for reporting human rights violations. Any natural or legal person may submit an application directly to the Officer or on the company's website <https://www.luka-kp.si/slo/prijava-nepravilnosti>. The Officer and the Committee shall process all the reports and notifications, even if submitted anonymously.

The existing Dignity at Work Policy is in the final stages of revision and has been transformed into the Regulations on the Prevention of Harassment and Ill-treatment in the Workplace.

¹⁴¹ GRI 2-23, 2-25, 2-26, 3-3, 406-1

¹⁴² GRI 3-3

¹⁴³ GRI 2-16

¹⁴⁴ [Business and human rights | GOV.SI](#)

Continuous actions in each area include:

- **Respect for human rights in company policies**

Respect for human rights is an integral part of Luka Koper policies, enshrined in the company's values (responsibility, cooperation, respect, affiliation, creativity), the Code of Ethics, and various regulations (Dignity at Work Policy, Policy on Ensuring Health and Safety in the Port of Koper, Regulations on the Provision and Protection of Personal Data, Rules on acceptance of gifts, and the Practical Guide to Ethical Conduct). All employees have access to documents on the intranet.

- **Preventing ill-treatment at work, ensuring equal opportunities for employees and preventing discrimination**

The principle of gender equality is included in the diversity policy of the company's Management Board and Supervisory Board. Diversity and equal opportunities are also defined in the internal documents of the management system. The principle of non-discrimination and equal treatment of all candidates in selection and recruitment procedures shall be strictly observed when announcing vacancies. Equal treatment of employees in career development and remuneration procedures is guaranteed. All employees have equal opportunities for vocational and professional training and education. To prevent precarious work, in 2020 the company changed its business model from a port operations providers model to a three-pillar business model: full-time employees, agency workers and, to a lesser extent, external service contractors. Agency workers are guaranteed the same rights and pay as regular employees. As a general rule, the company concludes employment contracts for an indefinite period and only in exceptional cases for a fixed period. Employees enter into a full-time employment relationship or, only in exceptional cases, part-time employment for the reason of ensuring parental care or health care rights.

Despite the low proportion of women in the workforce, the proportion of women is high among professional and top management staff (Management Board, level b-1) (the gender and age diversity of the workforce is reported in Chapter 21.1 'Employee management and training system'). As part of the periodic measurement of organisational climate, satisfaction and engagement, employees have the opportunity to rate statements in the areas of integrity and diversity. This provides additional verification of possible unequal treatment of employees.

In 2023, one case of suspected harassment and ill-treatment at work was discussed based on formal complaint. The report of alleged harassment was well-founded

- **Employee training and awareness**

Each employee and agency worker receives a copy of the company's Collective Agreement and Code of Ethics, signs a declaration of adherence to the provisions of the Code of Ethics and becomes familiar with them. Four employees completed the training and obtained the certificate to act as a confidant in cases of harassment.

Staff members acting as mentors and practical training instructors have pedagogical training. Peaceful settlement of disputes, respectful communication and peaceful resolution of potential conflicts through dialogue are promoted.

- **Ensuring health and safety at work and protecting the environment**

The company is committed to environmental protection, nature conservation and sustainable resource management (environmental measurements, reporting, maintenance of environmental management standards (EMAS, ISO 14001) and occupational safety (ISO 45001), measurement of workplace microclimate (humidity, light, noise, vibration, chemical substances)). Every employee is trained in safe working practices on recruitment and periodically. The Decree on green public procurement is respected in the implementation of public procurement. Renewables (solar power) are provided, and the circular economy is pursued for waste. Environmental noise levels, as well as air and seawater quality are measured. A culture of prevention in the field of safety and health at work is encouraged (with appropriate training for safe work, technological procedures, cleanliness of work surfaces, inspections of work equipment, medical examinations, monitoring of psychosocial risk factors, investigations of occupational accidents).

The protection of elderly and disabled workers is ensured by complying with the provisions of the legislation (in the case of the elderly, overtime, night work, additional days of leave, careful management of the proceedings before the Disability Commission, finding suitable employment in cases of disability according to the remaining working capacity, or reassigning the worker to the disability company Luka Koper INPO, d. o. o.).

Employees are encouraged to exercise and eat healthily, a sports club is promoted, sports games are organised annually in the port, a health promotion group is set up, whose activities are aimed at managing musculoskeletal disorders, reducing metabolic problems, improving interpersonal relations and reducing harmful habits.

The Luka Koper Group respects the rights of employees to freedom of association, membership in trade unions and the Works Council, and other forms of association. Communication is open and respectful, without any misrepresentation of facts or misleading and unauthorised transfer of information at all levels and in all areas of conduct in the Company, both in formal and informal communication. Work criticism is part of open communication and should be directed at activities rather than persons.

The table below states the human rights that were recognised within the employee working group responsible for implementing sustainable reporting under GRI standards as most relevant to all employees of Luka Koper, d. d.

For the human rights identified as material, rated 1, the last column of the table shows the KPI value in 2023.

Recognised human rights

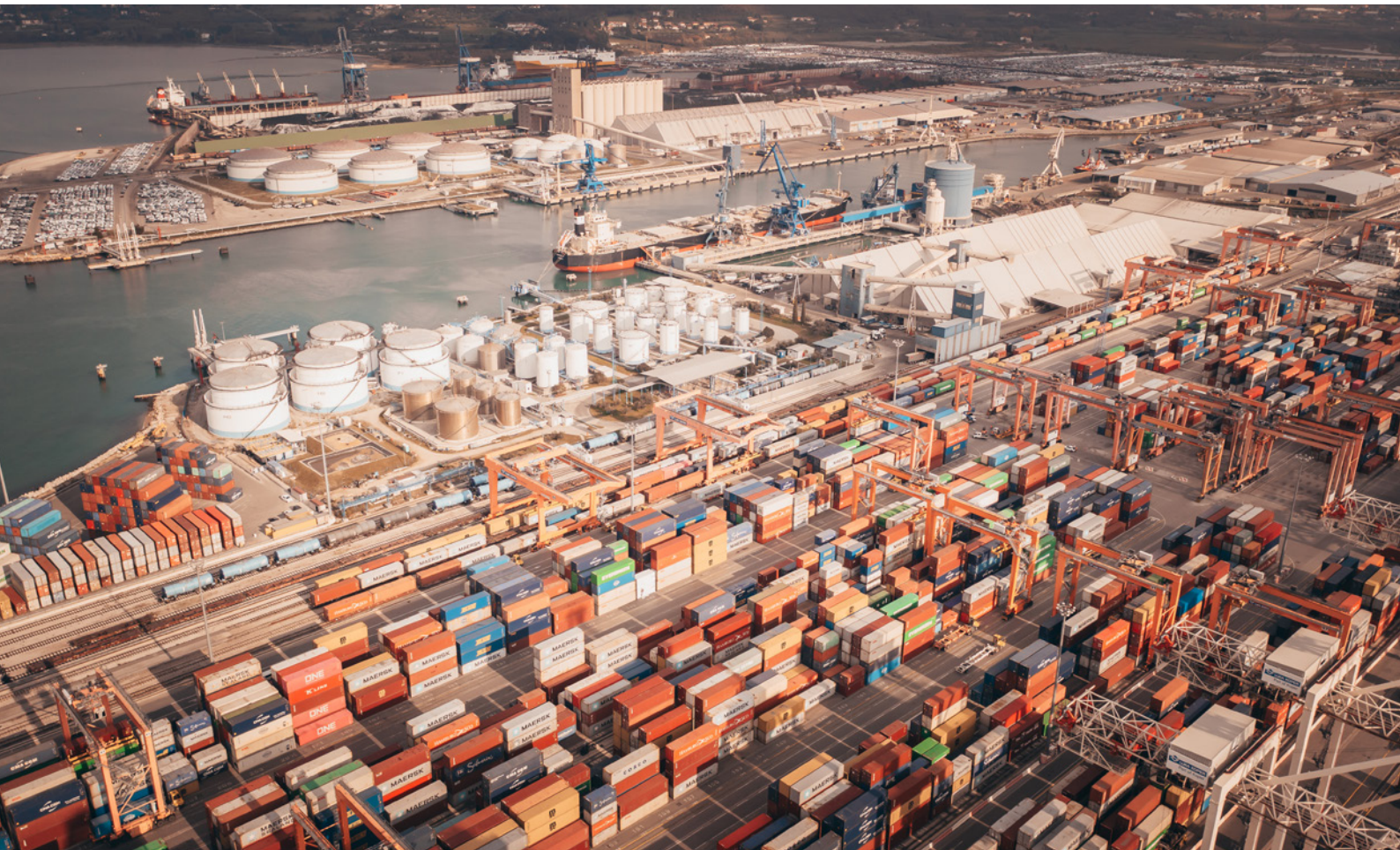
Human rights	Employees	Importance 1-4 ¹⁴⁵	KPI	KPI value for 2023 for materiality 1
FUNDAMENTAL RIGHTS AND FREEDOMS				
The right to life	X	1	No of deaths	No fatalities in 2023.
Prohibition of forced labour	X	4	No of hours of work	/
Freedom of expression – in connection with the right to organised trade union movement; smearing by the media	X	2	No of actions to mute someone	/
Inviolability of private life (data protection)	X	1	No of cases of data misuse (reported)	No reports of misuse of personal data in 2023.
ECONOMIC, SOCIAL AND CULTURAL RIGHTS				
Right to work	X	1	No of on-going actions for unlawful dismissal	No final judgements of wrongful dismissal in 2023. 4 final appeals for reintegration (former port operation provider workers) in 2023.
Right to education	X	4	Average No of hours of training	19.2
Right to dignity at work/ harassment	X	1	No of reports	In 2023, one case of suspected harassment and ill-treatment at work was discussed based on formal complaint. The report of alleged harassment was well-founded
Right to form trade unions, to participate and strike	X	1	No of strikes, conventions No of representative trade unions Agreement with trade unions	No strikes in 2023, there was 1 rally. The company has 2 representative trade unions. 4 agreements were concluded in 2023.
Right to equal pay for equal work	X	1	Salary levels for the same position	Reported in Chapter 21.1.11 'Employee benefits'
Right to social security (payment of contributions)	X	1	Payment of contribution	Reported in Chapter 21.1.11 'Employee benefits'
Right to family life	X	2	No of overtime hours beyond the regulatory limit	No such cases in 2023.
Right to health	X	1	Measures for the promotion of health No of injuries at work No of medical examinations	Reported in Chapter 20 'Safe and healthy port environment'
Right to non-discrimination	X	2	No of complaints due to discriminatory treatment	3
Right to rest and leisure time	X	1	Use of annual leave Pay for annual leave	71.1% use of annual leave (until 31 Dec 2023) Reported in Chapter 21.1.11 'Employee benefits'
HUMAN RIGHTS OF THIRD GENERATION				
Right to a healthy living environment	X	1	Noise level Concentration of dust particles No of pollution incidents Quality of drinking water	Reported in Chapter 19 'Long-term sustainability of the natural environment'

145 1-very important, 4-not important

27.3.3 Protection of personal data

In 2023, in Luka Koper, d. d., the Corporate Integrity and Operations Compliance Officer performed the role of Data Protection Officer. The Officer with their relevant professional merit and expert knowledge of legislation and actual experience in personal data protection or comparable areas, ensures in an independent manner that there are no infringements in the processing of personal data. The protection of personal data is governed by the Regulation on the Protection of Personal Data, which is published and

available on the company's website. As part of an internal audit on the appropriate handling of personal data and risk management in the use of video surveillance, the notice on the implementation of video surveillance in the area of the Koper freight port and the related internal rules were updated. In addition, nine assessments of the legality of the interest in maintaining personal data files were carried out. In 2023, one case of alleged misuse of personal data was dealt with and dismissed.



28 Information Systems Security

Luka Koper, d. d., has an established system for the protection of information assets, which it continuously improves in accordance with the professional guidelines of various information security frameworks, including the ISO/IEC 27000 standard for information security management systems. Luka Koper, d. d., is liable under the Information Security Act (ZInfV). In accordance with legislation, the Company maintains a documented information security management system and a business continuity management system. The Security Policy of Luka Koper, d. d. is the starting point for ensuring and implementing all aspects of the company's security, including the information security segment.

Appropriate strategies and policies are key to ensuring the security of IT systems, protecting sensitive data and maintaining the trust of customers and business partners. In 2023, as part of the preparation of the new 2024-2028 Strategic Business Plan, Luka Koper d. d. also developed a digitisation strategy, which aims to implement a digital transformation in key processes through the use of new technologies towards the smart port concept. To achieve this, the company has identified 6 key segments, including Information and Communication Technology (ICT), which includes key cyber resilience projects. Strategic orientations for information systems security are:

- Training programmes for all employees on the importance of information security;
- Regular security audits and the introduction of state-of-the-art IT security safeguards and mechanisms;
- Recording, reporting and taking appropriate action on all incidents.

Understanding the importance of information security and managing risks in the field of information and communication technology by implementing measures to protect information systems and ensure business continuity are key to achieving the company's strategic objectives and business performance.

Information security risks are identified within the framework of the Luka Koper Group's Risk and Opportunity Management System and are kept in a central register, and a member of the Risk and Opportunity Management Committee is also Head of the Information Security Department. The risk assessment is carried out in accordance with the requirements of the Information Security Act (ISA), namely at the level of information assets, threats and vulnerabilities, which allows for a more comprehensive definition of measures to achieve the strategic objectives. In 2023, the same as the year before, information security risks are assessed as moderate following the measures and control activities taken, whereby the risk is controlled to an acceptable level. In

2023, Luka Koper, d. d., detected no security incidents in the area of IT support, which includes unauthorised access and abuse of vulnerabilities. However, the rapid development of information technology requires a constant adaptation of tools and methodologies in the field of information security to ensure the availability, integrity and confidentiality of information systems and thus the continuity of the company's operations. In accordance with the set strategy and annual plans, the company implements measures to prevent cyber-attacks, detect potential security incidents and respond effectively to them, thereby strengthening the company's resilience and reducing the possibility of negative consequences. Measures fall into the following categories:

- Preventive measures: Preventive measures are in place to reduce the possibility of security incidents, divided into organisational and technical measures. This includes setting up advanced security mechanisms, regularly updating and upgrading IT assets, reviewing security policies and conducting regular security reviews of the company's IT environment in cooperation with external IT security experts. Security checks are carried out to check the possibility of misuse of information systems, communication systems and server infrastructure, in the form of vulnerability exploitations, escalation of privileges, unauthorised access to information assets and data that are trade secrets. In addition to targeted security audits, Luka Koper, d. d., carries out regular IT asset health checks on a weekly, monthly and quarterly basis. Critical IT systems that are essential to the company's business are supported by alternative data fields, in line with best practices in the field, which ensure high availability, either on separate sites or in cloud services.
- Detection and response: Mechanisms have been established to monitor and detect security events in the company's information environment and thus respond quickly to them. These mechanisms include control of events on the server infrastructure, communication equipment and workstations/mobile stations of users of the IT environment.
- User education and awareness: Employee protection is crucial, as employees are often the first line of defence against security threats. The company conducts regular training and raises awareness among employees about risks in IT security and regularly involves them in simulated attacks in order to check the response of users to fake electronic messages. In 2023, Luka Koper, d. d., conducted online training for all employees on the internal Knowledge Room platform on the importance and good practices of ensuring information and cyber security.
- Active monitoring of external trends that may affect the field of IT security using freely available Open-Source Intelligence (OSINT) tools and paid resources with the

aim of adapting measures to ensure additional protection in this area. The company is included in the network of cyber security response centres, through which it receives indicators of abuse from the SI-CERT Slovenian Computer Emergency Response Team, which enables the company to quickly detect and respond to potential cyber threats in the Republic of Slovenia and neighbouring EU countries and to identify the most common attack vectors.

- In accordance with the annual plan, Luka Koper, d. d., introduced additional security mechanisms in 2023 to ensure a higher level of information security:
- Additional security mechanisms for user authentication to provide additional protection against unauthorised access; and
- Additional tools for monitoring and controlling security events in the information environment, faster response to security events in the information environment, and protection against potential threats.



29 GRI content index (according to 2021 standards)

2023

Statement on the use of GRI standards	Luka Koper, d. d., and the Luka Koper Group, reported in accordance with GRI standards for the period from 1 January 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standard	-

GRI standard	Disclosure	Boundaries	Chapter	Page	Note/disclaimer		
					Omitted	Reason	Explanation
GRI 2 GENERAL DISCLOSURES 2021							
The organization and its reporting practices							
GRI 2	2-1 Organizational details	Luka Koper Group	7 Presentation of the Luka Koper Group and a description of the business model 7.1 Company profile of Luka Koper, d. d. as at 28 March 2024 15 The LKPG Share	p. 47 p. 48 p. 75			
GRI 2	2-2 Entities included in the organization's sustainability reporting	Luka Koper Group	7.2 Organisation of the Luka Koper Group and associates 7.3 Inclusion in the consolidated financial statements	p. 49 p. 49			
GRI 2	2-3 Reporting period, frequency and contact point	Luka Koper Group	16.3.2 Reporting periods	p. 82			
GRI 2	2-4 Restatements of information	Luka Koper Group	16.3 Sustainability report according to international standards of sustainability reporting	p. 81			
GRI 2	2-5 External assurance (audit)	Luka Koper Group	16.3.4 External verification of sustainability report	p. 82			
Activities and workers							
GRI 2	2-6 Activities, value chain and other business relationships	Luka Koper Group	7 Presentation of the Luka Koper Group and a description of the business model 7.4 Activities of the Luka Koper Group 9.2.1 Market position 26.2 Supply chain	p. 47 p. 49 p. 54 p. 210			
GRI 2	2-7 Employees	Luka Koper Group	21.1 Employee management system 21.1.2 Number of employees in Luka Koper, d. d., and in the Luka Koper Group, by gender 21.1.3 Number of employees in Luka Koper, d. d., and in the Luka Koper Group, by region of residence 21.1.6 Employee structure in Luka Koper, d. d. and Luka Koper Group by age group	p. 183 p. 185 p. 186 p. 188			
GRI 2	2-8 Workers who are not employees	Luka Koper Group	21.1 Employee management system 21.1.4 Number of agency workers	p. 183 p. 187			
Governance							
GRI 2	2-9 Governance structure and composition	Luka Koper, d. d.	4.3 Management system 4.4 General Meeting 4.5 Supervisory Board of Luka Koper, d. d. 4.6 Management Board of Luka Koper d. d. 15 The LKPG Share	p. 28 p. 29 p. 29 p. 32 p. 75			
GRI 2	2-10 Nomination and selection of the highest governance body	Luka Koper, d. d.	4.2.8 The Company's rules on appointments or replacements of members of management and supervisory bodies 4.3 Management system 4.4 General Meeting 4.5 Supervisory Board of Luka Koper, d. d. 4.6 Management Board of Luka Koper d. d.	p. 27 p. 28 p. 29 p. 29 p. 32			

GRI 2	2-11 Chair of the highest governance body	Luka Koper, d. d.	4.6 Management Board of Luka Koper d. d.	p. 32		
GRI 2	2-12 Role of the highest governance body in overseeing the management of impacts	Luka Koper, d. d.	Statement of Management's Responsibility 8 Business development strategy 17 Process to determine material topics 18 Luka Koper Group and sustainable development guidelines 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights	p. 3 p. 51 p. 84 p. 91 p. 212		
GRI 2	2-13 Delegation of responsibility for managing impacts	Luka Koper, d. d.	14.1 Key roles and responsibilities in the risk and opportunity management system 17 Process to determine material topics 18 Luka Koper Group and sustainable development guidelines 19.2 About the environmental management system 20.1 Occupational safety and health system 20.2.1 Organisation 23.3 Consumer data protection 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights	p. 70 p. 84 p. 91 p. 112 p. 176 p. 176 p. 199 p. 212		
GRI 2	2-14 Role of the highest governance body in sustainability reporting	Luka Koper, d. d.	Statement of Management's Responsibility 2 Letter of the President of the Management Board 17 Process to determine material topics 18 Luka Koper Group and sustainable development guidelines	p. 3 p. 16 p. 84 p. 91		
GRI 2	2-15 Conflicts of interest	Luka Koper, d. d.	4.5.9 Supervisory Board's work 4.6.2 Presentation of members of the Management Board of Luka Koper, d. d. as at 1 January 2024 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights	p. 31 p. 34 p. 212		
GRI 2	2-16 Communication of critical concerns	Luka Koper, d. d.	4.3 Management system 14 Managing risks and opportunities 14.1 Key roles and responsibilities in the risk and opportunity management system 17 The process of determining the material topics 19.6.3 Registered and processed environmental complaints 27.3.2 Human rights	p. 28 p. 69 p. 70 p. 84 p. 122 p. 217	2-16 b not covered.	Critical impacts are not counted. They are only reported.
GRI 2	2-17 Collective knowledge of the highest governance body	Luka Koper, d. d.	18 Luka Koper Group and sustainable development guidelines	p. 91		
GRI 2	2-18 Evaluation of the performance of the highest governance body	Luka Koper, d. d.	4.7.2 Management performance assessment	p. 35		
GRI 2	2-19 Remuneration policies	Luka Koper, d. d.	4.5.11 Remuneration of the Supervisory Board 4.7.1 Remuneration of the Management Board 4.7.2 Management performance assessment 4.11 Appendix to the Corporate Governance Statement 21.1.5 Share of employees in Luka Koper, d. d. and Luka Koper Group covered by collective bargaining agreement Note 31. Related party transactions	p. 32 p. 35 p. 35 p. 38 p. 187 p. 293		
GRI 2	2-20 Process to determine remuneration	Luka Koper, d. d.	4.5.11 Remuneration of the Supervisory Board 4.7.1 Remuneration of the Management Board 21.1.5 Share of employees in Luka Koper, d. d. and Luka Koper Group covered by collective bargaining agreement	p. 32 p. 35 p. 187		
GRI 2	2-21 Annual total compensation ratio	Luka Koper Group	21.1.1 Employee benefits	p. 190		
Strategy, policies and practices						
GRI 2	2-22 Statement on sustainable development strategy	Luka Koper Group	2 Letter of the President of the Management Board	p. 16		
GRI 2	2-23 Policy commitments	Luka Koper, d. d.	4.1 Codes and Management Practice 14 Managing risks and opportunities 18 Luka Koper Group and sustainable development guidelines 19.7 Environmental risk management and emergency response 19.8.7 Climate change, and related opportunities 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.3 Respect for human rights	p. 25 p. 69 p. 91 p. 124 p. 131 p. 212 p. 217		

GRI 2	2-24 Embedding policy commitments	Luka Koper, d. d.	18 Luka Koper Group and sustainable development guidelines 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights	p. 91 p. 212	
GRI 2	2-25 Processes to remediate negative impacts	Luka Koper Group	2 Letter of the President of the Management Board 14 Managing risks and opportunities 18 Luka Koper Group and sustainable development guidelines 19 Long-term sustainability of the natural environment 20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.3 Respect for human rights.	p. 16 p. 69 p. 91 p. 97 p. 177 p. 212 p. 217	
GRI 2	2-26 Mechanisms for seeking advice and raising concerns	Luka Koper, d. d.	19.6.3 Registered and processed environmental complaints 21.1 Employee management and training system 21.2.1 Employee training 21.4 Cooperation with educational institutions 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.3 Respect for human rights.	p. 122 p. 183 p. 194 p. 196 p. 212 p. 217	
GRI 2	2-27 Compliance with laws and regulations	Luka Koper Group	19.5.1 Compliance with environmental legislation 19.6.4 Inspections 20.4 Compliance with occupational safety legislation 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.1 Compliance with laws and regulations	p. 118 p. 123 p. 179 p. 212 p. 214	In the years 2021, 2022 and 2023, no fines were imposed in the company Luka Koper, d. d. In 2023, one financial penalty of EUR 30 was imposed in a subsidiary.
GRI 2	2-28 Membership associations	Luka Koper, d. d., Luka Koper INPO, d. o. o.	25.3 Membership and initiatives	p. 207	
Stakeholder engagement					
GRI 2	2-29 Approach to stakeholder engagement	Luka Koper Group	17 Process to determine material topics 17.1 Stakeholders of Luka Koper	p. 84 p. 84	
GRI 2	2-30 Collective bargaining agreements	Luka Koper Group	21.1.5 Share of employees in Luka Koper, d. d. and Luka Koper Group covered by collective bargaining agreement	p. 187	
GRI 3: MATERIAL TOPICS 2021					
GRI 3	3-1 Process to determine material topics	Luka Koper Group	17 Process to determine material topics	p. 84	
GRI 3	3-2 List of material topics	Luka Koper Group	17 Process to determine material topics 17.1 Stakeholders of Luka Koper 17.5 Materiality matrix and identified impacts	p. 84 p. 84 p. 88	
MATERIAL TOPIC GRI 201: Economic Performance 2016					
GRI 3	3-3 Management approach	Luka Koper Group	22 Social responsibility 23 Sustainable relationship with customers 25 Stability and business performance 26.1 Building relationships with suppliers	p. 197 p. 199 p. 203 p. 209	*
GRI 201	201-1 Direct economic value generated and distributed	Luka Koper Group	22.1 Distribution of donations and sponsorships in 2023 22.2 Distribution and amount of donations and sponsorships in years 2021 to 2023 25.2 Direct economic value generated and distributed	p. 198 p. 198 p. 205	
GRI 201	201-2 Financial implications and other risks and opportunities due to climate change	Luka Koper, d. d.	19.8.7 Climate change, and related opportunities	p. 131	

GRI 201	201-3 Defined benefit plan obligations and other retirement plans	Luka Koper Group	21.1.11 Employee benefits	p. 190	201-3a, 201-3b, 201-3c not covered.	The requirements are not relevant as the Company has no own pension plan. By paying the prescribed contributions, employees are covered by the statutory pension scheme. A few years ago, we also joined voluntary supplementary pension schemes run by various pension fund managers. The Company/Group pays part of the voluntary supplementary pension insurance premium on a monthly basis, and part of the premium is paid by the employees themselves. After paying the additional pension insurance premiums, which are settled on an ongoing/monthly basis, the company has no other obligations in this regard.
MATERIAL TOPIC GRI 202: Market Presence 2016						
GRI 3	3-3 Management approach	Luka Koper, d. d.	21.1 Employee management and training system	p. 183		*
GRI 202	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Luka Koper, d. d.	21.1.11 Employee benefits	p. 190		
MATERIAL TOPIC GRI 203: Indirect Economic Impacts 2016						
GRI 3	3-3 Management approach	Luka Koper Group	22 Social responsibility 25 Stability and business performance 25.1 Indirect impacts of operations of Luka Koper	p. 197 p. 203 p. 204		*
GRI 203	203-1 Infrastructure investments and services supported	Luka Koper Group	11 Investments in non-financial assets	p. 63		
GRI 203	203-2 Significant indirect economic impacts	Luka Koper, d. d.	22 Social responsibility 25.1 Indirect impacts of operations of Luka Koper	p. 197 p. 204		
MATERIAL TOPIC GRI 204: Procurement Practices 2016						
GRI 3	3-3 Management approach	Luka Koper, d. d.	26.1 Building relationships with suppliers 26.2.3 Assessing supplier awareness	p. 209 p. 210		*
GRI 204	204-1 Proportion of spending on local suppliers	Luka Koper, d. d.	26.2.1 Share of total value of purchases of Luka Koper, d. d. in 2023 by country 26.2.2 Share of total value of purchases by Luka Koper, d. d. in the Slovenian market in 2023 by statistical region	p. 210 p. 210	204-1c not covered.	Luka Koper operates at a single location.
MATERIAL TOPIC GRI 205: Anti-corruption 2016						
GRI 3	3-3 Management approach	Luka Koper Group	27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.2 Prevention of corruption	p. 212 p. 214		*
GRI 205	205-1 Operations assessed for risks related to corruption	Luka Koper, d. d.	27.2 Prevention of corruption	p. 214		
GRI 205	205-2 Communication and training about anti-corruption policies and procedures	Luka Koper Group	27.2 Prevention of corruption	p. 214		
GRI 205	205-3 Confirmed incidents of corruption and actions taken	Luka Koper Group	27.2 Prevention of corruption	p. 214		
GRI 300						
GRI 3	3-3 Management Approach (GRI 302 - GRI 306)	Luka Koper, d. d.	8 Business development strategy 18 Luka Koper Group and sustainable development guidelines 19.2 About the environmental management system 19.3 Living in harmony with the environment 19.4 Policy on safety and health in the port and energy efficiency 19.5 Compliance with environmental protection requirements 19.6 Public communication 19.7 Environmental risk management and emergency response	p. 51 p. 91 p. 112 p. 112 p. 118 p. 118 p. 120 p. 124		

MATERIAL TOPIC GRI 302: Energy 2016						
GRI 3	3-3 Management approach	Luka Koper, d. d.	19.8 Emissions/immission from port operations 19.11 Energy use and energy efficiency	p. 126 p. 151		*
GRI 302	302-1 Energy consumption within the organization	Luka Koper, d. d.	19.11.2 Consumption of energy sources	p. 151	Omitted 302-1c ii, iii, iv and d.	There is no steam production, so we do not report it. Energy consumption for heating and cooling is not reported separately as these sources are not measured separately but are included in the total consumption of energy sources. We do not sell electricity.
GRI 302	302-2 Energy consumption outside of the organization	Luka Koper, d. d.	19.11.2 Consumption of energy sources	p. 151		
GRI 302	302-3 Energy intensity	Luka Koper, d. d.	19.11.2 Consumption of energy sources	p. 151		
GRI 302	302-4 Reduction of energy consumption	Luka Koper, d. d.	19.3.3 Realisation of environmental objectives in the period 2021-2023 19.11.2 Consumption of energy sources 19.11.3 Implementation of improvement programmes to reduce electricity and fuel consumption	p. 154 p. 151 p. 154		
MATERIAL TOPIC GRI 303: Water and Effluents 2018						
GRI 3	3-3 Management approach	Luka Koper, d. d.	19.8.7 Climate change, and related opportunities 19.12 Drinking water and groundwater management 19.13 Wastewater management	p. 131 p. 156 p. 159		*
GRI 303	303-1 Interactions with water as a shared resource	Luka Koper, d. d.	19.8.7 Climate change, and related opportunities 19.12 Drinking water and groundwater management	p. 131 p. 156		
GRI 303	303-2 Management of water discharge-related impacts	Luka Koper, d. d.	19.12 Drinking water and groundwater management 19.13 Wastewater management	p. 156 p. 159		
GRI 303	303-3 Water withdrawal	Luka Koper, d. d.	19.12 Drinking water and groundwater management	p. 156	Omitted 303-3b.	The area is not identified as a water-scarce area.
GRI 303	303-4 Water discharge	Luka Koper, d. d.	19.5.1 Compliance with environmental legislation 19.12 Drinking water and groundwater management 19.13 Wastewater management	p. 118 p. 156 p. 159	Omitted 303-4c.	The area is not identified as a water-scarce area, which would require an additional breakdown by individual discharges.
GRI 303	303-5 Water consumption	Luka Koper, d. d.	19.8.7 Climate change, and related opportunities 19.12 Drinking water and groundwater management	p. 131 p. 156	Omitted 303-5 b, c.	b. The area is not identified as a water-scarce area. c. No storage of water supplies that would affect the water consumption of the immediate or wider area.
MATERIAL TOPIC GRI 304: Biodiversity 2016						
GRI 3	3-3 Management approach	Luka Koper, d. d.	19.15 Biodiversity	p. 162		*
GRI 304	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Luka Koper, d. d.	19.3 Living in harmony with the environment 19.15 Biodiversity	p. 112 p. 162		
GRI 304	304-2 Significant impacts of activities, products, and services on biodiversity	Luka Koper, d. d.	19.3 Living in harmony with the environment 19.15 Biodiversity	p. 112 p. 162		
GRI 304	304-3 Habitats protected or restored	Luka Koper, d. d.	19.3 Living in harmony with the environment 19.15 Biodiversity	p. 112 p. 162		
GRI 304	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Luka Koper, d. d.	19.3 Living in harmony with the environment 19.15 Biodiversity	p. 112 p. 162		
MATERIAL TOPIC GRI 305: Emissions 2016						
GRI 3	3-3 Management approach	Luka Koper, d. d.	19.8 Emissions/immission from port operations 19.11 Energy use and energy efficiency	p. 126 p. 151		*
GRI 305	305-1 Direct (Scope 1) GHG emissions	Luka Koper, d. d.	19.8.8 Greenhouse gas emissions calculation	p. 134		

GRI 305	305-2 Energy indirect (Scope 2) GHG emissions	Luka Koper, d. d.	19.8.8	Greenhouse gas emissions calculation	p. 134		
GRI 305	305-3 Other indirect (Scope 3) GHG emissions	Luka Koper, d. d.	19.8.8	Greenhouse gas emissions calculation	p. 134		
GRI 305	305-6 Emissions of ozone-depleting substances (ODS)	Luka Koper, d. d.	19.8.8	Greenhouse gas emissions calculation	p. 134	Omitted 305-6a.	Everything is converted to CO ₂ equivalents, so that all contributions can be added up, which is why we did not perform the conversion in CFC-11. Luka Koper, d. d., does not import or export ozone-depleting substances.
GRI 305	305-7 Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Luka Koper, d. d.	19.8.2	Total dust in the port	p. 126		
			19.8.3	Concentrations of harmful particulate matter	p. 127		
			19.8.4	Emissions of substances at key sources	p. 130		
			19.8.9	Volatile compound emissions measurement	p. 136		
GRI 305	Noise emissions	Luka Koper, d. d.	19.10	Noise emissions	p. 145		
GRI 305	Light pollution	Luka Koper, d. d.	19.14	Light pollution	p. 161		
MATERIAL TOPIC GRI 306: Waste 2020							
GRI 3	3-3 Management approach	Luka Koper, d. d.	19.9	Waste management	p. 138		*
			19.9.1	Results in waste management	p. 140		
GRI 306	306-1 Waste generation and significant waste-related impacts	Luka Koper, d. d.	19.9	Waste management	p. 138		
			19.9.1	Results in waste management	p. 140		
GRI 306	306-2 Management of significant waste-related impacts	Luka Koper, d. d.	19.9	Waste management	p. 138		
			19.9.1	Results in waste management	p. 140		
GRI 306	306-3 Waste generated	Luka Koper, d. d.	19.9.1	Results in waste management	p. 138		
GRI 306	306-4 Waste diverted from disposal	Luka Koper, d. d.	19.9.1	Results in waste management	p. 138		
GRI 306	306-5 Waste directed to disposal	Luka Koper, d. d.	19.9.1	Results in waste management	p. 138		
MATERIAL TOPIC GRI 308 Supplier environmental assessment 2016							
GRI 3	3-3 Management approach	Luka Koper Group	26.1	Building relationships with suppliers	p. 209		*
			26.2	Supply chain	p. 210		
			26.2.3	Assessing supplier awareness	p. 210		
GRI 308	308-2 Negative environmental impacts in the supply chain and actions taken	Luka Koper Group	26.2.3	Assessing supplier awareness	p. 210		
MATERIAL TOPIC GRI 401 Employment 2016							
GRI 3	3-3 Management approach	Luka Koper Group	21.1	Employee management and training system	p. 183		*
GRI 401	401-1 New employee hires and employee turnover	Luka Koper Group	21.1.7	Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group, by gender	p. 188		
			21.1.8	Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group, by age group	p. 188		
			21.1.9	Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group, by region of residence	p. 189		
			21.1.10	Comparison of new employee hires, contract termination and fluctuation rate	p. 189		
GRI 401	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Luka Koper, d. d.	21.1.11	Employee benefits	p. 190		
GRI 401	401-3 Parental leave	Luka Koper Group	21.1.12	Number of Luka Koper, d. d., and Luka Koper Group employees who took parental leave and returned to their workplace, by gender	p. 191		
MATERIAL TOPIC GRI 403: Occupational Health and Safety 2018							
GRI 3	3-3 Management approach	Luka Koper Group	20.1	Occupational safety and health system	p. 176		*
			20.2.3	Hazard identification, risk assessment, and incident investigation	p. 177		
			20.3	Occupational safety and health objectives	p. 178		
			20.7	Summary of most important activities performed in the area of occupational health and safety in 2023	p. 181		
			20.8	Health care	p. 182		

GRI 403	403-1 Occupational health and safety management system	Luka Koper Group	20.1 Occupational safety and health system 20.2.2 Workers covered by an occupational health and safety management system	p. 176 p. 176	
GRI 403	403-2 Hazard identification, risk assessment, and incident investigation	Luka Koper Group	20.2.3 Hazard identification, risk assessment, and incident investigation	p. 177	
GRI 403	403-3 Occupational health services	Luka Koper Group	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health	p. 177	
GRI 403	403-4 Worker participation, consultation and communication on occupational health and safety	Luka Koper, d. d.	20.2.6 Worker participation and consultation with employee representatives	p. 178	
GRI 403	403-5 Worker training on occupational health and safety	Luka Koper, d. d.	20.2.5 Training on safe and healthy working practices	p. 178	
GRI 403	403-6 Promotion of worker health	Luka Koper Group	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health 20.8 Health care	p. 177 p. 182	
GRI 403	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Luka Koper Group	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health 20.6 Loss events 20.7 Summary of most important activities performed in the area of occupational health and safety in 2023	p. 177 p. 180 p. 181	
GRI 403	403-8 Workers covered by an occupational health and safety management system	Luka Koper Group	20.2.2 Workers covered by an occupational health and safety management system	p. 176	
GRI 403	403-9 Work-related injuries	Luka Koper Group	20.1 Occupational safety and health system 20.2.3 Hazard identification, risk assessment, and incident investigation 20.3 Occupational safety and health objectives 20.5 Injuries at work 20.7 Summary of most important activities performed in the area of occupational health and safety in 2023 20.9 Occupational health and safety activities planned in 2024	p. 176 p. 177 p. 178 p. 179 p. 181 p. 182	
GRI 403	403-10 Work-related ill health	Luka Koper Group	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health	p. 177	
MATERIAL TOPIC GRI 404 Training and education 2016					
GRI 3	3-3 Management approach	Luka Koper Group	21.1 Employee management and training system	p. 183	*
GRI 404	404-1 Average hours of training per year per employee	Luka Koper Group	21.2.1 Employee training	p. 194	
GRI 404	404-2 Programs for upgrading employee skills and transition assistance programs	Luka Koper Group	21.2.2 Introduced programmes	p. 195	
GRI 404	404-3 Percentage of employees receiving regular performance and career development reviews	Luka Koper Group	21.2.3 Promotion and internal mobility of employees	p. 195	
MATERIAL TOPIC GRI 405 Diversity and Equal Opportunity 2016					
GRI 3	3-3 Management approach	Luka Koper, d. d.	4.5 Supervisory Board of Luka Koper, d. d. 27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.3 Respect for human rights 27.3.1 Diversity policy	p. 29 p. 212 p. 217 p. 217	*
GRI 405	405-1 Diversity of governance bodies and employees	Luka Koper Group	4.5 Supervisory Board of Luka Koper, d. d. 4.6.2 Presentation of members of the Management Board of Luka Koper, d. d. as at 1 January 2024 21.1.2 Number of employees in Luka Koper, d. d., and in the Luka Koper Group, by gender 21.1.14 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group, by job category 21.1.15 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group, by gender 21.1.16 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group, by age group	p. 29 p. 34 p. 185 p. 192 p. 192 p. 193	
MATERIAL TOPIC GRI 406 Non-discrimination 2016					
GRI 3	3-3 Management approach	Luka Koper, d. d.	27 Corporate Integrity and Compliance, Protection of Personal Data and Human Rights 27.3 Respect for human rights	p. 212 p. 217	*
GRI 406	406-1 Incidents of discrimination and corrective actions taken	Luka Koper, d. d.	27.3 Respect for human rights	p. 217	

MATERIAL TOPIC GRI 413: Local Communities 2016					
GRI 3	3-3 Management approach	Luka Koper, d. d.	18.1 Sustainable development strategy 22 Social responsibility	p. 92 p. 197	*
RI 413	413-1 Operations with local community engagement, impact assessments, and development programs	Luka Koper, d. d.	7.4 Activities of the Luka Koper Group 19.6 Public communication 19.6.3 Registered and processed environmental complaints 19.10.1 Noise emission results 19.10.2 Implementation of noise reduction improvement programmes 19.10.3 Noise control improvement programmes scheduled for 2024 19.16.1 Statistics for interventions at sea 22 Social responsibility 22.1 Distribution of donations and sponsorships in 2023 22.2 Distribution and amount of donations and sponsorships in years 2021 to 2023 25.1 Indirect impacts of operations of Luka Koper	p. 49 p. 120 p. 122 p. 146 p. 148 p. 150 p. 167 p. 197 p. 198 p. 198 p. 204	
GRI 413	413-2 Operations with significant actual and potential negative impacts on local communities	Luka Koper, d. d.	19.10.1 Noise emission results 19.10.2 Implementation of noise reduction improvement programmes 19.10.3 Noise control improvement programmes scheduled for 2024 22 Social responsibility	p. 146 p. 148 p. 150 p. 197	
MATERIAL TOPIC GRI 414 Supplier social assessment 2016					
GRI 3	3-3 Management approach	Luka Koper, d. d.	26.1 Building relationships with suppliers 26.2.3 Assessing supplier awareness	p. 209 p. 210	*
GRI 414	414-2 Negative social impacts in the supply chain and actions taken	Luka Koper, d. d.	26.2.3 Assessing supplier awareness	p. 210	

* The description of management approaches is also partly covered in Chapter 25.4. The evaluation of management approaches will be completed and upgraded in the 2024 reporting, in line with the requirements of the ESRS standards.



3

FINANCIAL
STATEMENT

30 Financial statements of Luka Koper, d. d. and Luka Koper Group

30.1 Income Statement

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	2023	2022	2023	2022
Net sales	1	309,284,223	310,196,680	312,772,489	313,462,636
Capitalised own products and services	2	91,388	77,600	95,639	77,611
Other income	3	4,040,758	2,338,538	6,068,506	4,265,615
Cost of material	4	-22,147,066	-22,796,898	-22,410,601	-23,204,563
Cost of services	5	-85,222,742	-74,316,012	-79,867,051	-69,329,678
Cost of labour	6	-101,718,121	-93,577,828	-109,876,184	-101,241,289
Depreciation	7	-32,263,102	-30,799,846	-32,819,539	-31,487,994
Other expenses	8	-12,832,099	-9,392,711	-13,050,836	-9,427,804
Operating profit		59,233,239	81,729,523	60,912,423	83,114,534
Finance income		7,572,819	6,349,703	6,391,292	3,867,468
Finance expenses		-1,683,570	-1,244,790	-1,709,016	-764,667
Profit from financing activity	9	5,889,249	5,104,913	4,682,276	3,102,801
Profit of associates		0	0	1,780,357	1,734,285
Profit before taxes		65,122,488	86,834,436	67,375,056	87,951,620
Accrued taxes	10	-5,219,628	-13,377,322	-5,448,518	-13,471,233
Deferred taxes	10	-5,452,838	-190,887	-5,481,169	-254,308
Net profit from continuing operations		54,450,022	73,266,227	56,445,369	74,226,079
Net loss from discontinued operations		0	0	0	-66,280
Net profit for the period		54,450,022	73,266,227	56,445,369	74,159,799
Net profit for the period attributable to the parent/controlling company		0	0	56,393,649	74,112,143
Net profit for the period attributable to non-controlling interests		0	0	51,720	47,656
Net earnings per share	11	3.89	5.23	4.03	5.29

Notes to the Financial Statements form an integral part of the Financial Statements and should be read in conjunction with these.

3.2 Statement of other comprehensive income

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	2023	2022	2023	2022
Net profit for the period		54,450,022	73,266,227	56,445,369	74,159,799
a) Items of other comprehensive income, classified by nature and grouped together:					
Actuarial gains or losses on post-employment benefits	23	-280,760	174,977	-331,085	132,137
Deferred tax on actuarial gains or losses	27	23,947	-20,002	26,257	-17,848
Change in revaluation surplus of financial assets measured at fair value through equity	18	8,228,343	-11,619,416	8,419,219	-11,773,348
Deferred tax on revaluation of financial assets measured at fair value through equity	27	-2,299,931	2,207,689	-2,209,850	2,236,936
Items that will not be reclassified subsequently to profit or loss		5,671,599	-9,256,752	5,904,541	-9,422,123
b) Shares of other comprehensive income of associated companies and joint ventures, which is accounted for using the equity method:					
Actuarial gains or losses on post-employment benefits of associates		0	0	-9,889	0
Items that will not be reclassified subsequently to profit or loss of associates		0	0	-9,889	0
Total comprehensive income for the period		60,121,621	64,009,474	62,340,021	64,737,676
Total comprehensive income for the period attributable to owners of the parent		60,121,621	64,009,474	62,288,301	64,690,020
Total comprehensive income for the period attributable to non-controlling interests		0	0	51,720	47,656

3.3 Statement of financial position

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
ASSETS					
Property, plant and equipment	12	452,753,184	446,106,451	465,724,409	457,645,315
Investment property	13	15,386,143	23,467,367	15,088,082	15,324,069
Intangible assets	14	759,814	870,086	841,090	942,603
Other assets	15	535,707	216,640	535,707	216,640
Shares and interests in Group companies	16	13,786,988	4,048,063	0	0
Shares and interests in associates	17	6,737,709	6,737,709	16,898,490	16,361,004
Other non-current investments	18	57,463,248	45,758,319	59,949,023	48,989,127
Deposits and loans given		0	0	0	5,557
Non-current operating receivables		39,991	39,991	39,991	39,991
Deferred tax assets	28	0	5,120,112	0	5,104,155
Non-current assets		547,462,784	532,364,738	559,076,792	544,628,461
Inventories	19	2,091,082	1,596,208	2,091,082	1,596,208
Current investments	20	69,474,594	1,717	69,474,594	1,717
Trade and other receivables and assets	21	59,393,154	59,622,532	60,363,391	60,178,626
Assets from contracts with customers		253,653	0	253,653	0
Income tax assets		1,481,015	0	1,338,063	0
Cash and cash equivalents	22	53,282,798	69,095,661	81,628,977	94,749,216
Current assets		185,976,296	130,316,118	215,149,760	156,525,767
TOTAL ASSETS		733,439,080	662,680,856	774,226,552	701,154,228
EQUITY AND LIABILITIES					
Share capital		58,420,965	58,420,965	58,420,965	58,420,965
Share premium		89,562,703	89,562,703	89,562,703	89,562,703
Revenue reserves		288,765,823	261,540,812	288,765,823	261,540,812
Reserves arising from valuation at fair value		24,719,356	20,471,436	24,501,725	20,670,418
Retained earnings		43,878,553	50,229,864	81,464,730	85,232,746
Equity attributable to owners of the controlling company		505,347,400	480,225,780	542,715,946	515,427,644
Non-controlling interests		0	0	337,002	304,525
Total equity	23	505,347,400	480,225,780	543,052,948	515,732,169
Provisions	24	22,838,101	20,348,498	23,612,486	21,037,710
Deferred income	25	33,958,480	31,277,675	34,959,122	32,406,391
Non-current loans and borrowings	26	93,979,370	54,315,463	93,979,370	54,315,463
Other non-current financial liabilities		529,437	741,361	473,032	698,507
Non-current operating liabilities		98,146	1,105,802	82,544	1,145,239
Deferred tax liabilities	27	2,608,710	0	2,560,607	0
Non-current liabilities		154,012,244	107,788,799	155,667,161	109,603,310
Current loans and borrowings	28	15,193,235	8,336,093	15,193,235	8,336,093
Other current financial liabilities		431,961	408,276	372,914	330,026
Income tax liabilities		0	9,842,953	0	9,866,267
Trade and other payables	29	58,454,240	56,078,955	59,940,294	57,286,363
Current liabilities		74,079,436	74,666,277	75,506,443	75,818,749
TOTAL EQUITY AND LIABILITIES		733,439,080	662,680,856	774,226,552	701,154,228

3.4 Statement of Cash Flows

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit for the period	54,450,022	73,266,227	56,445,369	74,159,799
Adjustments for:				
Depreciation	32,263,102	30,799,846	32,819,539	31,487,994
Reversal and impairment losses on property, plant and equipment, and intangible assets	462,566	239,986	600,616	240,144
Gain on sale of property, plant and equipment, and investment property	-164,108	-675,055	-198,956	-821,416
Allowances for receivables	113,463	370,406	124,571	379,672
Collected impaired receivables and written-off liabilities	-610,462	-395,150	-622,616	-409,644
Reversal of provisions	-1,657,785	-2,975	-1,657,785	-2,975
Finance income	-7,572,819	-6,349,703	-6,391,292	-3,867,468
Finance expenses	1,683,570	1,244,790	1,709,016	764,667
Recognised result of subsidiaries under equity method	0	0	-1,780,357	-1,734,285
Accrued tax and deferred taxes	10,672,466	13,568,209	10,929,687	13,725,541
Profit on operating activities before changes in net current operating assets and taxes	89,640,015	112,066,581	91,977,792	113,922,029
Change in other assets	-319,067	9,433,547	-319,067	9,433,547
Change in operating receivables	1,083,820	-12,852,528	684,140	-13,146,786
Change in inventories	-494,874	-150,837	-494,874	-150,837
Change in assets (disposal groups) held for sale	0	0	0	340,807
Change in liabilities (disposal groups) held for sale	0	0	0	40,984
Change in operating liabilities	4,641,703	12,636,012	4,798,990	12,880,018
Change in provisions	3,938,494	1,438,552	3,978,697	1,486,178
Change in non-current deferred income	2,680,805	2,399,034	2,552,731	2,269,015
Cash generated in operating activities	101,170,896	124,970,361	103,178,409	127,074,955
Interest expenses	-1,687,057	-485,214	-1,712,503	-490,091
Tax expenses	-16,543,596	-6,665,206	-16,652,848	-6,735,756
Net cash flows from operating activities	82,940,243	117,819,941	84,813,058	119,849,108
CASH FLOWS FROM INVESTMENT ACTIVITIES				
Interest received	1,801,194	175,991	2,222,069	191,362
Dividends received and profit sharing – subsidiaries	462,701	202,983	0	0
Dividends received and profit sharing – associates	691,982	1,158,075	691,982	1,158,075
Dividends received and profit sharing – other companies	2,932,828	2,524,888	2,989,366	2,580,434
Proceeds from sale of property, plant and equipment, and intangible assets	684,918	1,813,165	707,525	1,959,445
Proceeds from sale of investment property	19,587	2,886	31,824	2,886
Proceeds from sale, decrease in investments and loans and deposits given	116,817,787	1,619	122,753,697	1,619
Acquisition of property, plant and equipment, and intangible assets	-44,533,865	-46,043,710	-44,751,576	-46,701,498
Acquisition of investments, and increase in loans and deposits given	-188,704,100	0	-193,704,100	0
Net cash flows from investing activities	-109,826,968	-40,164,103	-109,059,214	-40,807,677
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from non-current borrowings	60,000,000	36,100,000	60,000,000	36,100,000
Repayment of non-current borrowings	-5,142,857	-12,250,000	-5,142,857	-12,250,000
Repayment of current borrowings	-8,336,093	-32,408,143	-8,336,093	-32,408,143
Lease payments expense	-447,188	-384,460	-395,133	-412,757
Dividends paid	-35,000,000	-15,960,000	-35,000,000	-15,960,000
Net cash flows from financing activities	11,073,862	-24,902,603	11,125,917	-24,930,900
Net increase/decrease in cash and cash equivalents	-15,812,863	52,753,235	-13,120,239	54,110,531
Opening balance of cash and cash equivalents	69,095,661	16,342,426	94,749,216	40,638,685
Closing balance of cash and cash equivalents	53,282,798	69,095,661	81,628,977	94,749,216

3.5 Statement of Owner's Equity

(in EUR)	Reserves arising from valuation at fair value						Total equity	
	Share capital	Share premium	Legal reserves	Other revenue reserves	Retained earnings	Investments		Actuarial gains and losses
Balance at 31 December 2021	58,420,965	89,562,703	18,765,115	206,142,584	29,592,319	31,260,558	-1,567,938	386,889,959
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000
Changes in equity – transactions with owners	0	0	0	0	-15,960,000	0	0	-15,960,000
Net profit or loss for the period	0	0	0	0	73,266,227	0	0	73,266,227
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	-9,411,727	0	-9,411,727
Change in actuarial gains/losses, less tax	0	0	0	0	0	0	154,974	154,974
Total comprehensive income for the period	0	0	0	0	73,266,227	-9,411,727	154,974	64,009,474
Allocation of proportion of net profit for the period to other equity components pursuant to resolution of the Management and Supervisory Board	0	0	0	36,633,113	-36,633,113	0	0	0
Other movements within equity	0	0	0	0	-35,569	0	35,569	0
Movements within equity	0	0	0	36,633,113	-36,668,682	0	35,569	0
Balance at 31 December 2022	58,420,965	89,562,703	18,765,115	242,775,697	50,229,864	21,848,831	-1,377,395	480,225,780
Dividends paid	0	0	0	0	-35,000,000	0	0	-35,000,000
Changes in equity – transactions with owners	0	0	0	0	-35,000,000	0	0	-35,000,000
Net profit or loss for the period	0	0	0	0	54,450,022	0	0	54,450,022
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	5,928,412	0	5,928,412
Change in actuarial gains/losses, less tax	0	0	0	0	0	0	-256,813	-256,813
Total comprehensive income for the period	0	0	0	0	54,450,022	5,928,412	-256,813	60,121,621
Allocation of proportion of net profit for the period to other equity components pursuant to resolution of the Management and Supervisory Board	0	0	0	27,225,011	-27,225,011	0	0	0
Other movements within equity	0	0	0	0	1,423,678	-1,452,366	28,688	0
Movements within equity	0	0	0	27,225,011	-25,801,333	-1,452,366	28,688	0
Balance at 31 December 2023	58,420,965	89,562,703	18,765,115	270,000,708	43,878,553	26,324,877	-1,605,520	505,347,400

3.6 Statement of Group Equity

(in EUR)	Reserves arising from valuation at fair value							Total equity attributable to owners of controlling shares	Equity of non-controlling interests	Total equity
	Share capital	Share premium	Legal reserves	Other revenue reserves	Retained earnings	Investments	Actuarial gains and losses			
Balance at 31 December 2021	58,420,965	89,562,703	18,765,115	206,142,584	63,769,456	31,769,273	-1,732,471	466,697,625	267,705	466,965,330
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000	-10,835	-15,970,835
Changes in equity – transactions with owners	0	0	0	0	-15,960,000	0	0	-15,960,000	-10,835	-15,970,835
Net profit or loss for the period	0	0	0	0	74,112,143	0	0	74,112,143	47,656	74,159,799
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	-9,536,412	0	-9,536,412	0	-9,536,412
Change in actuarial gains/losses, less tax	0	0	0	0	0	0	114,289	114,289	0	114,289
Total comprehensive income for the period	0	0	0	0	74,112,143	-9,536,412	114,289	64,690,020	47,656	64,737,676
Allocation of residual net profit for comparable period to other equity components	0	0	0	36,633,113	-36,633,113	0	0	0	0	0
Other movements within equity	0	0	0	0	-55,739	0	55,739	0	0	0
Movements within equity	0	0	0	36,633,113	-36,688,852	0	55,739	0	0	0
Balance at 31 December 2022	58,420,965	89,562,703	18,765,115	242,775,697	85,232,747	22,232,861	-1,562,443	515,427,644	304,525	515,732,169
Dividends paid	0	0	0	0	-35,000,000	0	0	-35,000,000	-19,243	-35,019,243
Changes in equity – transactions with owners	0	0	0	0	-35,000,000	0	0	-35,000,000	-19,243	-35,019,243
Net profit or loss for the period	0	0	0	0	56,393,649	0	0	56,393,649	51,720	56,445,369
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	6,209,369	0	6,209,369	0	6,209,369
Change in actuarial gains/losses, less tax	0	0	0	0	0	0	-304,828	-304,828	0	-304,828
Other elements of comprehensive income for the reporting period	0	0	0	0	0	0	-9,889	-9,889	0	-9,889
Total comprehensive income for the period	0	0	0	0	56,393,649	6,209,369	-314,717	62,288,301	51,720	62,340,021
Allocation of proportion of net profit for the period to other equity components pursuant to resolution of the Management and Supervisory Board	0	0	0	27,225,011	-27,225,011	0	0	0	0	0
Other movements within equity	0	0	0	0	2,063,345	-2,117,354	54,009	0	0	0
Movements within equity	0	0	0	27,225,011	-25,161,666	-2,117,354	54,009	0	0	0
Balance at 31 December 2023	58,420,965	89,562,703	18,765,115	270,000,708	81,464,730	26,324,876	-1,823,151	542,715,946	337,002	543,052,948

31 Notes to Financial Statements

31.1 Bases for the presentation of financial statements

Reporting entity

Luka Koper, pristaniški in logistični sistem, delniška družba (hereinafter: Company), Vojkovo nabrežje 38, Koper, Slovenia, is the controlling company of the Luka Koper Group (hereinafter: Group), established in Slovenia. Separate financial statements of Luka Koper, d. d., and consolidated financial statements of the Luka Koper Group for the year ended 31 December 2023 are presented below. Consolidated financial statements include statements of the controlling company and statements of subsidiaries as well as the related profit or loss of associated companies.

The port's core business is cargo handling and warehousing of all types of goods, which the Group supplements with diverse goods-related services and other services to secure an overall logistics support. Given the Concession Agreement, the controlling company, Luka Koper, d. d. maintains the port infrastructure and provides for the port's development.

Subsidiaries included in the consolidated financial statements:

- Luka Koper INPO, d. o. o., 100%
- Adria Terminali, d. o. o., 100%
- TOC, d. o. o., 68.13%

Associates included in the consolidated financial statements:

- Adria Transport, d. o. o., 50%
- Adria Transport Croatia, d. o. o., 50%, 100%-owned by Adria Transport, d. o. o.
- Adria-Tow, d. o. o., 50%
- Adriafin, d. o. o., 50%
- Avtoservis, d. o. o., 49%

Companies excluded from the consolidated financial statements as at 31 December 2023:

- Logis-Nova, d. o. o., 100%
- Adria Investicije, d. o. o., 100%

Adria Investicije, d. o. o., and Logis-Nova, d. o. o., were not included in the consolidated financial statements due to being insignificant for a fair presentation of the Group's financial position. They operate in a limited scope and without employees. In their books, they only disclose property, and the balance sheet total of both was EUR 870,996 at 31

December 2023. Net sales for the business year amounted to EUR 84,559 (Adria Investicije, d. o. o.: EUR 61,139, and Logis-Nova, d. o. o.: EUR 23,450). Both companies recorded profits at the end of the year. If operations of the two companies should change considerably, they would be included in the Group's consolidated statements.

As at 31 December 2023, the controlling company Luka Koper, d. d. transferred its investment in Adria Investicije, d.o.o. to the new sole shareholder, Adria Terminali, d. o. o., as a subsequent payment recorded in the company's capital reserves.

Declaration of conformity

The financial statements of Luka Koper, d. d., and consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the International Accounting Standards Board (IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Union, and in accordance with provisions of the Slovenian Companies Act.

The Management Board of Luka Koper, d. d. approved these financial statements on 9 April 2024.

Bases for measurement

The financial statements of the Company and the Group are prepared on the going concern basis since the Company/ Group has operated profitably in the past and has immediate access to liquid assets.

The statements have been prepared on the historical cost basis, except for finance investments, which were measured at fair value. Methods applied for fair value measurement are clarified in the Note 32 'Financial instruments and financial risk management.'

Functional and presentation currency

The financial statements are presented in EUR (exclusive of cents), which is the functional currency of the Company/ Group. Slight inaccuracies may appear due to rounding.

Use of estimates and judgements

Preparation of financial statements in conformity with IFRSs requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Estimates are formed based on past

experience and expectations in the accounting period. Formation of estimates and the related assumptions and uncertainties are disclosed in the notes to individual items.

Estimates, judgements and assumptions are reviewed on a regular basis. Actual results may differ from these estimates, which are therefore reviewed and relevant adjustments formed on an ongoing basis. Changes in accounting estimates are recognised in the period for which the estimates are modified, or in the coming periods that are impacted by respective changes.

On the issue of climate change, the Company/Group is of the opinion that climate change does not represent a significant element in the estimates, judgement or valuation of accounting items. Similarly, there have been no relevant legislative changes that could affect the use of the Company/Group's estimates and judgements.

Estimates and judgements are used primarily with the following accounting items:

Assessing the adequacy of useful lives of assets (Notes 12 and 14 and Policies 32.1.2 and 32.1.3)

When determining the useful life of assets, the Company/Group takes into account the expected physical wear and tear and technical and economic aging (significant technological changes, market changes, obsolescence, number of operating hours or physical condition of individual assets). It is for this reason that the Company/Group regularly reviews the useful lives of its major assets internally and, every 5 years, with the assistance of an external certified valuer of property, plant and equipment. If there were significantly changed circumstances, the company/Group would change the useful life and, consequently, the depreciation rate.

Assessing the impairment of assets

Property, plant and equipment (Notes 12 and 13, and Policies 32.1.2, 32.1.3 and 32.1.4)

Existence of possible indication of impairment for property, plant and equipment is assessed by the Company/Group based on IAS 36. As at each reporting date, the Company/Group assesses whether there is any indication (external: significant technological change, market change, significant decrease in market value, expected regulatory restrictions on use; or internal: obsolescence, physical condition of an asset, changes in the scale of operations, lower than expected economic performance...) that the asset may be impaired. If such indication exists, the Company/Group is required to evaluate the recoverable value of the asset. If its recoverable value has changed by more than 20 per cent in a year, it shall be presumed to have changed materially in use. The Company/Group recognises the amount of the impairment loss as an expense (impairment charges, write-downs and losses on sales of property, plant and equipment and investment property) in the profit or loss.

Investments in subsidiaries and associates (Notes 16 and 17 and Policy 32.1.5)

The Company/Group performs a test to assess the impairment of its investments in accordance with IAS 36 - Impairment of Assets.

The amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of expected future cash flows based on long-term financial plans approved by management, discounted at current market rates of return for similar financial assets calculated at the date of the assessment. The Company/Group recognises the amount of the impairment loss as an expense (impairment charges, write-downs and losses on sales of property, plant and equipment and investment property) in the profit or loss.

For significant investments that show signs of impairment, a formal valuation may be obtained. In the case of a formal valuation of an investment, the valuation is the basis for recognising the amount of the impairment loss.

Allocation of assets or part of assets to investment property (Note 13 and Policy 32.1.3)

The Company/Group classifies property, the major part of which is leased out on an operating basis, as investment property. In cases where part of the property is leased out on an operating basis and the greater part is used for the performance of the company's activities, the property is allocated entirely to property, plant and equipment.

The Company/Group regularly reviews whether reclassification to or from investment property is necessary, in particular when the purpose of use changes (e.g. commencement of owner use, commencement of an operating lease, end of investment use, etc.).

Leases (Note 12 and Policy 32.1.2.6)

Upon identification of the lease agreement, the company/Group performs an analysis, determines the duration of the lease, and assesses the value of the rights to use assets and lease liability. Estimations of rights to use assets and lease liability are made by discounting the future cash flows for the period of lease. Cash flows are discounted based on a pondered interest rate realised by the Company/Group when raising non-current loans. Depreciation resulting from the rights to use assets is calculated based on the remaining lease term.

The Company/Group has elected to apply exemptions for leases with a lease term of 12 months or less, and for leases where the underlying asset has a low value.

Assessing the formation of provisions for legal disputes (Notes 24 and 30 and Policy 32.1.12.1)

A provision is recognised if the Company/Group has legal or indirect obligations arising from a past event that can be reliably assessed, and if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Contingent obligations are not recognised in the financial statements, as their exact amount could not be established or their actual existence will be confirmed only upon the occurrence or non-occurrence of events in the unforeseeable future, which the Company/Group cannot influence.

The Company/Group Management regularly checks whether the settlement of a contingent obligation will likely require an outflow of resources embodying economic benefits. If it becomes probable that an outflow of future economic benefits will be required, provisions for legal disputes are formed in the financial statements.

Assessing the adequacy of revenue recognition in contracts with customers (Note 1 and Policy 32.1.22)

The Company/Group discloses its revenue in accordance with IFRS 15. The core principle of the framework is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

For the purpose of revenue recognition, each company applies the stage of completion method as at the date of statement of financial position, i.e., for cargo handling by volume and working hours performed, for warehousing and logistics by days and volume, for maintenance upon construction situations and by hours performed, for laboratory services by hours performed.

Operating income is recognised by each company when it can be reasonably expected that it will result in cash receipts, unless such receipts were already realised when revenue was generated, and their amount can be reliably measured.

Assessing the possibility of using receivables for deferred taxes (Note 27 and Policy 32.1.20)

Based on the estimate that sufficient profit will be available in the future, the Company/Group created deferred tax assets provided under following:

Provisions for jubilee premiums and retirement benefits,

- Impairment of investments,
- Deductible temporary differences arising from lawsuits and non-current accrued and deferred liability items; and
- Impairment of receivables.

Deferred tax assets recognised under the formation of provisions for jubilee premiums and retirement benefits are reduced by relevant amounts of provisions utilised according to the FIFO method, because from 2022 inclusive, provisions from jubilee premiums and retirement benefits are fully recognized for tax purposes.

Given that the impairment losses on investments and receivables are not recognised as tax expenditure upon formation, the Company/Group formed deferred tax assets in the relevant amounts. Deferred tax assets will be capitalised upon the sale or disposal of the investment or financial instrument and upon the final write-off of receivables.

The tax rate used to calculate the amount of deductible temporary differences is 22 percent, and 19 percent for deferred tax assets for jubilee bonuses and termination benefits. Based on the adopted Act on Reconstruction, Development and Provision of Financial Resources (ZORZFS), the Company/Group has adjusted the tax rate to 22 percent for those deductible temporary differences that it believes it may be able to utilise in the period from 2024 to 2028, i.e., during the period of the increased corporate income tax rate.

Assessment of provisions formed for retirement benefits and jubilee premiums (Note 25 and Policy 32.1.12.2)

Obligations for defined post-employment and other benefits record the present value of retirement benefits and jubilee premiums. They are recognised on the basis of an actuarial calculation approved by the Management. The actuarial calculation is based on assumptions and assessments valid during the calculation, which may differ in the future from the actual assumptions in force at the time as a result of changes. This pertains particularly to the determination of the discount rate, the assessment of the fluctuation of employees, the assessment of the death rate and the assessment of salary growth. Due to the complexity of the actuarial calculation and the long-term nature of the item, obligations for defined benefits are sensitive to changes in the mentioned assessments.

32 Summary of significant information on accounting policies

32.1 The accounting policies applied

The accounting policies detailed below were consistently applied in all the periods presented in the financial statements.

The Luka Koper Group companies apply uniform accounting policies that have been changed and adjusted to Group's policies where necessary.

32.1.1 Foreign currency transactions

Transactions in foreign currency are translated into Euro at the reference exchange rate of the European Central Bank prevailing at the transaction date. Monetary assets and liabilities expressed in foreign currency as at the date of the statement of financial position are translated at the reference exchange rate of the ECB at the final day of the accounting year. All differences resulting from foreign currency translation are recognised in the income statement.

32.1.2 Property, plant and equipment

The Company/Group shall recognise an item of property, plant and equipment if, and only if:

- It is probable that the future economic benefits associated with the asset will flow to the Company, and
- Cost can be measured reliably.

They are used by the Company/Group in the provision of services, leased to others or used for office purposes, and are expected to be used for more than one year.

When the Company/Group acquires an asset of significant value, it allocates the amount initially recognised to its significant parts. The objective of dividing an asset into parts is reflected in the related economic benefit (facilities, storage and handling areas and handling equipment).

Spare parts and maintenance equipment are usually treated as stock and recognised in profit or loss as consumed. The Company/Group recognises major spare parts and replacement equipment as tangible assets if they are expected to be used in more than one accounting period. If spare parts and maintenance equipment can be used only in connection with a particular item of tangible fixed assets, they are accounted for as tangible assets.

Property, plant and equipment are measured at cost. Under the cost model, an item of property, plant and equipment is carried at its cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment is equal to the monetary price on the date of the asset's recognition.

Land is accounted for separately and is not subject to depreciation.

32.1.2.1 Borrowing costs

Pursuant to IAS 23, the purchase cost of property, plant and equipment can also include borrowing costs if they can be directly associated to the purchase, construction or production of an asset in the course of construction. If the Company or Group agrees on a general borrowing which cannot be directly associated with the purchase of an asset in the course of construction, it will capitalise a proportionate share of costs calculated using the weighted annual interest rate, but solely for major investments (value and construction period exceeding EUR 1 million and 12 months, respectively). Investments with durations of several years that witnessed no inputs in the reporting period (halted investments) are excluded from the method of capitalising interest.

Borrowing costs are capitalised until the asset is in the course of construction. When the asset is transferred to use, borrowing costs are no longer capitalised. The amount of borrowing costs capitalised in the period must not exceed borrowing costs, which arise in the same period.

32.1.2.2 Employee benefit costs and fees arising directly from construction or acquisition

The Company/Group also includes in the cost of property, plant and equipment the cost of the workforce directly related to the making of the investment when the investment is significant (for the controlling company, if the value of the investment exceeds EUR 1 million and the construction period exceeds 12 months, or for subsidiaries and associates, if the value of the investment exceeds 3 percent of the total tangible fixed assets and the construction period exceeds 12 months).

Labour costs are capitalised while the asset is in preparation. When the asset is transferred to use, labour costs are no longer capitalised.

32.1.2.3 Subsequent expenditure

Parts of certain items of property, plant and equipment may require replacement at regular intervals. An asset can also be obtained for occasional replacements, such as replacing partitions in a building, or for one-off replacements. The carrying amount of the parts that are replaced is no longer recognized.

Replacements of items of property, plant and equipment and major overhauls are accounted for as investments and are depreciated over their estimated useful lives, which are expected to be longer than one accounting period and in most cases differ from the useful life of the main asset.

Replacement parts of greater value are treated as devices or equipment, which are depreciated irrespective of their entry into service. However, replacement parts used in a single asset are depreciated over the useful life of that asset.

With each replacement of a part of an asset or before a major overhaul, the Company/Group separately shows the new purchase value of a part of the property, plant or equipment and derecognizes any remaining carrying amount of the replaced part. The cost of the asset is reduced, and proportionately the valuation allowance accrued to date, with the difference recognised as an expense in impairment, write-downs and losses on sales of property, plant and equipment and investment property.

32.1.2.4 Depreciation

In each period, depreciation charge is recognised in the income statement.

An asset is subject to depreciation on the day when it is made available for use.

The items of property, plant and equipment are depreciated under the straight-line method of depreciation, considering the assessed economic life of an individual asset. When acquiring assets that are divided into parts, the initially recognised amount is distributed among its more important parts and each part is depreciated separately. Replacement parts of greater value are treated as devices or equipment, which are depreciated irrespective of their entry into service. However, replacement parts used in a single asset are depreciated over the useful life of that asset. The objective of dividing an asset into parts is reflected in the economic benefits.

The depreciation method used is reassessed at the end of each financial year.

Land, assets in acquisition, non-current assets classified to disposal groups (held for sale) and works of art are not depreciated.

Useful lives applied with property, plant and equipment are as follows:

Assets	2023	2022
Construction works	16,67–66,67 years	16,67–66,67 years
Transport and transshipment equipment	5–25 years	5–25 years
- locomotives	6,67–15 years	6,67–15 years
- forklifts, shippers	8–12 years	8–12 years
Computer hardware	4–5 years	4–5 years
Other equipment	4–12 years	4–12 years

32.1.2.5 Derecognition

The carrying amount of an individual item of property, plant and equipment is derecognised upon its disposal or when no future economic benefits are expected from the asset's use or disposal. Any profits or losses resulting from disposal of individual item of property, plant and equipment are determined as the differences between the revenue from disposal and the carrying amount and are included in profit or loss.

32.1.2.6 Rights to use assets

The Company/Group discloses leases under the rights to use assets in compliance with the new IFRS 16 standard. The scope of application of IFRS 16 comprises leases of all assets with a few exceptions. Pursuant to the Standard, lessees should recognise all leases through the statement of financial position under a single lessee accounting model without making a distinction between an operating or a finance lease. The Standard allows two exemptions in recognising assets, i.e., when the underlying asset is of low value (such as personal computers) and for short-term leases (leases with a term of less than 12 months). As at the date of the beginning of lease, the lessee is required to recognise the obligation to make lease payments (i.e. a lease liability) and the asset representing the right to use the underlying leased asset for the duration of the lease (i.e. a right-of-use asset).

32.1.3 Investment property

Investment property is held by the Company/Group to bring rent and/or increase the value of the non-current investment. Investment property is measured by the Company/Group under the cost model. Depreciation is accounted for under the straight line depreciation method based on the estimated useful life of each asset or its components. Land is not depreciated. Facilities under lease are divided into individual parts according to their estimated useful lives. The following depreciation rates are used for investment property:

Investment property	2023	2023
Buildings	16,67–66,67 years	16,67–66,67 years

32.1.4 Intangible assets

Initially, intangible assets are recognised at cost. After initial recognition, they are recognised at their cost reduced by accumulated amortisation and accumulated impairment losses.

32.1.4.1 Depreciation

Depreciation begins when an asset is ready for its use, i.e. when the asset is on the location and in the condition necessary for it to operate as intended.

The carrying amount of an item of intangible assets with finite useful life is reduced using the straight-line amortisation method over the period of its useful life. All intangible assets have finite useful lives.

The depreciation period and depreciation method for an intangible asset with finite useful life are reviewed at least at each financial year-end. If the asset's expected useful life differs significantly from previous estimates, the depreciation period is adjusted accordingly.

The useful life of an item of intangible assets that arises from contractual or other legal rights does not exceed the period of these contractual rights or legal rights, however, it may be shorter, depending on the period during which the asset is expected to be used. The assessed useful life of other items of intangible assets is 10 years (the applied useful lives are presented in the table below).

Intangible assets	2023	2023
Non-current property rights	3–10 years	3–10 years
Development costs	10 years	10 years

32.1.5 Investments in related entities

Investments in subsidiaries, associates and other companies are measured at cost. The Group only discloses investments in associated companies, which are recognised using the equity method. On each date of the statement of financial position, the Company/Group assesses whether there is any indication of impairment. Any impairment loss on investment is recognised in the income statement.

32.1.6 Financial assets

Financial instruments are classified into the following categories:

- 1 Financial instruments measured at amortised cost,
- 2 Financial instruments measured at fair value through other comprehensive income, and
- 3 Financial instruments measured at fair value through profit or loss.

The Company classifies quoted shares as financial assets measured at fair value through other comprehensive income. Upon initial recognition, financial assets are measured at fair value, with the exception of trade receivables that do not have a significant financing component (as determined in accordance with IFRS 15) and are measured at transaction price (as defined in IFRS 15). In the case of a financial asset measured at fair value through profit or loss, the Company/Group adds or deducts transaction costs directly attributable to the acquisition or issuance of the financial asset. Fair value is considered market value based on the closing price of a security on a stock exchange. Fair value changes are recognised by the Company/Group in other comprehensive income within equity. Upon derecognition, the Company/Group recognises gains or losses through retained earnings. Additions and disposals are recognised as at the trading date.

Investments in other shares and securities, with regard to which there is no active market, and investments in mutual funds for which the daily value of the unit of the mutual fund is published, are classified by the Company/Group as assets measured at fair value through profit or loss.

32.1.7 Other assets

Other assets include advances for acquiring property, plant and equipment. All advances given are secured by bank guarantees provided to the Company/Group by the supplier.

32.1.8 Loans, deposits, treasury bills and receivables

Loans, deposits, treasury bills and receivables are recognised by the Company/Group as at the settlement date and measured at amortised cost. Interest income, impairment gains or losses and foreign exchange gains or losses are recognised in profit or loss. Derecognition is also recorded in profit or loss.

32.1.8.1 Trade receivables

In books of account, the Company/Group carries non-current and current receivables separately. Default interest arising on stated receivables is recorded among off-balance sheet items. Upon recognition, non-current and current trade receivables are disclosed at contractually agreed amounts or as recorded in the relevant accounting documents. Receivables where recovery procedures have been initiated or where debtors are in one of the insolvency procedures are transferred by the Company/Group to bad and doubtful receivables. Other operating receivables and other assets include short-term deferred costs or expenses and accrued income.

Allowances for trade receivables

The Company/Group forms revaluation allowances for all past due trade receivables and based on age structure and individual assessment. Allowances for receivables due from companies in a bankruptcy or liquidation procedure are formed immediately once such proceeding begins, in their full amount (100 percent). In accordance with the IFRS 9 which introduced new requirements for the measurement of financial assets and recognition of their impairment, the Company/Group has formed an impairment model for trade receivables based not only on realised credit losses, but also on expected credit losses. The Company/Group also forms allowances for receivables resulting from non-maturity receivables on the basis of risk assessment. Assessment of risk is composed of the customer's credit rating which is formed by the Company/Group based on own criteria, and also results from the customer's country of origin. The Company/Group shall review the buyer risk assessment criteria on an annual basis and no later than before the end of the financial year. Claims for which it is not possible or rational to obtain a risk assessment are classified as medium risk.

Impairment losses are charged to other operating expenses associated with receivables.

32.1.9 Cash

Cash and cash equivalents include cash (cash in hand), book money (cash balances in accounts with banks or other financial institutions), cash in transit (money transferred from cash in hand to an account with a bank) and cash equivalents, which include short-term deposits and deposits with banks with a maturity of three months or less after acquisition.

The key factors in determining whether an investment is a cash equivalent under IAS 7 are maturity and purpose. The purpose of cash equivalents is to settle short-term cash liabilities, not to establish investments or increase financial income. To qualify as a cash equivalent, an investment must be readily convertible into a known amount of cash and the risk of changes in its value must be insignificant.

The Company/Group reports cash in foreign currencies separately in bank accounts. Foreign currency cash balances are converted into the domestic currency at the European Central Bank's reference rate on the reporting date.

32.1.10 Inventories

Inventories are measured by the Company/Group at cost or net market value, whichever is lower. An item of the materials inventory is measured at cost, which comprises the purchase price, import duties and other non-refundable purchase taxes, and direct costs of purchase. Non-refundable purchase taxes also include non-refundable VAT. The purchase price is reduced by trade discounts. The Company/

Group applies the weighted average price method for reducing the materials inventory. Small tools put in use are immediately transferred among costs. Inventories are not subject to revaluation due to increases.

32.1.11 Equity

32.1.11.1 Share capital

The share capital of the Company/Group in the amount of EUR 58,420,965 consists of 14,000,000 ordinary no-par value shares that are freely transferable. As at 31 December 2023, the nominal value of a share was EUR 4.17.

32.1.11.2 Capital surplus (share premium) and revenue reserves

The Company/Group records legal reserves in the amount of at least 10% of share capital as required by the Companies Act (ZGD-1). Legal reserves and share premium are not included in the accumulated profit and are not subject to distribution. The Company/Group has no statutory reserves, as they are not envisaged under its articles of association.

32.1.11.3 Reserves arising from valuation at fair value

Reserves arising on valuation at fair value comprise reserves arising from valuation of investments measured at fair value and with respect to unrealised actuarial gains and losses.

32.1.11.4 Retained earnings

Retained earnings consist of all accumulated undistributed net profits of previous years and the unappropriated portion of the net profit for the period.

32.1.11.5 Dividends

Dividends are recognised in the controlling company's financial statements once the decision on the distribution of dividends is adopted by the general meeting.

32.1.11.6 Authorised capital

At 31 December 2023, the Company/Group had no authorised capital.

32.1.12 Provisions

32.1.12.1 Provisions for legal disputes and damages

The Company/Group forms provisions for disputes and damages related to alleged business offences. Provisions are formed and their amount determined in consideration of the following criteria:

- Whether a present obligation (legal or constructive) exists as a result of past events,

- Probability that an outflow of resources will be required to settle an obligation (legal dispute) – the provision is recognised if the probability is high,
- A reliable estimate can be made of the amount of the obligation.

32.1.12.2 Provisions for severance pays and long-service awards

In accordance with statutory requirements and the collective agreement, the Company/Group is obligated to pay jubilee premiums and termination benefits on retirement. To measure these payments, the Company/Group applies valuation of actuarial liability on the basis of expected salary growth from the valuation date until the employee's anticipated retirement. This means that benefits are accrued in proportion to the work performed. The assessed liability is recognised as the present value of expected future expenditure. Anticipated salary growth and employee turnover are also considered as part of measurement.

Actuarial gains or losses for termination benefits in the current year are recognised in other comprehensive income under equity based on an actuarial calculation, whereas current employee benefits and interest expenditure are recognised in profit or loss. Current employee benefit costs and interest expenditure as well as actuarial gains or losses are recognised in profit or loss for jubilee premiums.

The calculation of provisions for retirement benefits and jubilee premiums is based on the actuarial calculation as at 31 December 2023, which took into account the following assumptions:

- Currently applicable amount of termination benefits and jubilee premiums.
- Mortality rate that is based on mortality tables from 2007 applicable to Slovenia and presented separately for men and women, decreased by 10% (active population). As at 31 December 2023, this means an overall 0.3% to 0.6% death rate for employees in the next financial year (according to the number of employees).
- Staff fluctuation, declining on a straight-line basis from 2.0% at 18 years to 0.0% at 58 years, thereupon remaining constant at 0.0%. In total, this indicates an annual fluctuation between 0.5% and 0.8% for next year as at 31 December 2023. Staff fluctuation as a result of an increased number of dismissals by the employer has not been taken into account.
- Foreseen retirement of individual employees has been taken into account based on data on employee gender, date of birth and length of service as at 31 December 2023 pursuant to Article 27 and 3rd indent of Article 28 Paragraph 1 of Pension and Disability Insurance Act (ZPIZ-2).
- For the 2024 and 2025 calculations, we used average salary increase rates for the Republic of Slovenia as outlined in the Autumn Forecast of the Institute of Macroeconomic Analysis and Development published in September 2023. As of 2026, average salaries in Slovenia are expected to increase annually due to inflation (IMF,

October 2023) and by 1.4% due to real growth. The calculation of the average gross salary in the Republic of Slovenia is based on the average gross salary from November 2022 to October 2023, increased by growth using actuarial assumptions on the nominal growth rate of average gross salaries in the Republic of Slovenia. For the calculation of average salaries for the last 12 months, converted to a monthly basis, the data published by the Statistical Office of the Republic of Slovenia for 2022 is taken into account.

- The increase in basic salaries is taken into account at the rate of annual inflation plus real growth of 0.4%, but no more than the projected average salary growth in the Republic of Slovenia. The following is also taken into account: increase in gross basic salaries due to promotion of 0.5% per annum, and a bonus for total years of service at 0.5% of the basic salary for each full year of service. In the case of two individual contracts in the controlling company and three individual contracts in subsidiaries, no length-of-service bonus is considered. Accordingly, the nominal monthly salary growth rate – in view of inflation and actual growth – would be 4.3% next year, 3.1% in 2025, 2.8% in 2026, and 2.4% from 2027 onwards.
- The discount rate for the calculation as at 31 December 2023 is set at 3.2% reflecting the yield of high-quality corporate bonds (AA rating) as at 29 December 2023 denominated in EUR, and by interpolation with respect to the average weighted duration of the Company/Group's commitments (according to the calculated amount of pre-discount commitments) from the balance sheet date to payments by individual type of earnings (13.9 - 14.0 years).

32.1.13 Non-current deferred income

The controlling company forms non-current deferred income for the cost of the public utility service of routine maintenance of the port public infrastructure in an amount equal to the excess of port dues revenue over the cost of the public utility service. In the event of costs exceeding revenues from port dues, non-current deferred income is derecognised in the amount of the surplus.

In the subsidiary Luka Koper INPO, d. o. o., non-current accrued liabilities include donations received and social security contributions assigned, which are subject to earmarked spending, namely for investments in fixed assets and to cover costs related to the employment of disabled people. Non-current accrued liabilities are transferred to revenue to the extent of the identified specifically used costs or expenses.

32.1.14 Government grants

All kinds of government grants are initially recognised in the statement of financial position as deferred income when there is assurance that the Company/Group will receive such grants and meet the related terms. Government grants to cover costs are consistently recognised in profit or loss in the periods when the relevant costs that these revenues are supposed to cover are incurred.

32.1.15 Concession-related activity

In compliance with the Maritime Code, Luka Koper, d. d. and the Government of the Republic of Slovenia regulated their relations in the port of Koper in September 2008 by entering into a Concession Agreement within the Decree on the Administration of the Freight Port of Koper, Port Operations, and on Granting the Concession for the Administration, Management, Development and Regular Maintenance of its Infrastructure, and defined the concession relationship for the period of 35 years from the date of concluding the Agreement.

Pursuant to provisions of the Concession Agreement and the Transparency of Financial Relations and Maintenance of Separate Accounts for Different Activities Act (ZPFOL-ERD-1), the concession operator is required to keep their books of account in a way that provides for separate financial monitoring of the activity, which is carried out on the basis of exclusive rights granted.

In its books of account, Luka Koper, d. d. keeps separate records of income from port tax in an individual year and of costs of performing concessions activities. Any income surplus generated through port duties over maintenance costs relating to port infrastructure, is kept by the concession provider as short-term deferred income for costs of maintaining the port infrastructure in the coming years as required by Article 9.3. of the Concession Agreement. Financial monitoring of the public service is based on policies and principles of cost accounting and criteria of separate bookkeeping.

In accordance with the Concession Agreement concluded with the Republic of Slovenia and the criteria approved by the latter, Luka Koper, d. d. forms non-current deferred income for routine maintenance of port infrastructure in the amount equal to the surplus of income from port dues over the related costs of the public service. In the event of costs exceeding revenues from port dues, non-current deferred income is derecognised in the amount of the surplus.

Luka Koper, d. d., as the concession operator, obtained from the Republic of Slovenia, as the concession provider, the exclusive right for performing port activities of cargo handling and maritime passenger transport in the port area, and the related exclusive right for port administration and management, and for the administration and development of port infrastructure not intended for public transport, and pursuant to Article 44 of the Maritime Code, also the exclusive right to perform public utility service of regular maintenance of the port infrastructure that is intended for public transport.

Furthermore, pursuant to Article 7.9.6. of the Concession Agreement, Luka Koper, d. d., keeps records on investments made in port infrastructure in each financial year. Luka Koper, d. d., is required to indicate investments in each individual year in a special appendix to the annual report, which is to be examined and approved by a certified auditor.

In accordance with Article 10.1. of the Concession Agreement, Luka Koper, d. d., pays a concession tax, which amounts to 3.5% of the annual revenue generated less port dues collected in the relevant year. The basis for levying the concession tax is the audited income statement of Luka Koper, d. d. The annual concession tax amount is paid in monthly instalments of advance payments calculated not later than by 30 July of the current year on the basis of audited data for the previous calendar year. Port dues account for 3 percent of the controlling company's operating income and are a constituent part thereof. The amount of port dues is defined by the controlling company Luka Koper, d. d. in agreement with the government. The remaining 97 percent of the controlling company's operating income is generated through rendering of services of cargo handling and warehousing, whose fees and prices are formed on the basis of market regularities. The development and overhaul of the port infrastructure is carried out by the controlling company in its own capacity and for its own account. Upon the concession's expiry, the concession operator is entitled to the refund of unamortised part of investments. Given the above-mentioned provisions of the Concession Agreement, the Group shall not apply IFRIC 12.

Upon termination of the concession relationship, the grantor of concession is obliged to reimburse to Luka Koper, d. d. the funds invested in the development of port infrastructure in the amount of the audited as yet unamortised part of the value of investments in concession installations, equipment and facilities, provided that the investments were made with the prior written consent of the grantor of concession.

In accordance with the applicable concession contract, the grantor shall start the process of preparation for a new public tender for the selection of the concession holder at least two years before the expiry of this concession. In the event that Luka Koper d. d. is re-selected as the concession holder, it will be exempt from paying the part of the concession fee that is paid upon signing the new concession contract, thus terminating its right to reimbursement of the unamortised part of the investment value.

32.1.16 Public utility services of collecting waste from vessels in the Koper port area

The public utility service of collecting waste from vessels in the Koper port area is being performed in line with the Decree on the method, subject and conditions for the provision of national public utility service of collecting waste from vessels (Official Gazette of the Republic of Slovenia, No. 59/2005), and the Decree on port reception facilities for ship-generated waste and cargo residues (Official Gazette of the Republic of Slovenia, No. 78/2008). These services comprise regular reception of ship-generated waste and cargo residues, installation of port facilities for reception of ship-generated waste and cargo residues in accordance with regulations governing port reception facilities, receipt of messages about intended delivery of ship-generated waste and cargo residues, separate collection, sorting and storage of accepted waste and cargo residues by using port

reception facilities, delivery for processing with a view of re-use, recycling or disposal of processing residues in accordance with environmental protection regulations governing waste management, and informing the public and users about the manner of delivering waste and cargo residues. For purposes of reports within the public utility service of collecting waste from vessels, Luka Koper, d. d., based on provisions of the Transparency of Financial Relations and Maintenance of Separate Accounts for Different Activities Act has taken into account the principles of cost accounting and criteria of separate bookkeeping.

Until 31 December 2016, Luka Koper, d. d., was performing the public utility service of collecting waste from vessels through its subsidiary Luka Koper INPO, d. o. o., which acted as its performance assistant. The two companies had an agreement of cooperation between them. Luka Koper INPO, d. o. o., is fully controlled by Luka Koper, d. d., and the companies are considered to form a single economic unit based on the settled case law of the European Court of Justice. As at 1 January 2017, the companies signed an annex to the agreement stipulating, among others, that as at 1 January 2017, Luka Koper INPO, d. o. o., as the performance assistant shall perform the public utility service of collecting waste from vessels in the Koper port area in the name and for the account of Luka Koper, d. d.

32.1.17 Financial liabilities

On initial recognition, the Company/Group records borrowings at fair value and thereupon at amortised cost using the effective interest rate method. In terms of maturity, borrowings are classified into non-current and current financial liabilities. On the last day of the year, all financial liabilities maturing in the next year are reclassified to current financial liabilities. Borrowings are insured with bills of exchange and certain loan covenants.

32.1.18 Operating liabilities

Under non-current operating liabilities, the Company/Group recognises collaterals received for rented business premises and retained guarantee payments. Current trade payables and current payables to the state and employees are shown separately under current liabilities. Other Company's/Group's operating liabilities include short-term deferred income and short-term accrued costs or expenses.

32.1.19 Income tax

Income tax is accounted for by the Company/Group in compliance with provisions of the Corporate Income Tax Act. The basis for the income tax calculation is the gross profit increased by the amount of non-deductible expenditure and reduced by the amount of statutory tax relief. Such basis is used for accounting the corporate income tax liability. As for 2023, income tax liability was calculated at the rate of 19 percent.

32.1.20 Deferred taxes

In order to disclose an appropriate profit and loss for the reporting period, the Company/Group also accounts for deferred taxes. These are disclosed as deferred tax assets and deferred tax liabilities. In accounting for deferred taxes, the balance sheet liability method is applied. The book value of assets and liabilities is compared with their tax value, and the difference between both is defined as either permanent or temporary.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised. They are calculated at the tax rates expected to apply in the period when the claim is recovered.

Deferred tax liabilities are recognised for all taxable temporary differences calculated at tax rates that are expected to apply in the period when the liability is settled.

Deferred tax assets are offset against deferred tax liabilities if a legally enforceable right exists to offset current tax assets against current corporate income tax liabilities and the deferred taxes involve the same taxable legal entity and the same tax authority.

32.1.21 Net earnings per share

The basic and diluted earnings per share were calculated by dividing the net profit for the period with the weighted average number of ordinary shares in issue.

32.1.22 Revenue

32.1.22.1 Operating income

Revenue from contracts with customers

The Company's/Group's core business is cargo handling and warehousing of all types of goods, goods-related services, and other related services. The respective services are all carried out in Slovenia, for both local as well as foreign customers. Foreign customers come from European markets, which are considered most significant for the Company/Group, as well as from Asia and America. The customers include the world's largest shipping companies, major international corporations, end-users of our services, and other major and smaller domestic and foreign companies that deem the port of Koper as the provider of the fastest and highest quality logistics service.

The Company/Group discloses its operating income in accordance with IFRS 15. The Company/Group has recognised all active contracts concluded with foreign entities and judged them using the five steps required by the standard. An analysis of contracts with customers has shown that they all meet the criteria of the new standard for

revenue recognition; performance obligations are defined adequately in contracts, allowing their classification and measurement, and determining when they might be satisfied. The majority of revenue results from contracts defined as simple supply of services. Since the contracts include no separate performance obligations, the Company/Group deems its valid accounting policy for recognition of revenue to be in line with requirements of IFRS 15.

The prices in the Company/Group are set at fixed or variable rates. Variable rates occur when the Company/Group offers a volume discount. Volume discounts are achieved based on agreed transshipment volumes.

In recognizing income from services rendered, the Company/Group uses the stage of completion method as at the date of the statement of financial position, as this is when the condition of transfer of control of a good/service is met. The Company/Group can do so as its performance does not create an asset with an alternative use to the company and the Company/Group has an enforceable right to payment for performance completed to date. Under the method, income is recognised in the accounting period in which the services are rendered. The Company/Group does not sell its services with maturities of more than one year, therefore it does not recognize income and expenses from financing. The amount of each significant category of revenue recognised in the accounting period is disclosed, as well as revenue generated in connection with domestic and foreign customers.

32.1.22.2 Rental income

Rental income primarily comprises income from investment property, i.e. income generated from facilities and land that are leased out under operating lease. Rental income is recognised by the Company/Group within operating income.

32.1.22.3 Other income

Other operating income comprises operating income from the sale of property, plant and equipment, subsidies, donations, insurance proceeds and other income. Government grants and other subsidies primarily refer to funds received for development activities within the European development projects that aim to increase the port's competitiveness, energy efficiency, environmental safety, and ensure efficient port processes. Subsidies received to cover the costs incurred are recognised strictly as income in the periods when the relevant costs that this income is supposed to cover are incurred.

Income from utilising retained salary contributions is recognised in compliance with the Vocational Rehabilitation and Employment of Disabled Persons Act in the amount of eligibly used funds.

Other income is recognised when it can be justifiably expected that cash receipts will flow from them.

32.1.23 Finance income and finance expenses

Finance income comprises interest income from loans, deposits, treasury bills, default interest on late payment of services and receivables, dividend income, income from disposal of available-for-sale financial assets, and foreign exchange gains. Interest income is recognised when accrued using the effective interest method. Dividend income is recognised in profit or loss when a shareholder's right to payment is established.

Finance expenses comprise interest costs on borrowings, interest on leases as derived from the standard IFRS 16, foreign exchange losses and impairment losses on financial assets recognised through profit or loss. Costs of borrowings and approval of these are recognised in the profit or loss over the entire maturity of the borrowings.

32.1.24 Costs as expenses

Costs are recognised as expenses in the accounting period in which they are incurred. They are classified according to their nature. Costs are carried and disclosed by types. Expenses are recognised if decreases in economic benefits during the accounting period are associated with decreases in assets or increases in liabilities, and those decreases can be measured reliably.

32.1.25 Statement of other comprehensive income

The statement of other comprehensive income outlines the net profit or loss for the period as well as other comprehensive income. Other comprehensive income includes items of income and expense that are not recognised in profit or loss but affect equity.

32.1.26 Statement of Cash Flows

The statement of cash flows is presented by applying the indirect method, on the basis of items reported in the statement of financial position as at 31 December 2023 and 31 December 2022, as well as items in the 2023 income statement, inclusive of any necessary adjustments of the cash flow.

32.1.27 Statement of changes in equity

The statement of changes in equity outlines changes in individual equity components during the financial year (total income and expenses, in addition to transactions with stakeholders that act as owners), inclusive of the net profit or loss distribution. The statement of other comprehensive income is also included, increasing net profit of the accounting period by total revenue and expenses directly recognised in the equity.

32.1.28 Risk management

The Company/Group monitors and strives to manage risks at all levels of business. In the assessment of risks, various risk factors are considered. Efficient risk management is ensured by timely identification and management of risks and by relevant guidelines and policies, which are laid down in documents of the overall management system.

Operations of the Company/Group are exposed to strategic, operational and financial risks, which largely depend on market laws and thereby require active and ongoing monitoring. Procedures for risk identification are described in the business report, Chapter 14 'Managing risks and opportunities'. In addition to strategic and operational risks, the Company/Group also faces financial risks, of which the most significant ones include the fair value risk, interest rate risk, liquidity risk, currency risk and credit risk, as well as the risk of adequate capital composition. How financial risks are identified and managed within the Company/Group is disclosed in Note 32 'Financial instruments and financial risk management'.

32.1.28.1 Fair value

Fair value is used with financial assets measured at fair value. All other financial statement items are presented at cost or amortised cost.

In measuring the fair value of a non-financial asset, the Company/Group must take into account the market participant's ability to generate economic benefits by using the asset at its highest and best use or by selling it to another market participant that would use the asset at its highest and best use.

The Company/Group uses valuation techniques that are appropriate under the given circumstances and for which there is enough data available, mainly based on the use of appropriate market inputs and the minimum use of non-market inputs.

All assets and liabilities that are measured or disclosed at fair value in the financial statements are classified into a fair value hierarchy based on the lowest level of inputs required for measuring the total fair value:

1. Level 1 – quoted prices (unadjusted) in active markets for similar assets and liabilities,
2. Level 2 – valuation model based directly or indirectly on market data,
3. Level 3 – valuation model not based on market data.

At the end of each reporting period, the Company/Group determines whether any transitions between levels occurred in the case of assets and liabilities recognised in the financial statements for previous periods by re-examining the distribution of assets, taking into account the lowest level of inputs required for measuring the total fair value.

The fair value measurement hierarchy of the Company's/ Group's assets and liabilities is presented in Note 32: 'Financial instruments and financial risk management'.

32.1.29 Basis for consolidation

Consolidated financial statements are the combined financial statements of the controlling company and its subsidiaries.

32.1.29.1 Subsidiaries

Subsidiaries are entities controlled, directly or indirectly, by the parent or controlling company. Control exists when the investor is exposed to or entitled to a variable return or has rights to a variable return in the company into which he invests, has the ability to influence financial and business decisions, and there is a link between influence and return. An assessment of control is made at the time of acquisition of the investment and on the basis of the perception of changed facts and circumstances of control.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

32.1.29.2 Associates

Associates are those entities in which the Group has significant influence but not control over the financial and operating policies. Investments in associates are initially recognised at cost and thereupon accounted for under the equity method. The consolidated financial statements of the Luka Koper Group comprise the Group's share and profits and losses of jointly controlled entities, accounted for under the equity method upon the adjustment of accounting policies from the date when significant influence begins until the date when it ends. If the Group's share in the losses of associates exceeds its share, the book value of the Group's share is reduced to zero, whereas the share in further losses is no longer recognised.

32.1.29.3 Transactions eliminated on consolidation

Balances and any unrealised gains and losses or income and expenses arising from intragroup transactions are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is evidence of impairment.

32.1.30 Newly adopted standards and interpretations

The standards and interpretations presented below were not yet effective until the date of financial statements or have not yet been confirmed by the European Union. Relevant standards and interpretations will be applied upon their entry into force by the Company/Group in preparing their financial statements.

Initial application of new standards or amendments to existing standards effective in the current financial year

Amendments to existing standards issued by the International Accounting Standards Board (IASB) and adopted by the EU that are effective for the current reporting period include:

- Disclosure of accounting policies (amendments to IAS 1 and IFRS Practice Statement 2): In February 2021, the IASB issued amendments to IAS 1 that change the disclosure requirements related to accounting policies from 'significant accounting policies' to 'material accounting policy information'. The amendments provide guidance on when information about accounting policies is considered material. Amendments to IAS 1 are effective for annual reporting periods beginning on or after 1 January 2023. Earlier application is permitted. As IFRS Practice Statement documents are not mandatory, the effective date of IFRS Practice Statement 2 is not specified.
- Definition of Accounting Estimates (Amendments to IAS 8): The amendments introduce the definition of accounting estimates and other guidelines to help entities distinguish accounting estimates from accounting policies. The amendments clarify that the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates unless they result from the correction of prior period errors.
- IFRS 17 – Insurance Contracts (New Standard) and Amendments to IFRS 17 Insurance Contracts: IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e. life, non-life, direct insurance and reinsurance), regardless of the type of entities issuing them, and to certain guarantees and financial instruments with discretionary participation features; some exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers and covers all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:
 - modifications for contracts with direct participation features (variable fee approach); and
 - simplified measurement approach (premium allocation approach), especially for short-term contracts.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 – Income taxes): In May 2021, the IASB issued Amendments to IAS 12. The amended standard clarifies whether the initial recognition exemption applies to certain transactions that are recognized as both an asset and a liability (such as a lease under IFRS 16 – Leases). The amendments introduce additional criteria for the initial application of exemptions under IAS 12.15, with the exemption not being applied when equal amounts of deductible and taxable temporary differences arise on initial recognition of assets or liabilities.

- International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12): The amendments to IAS 12 were introduced in response to the OECD's BEPS Pillar Two rules and include:

- a mandatory temporary exemption from the recognition and disclosure of deferred taxes related to the OECD pillar two model rules; and
- a disclosure requirement regarding the current tax expense (income) related to pillar two income taxes.

The adoption of these new standards, amendments to valid standards and interpretations has not caused major changes in the financial statements of the Company/Group.

Standards and amendments to existing standards issued by the IASB and adopted by the EU; not yet effective

New standards and amendments to existing standards issued by the IASB at the date of approval of these financial statements and adopted by the EU but effective for the reporting period beginning on 1 January 2024 are:

- Amendments to IAS 1 – Presentation of Financial Statements:
 - a) Classification of Liabilities as Current or Non-current. The amendment requires that the entity's right to defer settlement of the obligation for at least 12 months from the reporting date must be substantive and must exist at the end of the reporting period. The classification of liabilities is unaffected by the probability that the company will exercise its right to defer the liability for at least 12 months after the reporting date. The standard was subsequently revised again.
 - b) Non-current liabilities with covenants. If a company's right to defer settlement depends on the company complying with certain conditions, those conditions affect whether the right to defer existed at the end of the reporting period if the entity is required to comply with covenants at or before the end of the reporting period and not if the company is required to comply after the end of the reporting period. The amendment also clarifies the term "settlement" for the purpose of classifying liabilities as current or non-current.
- Amendments to IFRS 16 – Leases: Lease Liability in a Sale and Leaseback. The amendment contains a requirement for the seller-lessee to determine the 'rental payment' or 'modified rental payment' in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains.

The adoption of the new standards, amendments to existing ones, and interpretations will not have a major effect on the financial statements of the Company/Group.

New standards and amendments to existing standards issued by the IASB and adopted by the EU

Currently, IFRS as adopted by the EU do not differ significantly from the rules adopted by the International Accounting Standards Board (IASB), with the exception of the following new standards and amendments to existing standards that are effective for the reporting periods beginning on 1 January 2024 and 1 January 2025, respectively, and have not yet been adopted by the EU:

- Amendment to IAS 7 – Statement of Cash Flows and IFRS 7 – Financial Instruments: Disclosures (Amendments). On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amends IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (Amendments). These amendments arose as a result of a submission received by the IFRS Interpretations Committee (the Committee) on the requirements for the disclosure of liabilities and related cash flows arising from supplier financing arrangements and related disclosures. In December 2020, the Board published the agenda decision Supply Chain Financing Arrangements - Reverse Factoring, which addressed the submission based on the IFRS accounting standard requirements in force at that time. During this process, stakeholder feedback highlighted the limitations of the effective requirements to address the important user information needs that would enable them to understand the effects of financial arrangements with suppliers on an entity's financial statements and to compare one entity with another. In response to this feedback, the IASB has undertaken to implement a narrow range of standards, which has led to amendments. The amendments require entities to provide certain specific disclosures (qualitative and quantitative) in relation to supplier finance arrangements. The amendments also provide guidance on the characteristics of supplier finance arrangements.
- Amendment to IAS 21 - The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.

The Company/Group assumes that the adoption of the new standards and amendments to existing ones will not have a major effect on its financial statements over the initial period of use.

32.1.31 Disclosure of environmental information

In 2023, the Company/Group acted in accordance with the adopted 2020-2025 Strategic Business Plan, the strategic direction of environmental development and the strategy of sustainable development and social responsibility. At the end of 2023, a new strategy for the period 2024 - 2028 was adopted, which took into account the principles of sustainable development and responsible environmental management, with sustainable development being one of the key strategic orientations of the Luka Koper Company/Group. Being aware that the port is an important sustainable development stakeholder whose impacts on the environment and society may be both positive and negative, the Luka Koper Company/Group has decided to accede to achieving the global sustainable development goals in the context of comprehensive sustainability reporting. Sustainable Development Goals (SDG) have been adopted by all United Nations member states, their purpose being to pursue the development of the entire society, economy, science and civil society - which will play an important role in attaining the key objectives of the society as a whole by 2030.

The most important strategic orientations are:

- Replacement of existing fossil-fuelled port machinery and plant with alternative, more environmentally friendly machinery and plant;
- Construction of an onshore power supply (OPS) system;
- Construction of solar power plants (up to 10 MW).

Below, the Company/Group discloses explanatory notes relating to the Company/Group's environmental sustainability information:

Type of environmental information	Note	Note heading
Sustainable maintenance	5	Cost of services
Noise emissions	8	Other expenses
Sustainable investments	12	Property, plant and equipment

33 Additional Notes to the Income Statement

Note 1. Net sales revenue

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Net revenue from sales to domestic customers based on contracts with customers	99,442,205	96,070,727	102,751,684	99,146,628
- services	99,356,444	95,871,210	102,665,923	98,947,111
- goods and material	85,761	199,517	85,761	199,517
Net revenue from sales to foreign customers based on contracts with customers	200,293,726	206,177,480	200,998,481	206,906,522
- services	200,293,726	206,177,480	200,998,481	206,906,522
Net revenue from contracts with customers	299,735,931	302,248,207	303,750,165	306,053,150
Revenue from collected port dues	7,430,613	5,924,861	7,430,613	5,924,861
Net revenue generated on sales from rentals	2,117,679	2,023,612	1,591,711	1,484,625
Total	309,284,223	310,196,680	312,772,489	313,462,636

Net sales revenue in 2023 is at the level of the previous year. Within net revenue, higher revenues were achieved from container and car transshipment, higher volume of loading and unloading of containers, higher volume of other additional services on goods and higher prices for services, while lower revenues were achieved from warehousing fees.

In 2023, in the Company and in the Group, the item of total net revenue comprises two individual customers that exceed 10 percent of total sales, which is at the same level as in the preceding year.

Note 2. Capitalised own products and services

The Company's capitalised own products and services amounted to EUR 91,388 in 2023 (2022: EUR 77,600) and the Group's capitalised own products and services amounted to EUR 95,639 in 2023 (2022: EUR 77,611). Under the item of capitalised own products and own services, the Company and the Group record services that increase the value of property, plant and equipment. The labour costs of employees related to investment projects of higher value and accumulated over a long period of time are capitalised.

Note 3. Other income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Reversal of provisions	1,657,785	2,975	1,657,785	2,975
Subsidies, grants and similar income	0	0	1,898,598	1,721,261
Income on sale of property, plant and equipment, and investment property	164,108	675,055	198,956	821,416
Collected impaired receivables and written-off liabilities	610,462	395,150	622,616	409,644
Compensations and damages	309,080	279,278	378,550	296,070
Subsidies and other income not related to services	1,240,867	696,355	1,240,867	696,355
Other revenue	58,456	289,725	71,134	317,894
Total	4,040,758	2,338,538	6,068,506	4,265,615

The reversal of provisions relates to a change in the assessment of legal obligations.

Subsidies, grants and similar income recorded in the Group primarily relate to income from utilising retained salary contributions in the amount of earmarked funds used in the subsidiary Luka Koper INPO, d. o. o.

Compensation and penalties received refer to compensation received due to loss events.

Among subsidies and other non-operating income, the Company/Group reports revenues from co-financed EU projects, which were incurred either to cover costs or depreciation costs.

Note 4. Cost of material

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Costs of auxiliary material	2,518,473	2,373,081	2,667,707	2,478,382
Cost of spare parts	7,602,368	8,275,244	7,456,099	8,280,505
Costs of electricity	5,320,261	4,827,136	5,381,488	4,878,047
Costs of fuel	6,059,063	6,747,777	6,221,504	6,959,860
Other energy costs	87,603	125,906	89,811	128,519
Cost of office stationery	130,642	113,652	139,991	124,258
Other cost of material	428,656	334,102	454,001	354,992
Total	22,147,066	22,796,898	22,410,601	23,204,563

In the structure of material costs, the largest increase can be seen in electricity costs, mainly due to higher consumption of electricity, while the largest decrease originates in lower costs of spare parts and lower fuel costs due to lower consumption and lower average price of fuel.

Note 5. Cost of services

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Cost of port services	40,086,991	34,834,133	36,543,321	31,798,340
Cost of transportation	577,466	430,726	223,419	175,334
Cost of maintenance	11,047,917	7,287,790	10,947,762	7,096,165
Rentals	216,038	204,357	205,565	196,965
Reimbursement of labour-related costs	412,480	319,159	448,775	336,862
Costs of payment processing, bank charges and insurance premiums	1,943,800	1,296,884	2,030,764	1,438,912
Costs of intellectual and personal services	1,617,153	1,162,338	1,680,402	1,257,531
Advertising, trade fairs and hospitality	1,484,750	1,258,125	1,502,662	1,278,686
Costs of services provided by individuals not performing business activities	568,114	333,726	634,149	369,370
Sewage and disposal services	1,634,766	1,550,878	1,273,669	1,022,598
Information support	5,266,414	4,500,214	5,518,349	4,673,659
Concession-related costs	10,650,012	10,682,667	10,650,012	10,682,667
Transshipment fee	5,595,511	6,084,315	5,595,511	6,084,315
Cost of other services	4,121,330	4,370,700	2,612,691	2,918,274
Total	85,222,742	74,316,012	79,867,051	69,329,678

As in previous years, cost of port services account for the largest portion among cost of services. In the financial year 2023, the Company discloses under costs of port services EUR 16,938,565 of costs for workers deployed through agencies (2022: EUR 15,846,169) and EUR 14,554,428 of costs for services provided by external contractors (2022: EUR 11,582,465). In 2023, the Group discloses EUR 17,262,077 of costs for workers deployed through agencies (2022: EUR 15,993,365) and EUR 14,761,416 of costs for services provided by external contractors (2022: EUR 11,952,588). The increased costs are due to a larger volume of services provided by agency workers and external contractors.

The cost of maintenance services in the observed year is higher compared to 2022 due to the higher volume of maintenance work and higher prices for services. Among the maintenance costs, the Company/Group also reports environmentally sustainable investments of EUR 4,832,680 for the Company and EUR 4,780,521 for the Group, for the maintenance of the infrastructure required for the operation of vessels or port activities with zero CO₂ emissions, followed by the renewal of water collection, treatment and distribution systems and the energy efficiency of buildings.

IT support costs are higher in 2023 compared to the previous year due to development activities and the considerable cost of maintaining the new Edifact Centre 2 platform at the container terminal.

Concession costs remain at the previous year's level, while the company/group's transshipment fee is lower by EUR 488,804, mainly due to lower transshipment at the bulk and dry bulk cargoes terminal.

The costs of other services in the controlling company consist mainly of fumigation, security, toll collection, waste collection, berthing and parking services. The latter are carried out by the subsidiary Luka Koper INPO, d. o.o. and are therefore eliminated in consolidation.

Note 6. Cost of labour

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Wages and salaries	64,565,570	61,319,742	69,555,950	66,064,515
Salary compensations	11,081,620	8,586,719	12,034,376	9,396,336
Costs of additional pension insurance	2,859,722	2,565,962	3,126,277	2,808,165
Employer's contributions on employee benefits	12,529,356	11,577,922	13,485,424	12,479,435
Annual holiday pay, reimbursements and other costs	10,681,853	9,527,483	11,674,157	10,492,838
Total	101,718,121	93,577,828	109,876,184	101,241,289

In 2023, the average number of employees in the Company increased by 107 against the average in 2022, while the average number of employees in the Group increased by 108 employees between the two compared years. The increase in labour costs compared to the corresponding prior period was mainly due to new recruitments, higher variable remuneration paid to employees as a result of the Company/Group performing above target and the adjustment of salaries to the consumer price index.

In December 2023, employees of all companies in the Group except for board members and employees under individual employment contracts received pay for performance. Some companies in the Group also paid out the holiday bonus for the 2023 business year in December 2023 or January 2024.

For the 21st year in a row, the Company/Group has been paying for its employees 70 to 90 percent (depending on the employee's age) of the tax deductible supplementary pension scheme premium.

In 2023, the annual holiday pay amounted to EUR 2,192, per employee in all companies of the Group, whereas in the preceding year, it was EUR 2,008.

Average number of employees by education

Level of education	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
VIII/2	2	1	2	1
VIII/1	24	25	26	27
VII	134	126	142	134
VI/2	244	236	251	242
VI/1	120	112	127	119
V	508	461	551	503
IV	527	491	582	546
III	16	17	28	28
I-II	120	119	149	150
Total	1,695	1,588	1,858	1,750

Note 7. Amortisation and depreciation expense

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Depreciation of buildings	15,451,499	14,742,278	15,859,646	15,181,494
Depreciation of equipment and spare parts	15,511,614	14,672,512	16,011,721	15,159,149
Depreciation of small tools	15,469	19,666	15,778	19,975
Depreciation of investment property	584,912	586,800	271,245	264,909
Amortisation of intangible assets	247,390	390,106	254,678	439,233
Depreciation of investment into foreign-owned assets	11,667	11,667	17,743	17,743
Depreciation of right-of-use assets	440,551	376,817	388,728	405,491
Total	32,263,102	30,799,846	32,819,539	31,487,994

The increase in the cost of depreciation is the result of the transfer of assets to use.

Note 8. Other expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Provisions	2,864,406	75,665	2,864,406	75,665
Impairment costs, write-offs and losses on property, plant and equipment and investment property	462,566	239,986	600,616	240,144
Expenses for allowances for receivables	113,463	370,406	124,571	379,672
Levies that are not contingent upon cost of labour and other types of cost	7,524,520	7,486,773	7,567,863	7,496,411
Donations	539,400	354,800	547,750	359,580
Environmental levies	220,219	148,310	190,455	139,874
Awards and scholarships to students inclusive of tax	25,503	6,987	25,503	6,987
Awards and scholarship to students	28,195	23,142	28,195	23,142
Other costs and expenses	1,053,827	686,642	1,101,477	706,329
Total	12,832,099	9,392,711	13,050,836	9,427,804

Provisioning costs refer to expenses incurred in connection with lawsuits received by the controlling company. In accordance with Article 92 of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, the Company/Group does not disclose detailed information on its legal obligations as such disclosure could result in a judgement on the position of the Company in disputes with other parties.

Expenses for impairments, write-offs and losses from the sale of property, plant and equipment and investment property relate to the write-off of replaced parts or the destruction of assets that had a carrying amount and to the sale of assets that realised a loss.

In 2023, expenses for forming the value adjustment of receivables decreased mainly in the controlling company, which was due to a better ageing structure of receivables from customers. The amount of expenses in forming the value adjustment of receivables arises from contracts with customers in accordance with IFRS 15.

Levies that are not contingent upon cost of labour and other types of cost mostly relate to the fee for the use of construction land.

The Company/Group continues to have a humanitarian orientation and has therefore earmarked more funds for donations in 2023 than in the previous year. Among the major donations in both 2023 and 2022 is a donation to the Municipality of Koper for the implementation of mitigation measures to reduce the environmental impact of emissions from port operations. For this purpose, the company transferred EUR 200,000 annually to the municipality, and the municipality distributed these funds to the beneficiaries by holding a public tender for the allocation of grants.

Other costs and expenses mainly consist of compensations for damage to assets owned by third persons. The damage occurred during the handling of goods in the port.

Note 9. Finance income and finance expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Finance income from shares and interests	5,149,167	6,180,097	3,510,022	3,676,106
Finance income from shares and interests in Group companies	462,701	1,401,462	0	0
Finance income from shares and interests in associate companies	1,232,981	1,158,075	0	0
Finance income from shares and interests in other companies	2,932,828	2,524,888	2,989,366	2,580,434
Finance income from other investments	520,656	1,095,672	520,656	1,095,672
Finance income - interest	2,036,294	11,428	2,485,306	24,716
Interest income - other	2,036,294	11,428	2,485,306	24,716
Finance income from operating receivables	387,358	158,178	395,964	166,646
Finance income from operating receivables due from others	387,358	149,512	395,964	154,953
Net exchange differences	0	8,666	0	11,693
Total finance income	7,572,819	6,349,703	6,391,292	3,867,468
Finance expenses for financial investments	0	-790,272	0	-305,272
Finance expenses - interest	-1,422,134	-405,344	-1,421,902	-404,967
Interest expenses - banks	-1,415,497	-397,701	-1,415,497	-397,701
Finance expenses for lease liability to others	-6,055	-6,992	-6,405	-7,266
Finance expenses for lease liability to Group companies	-582	-651	0	0
Finance expenses for operating liabilities	-261,436	-49,174	-287,114	-54,428
Finance expenses for trade payables	-7	-26	-21	-45
Finance expenses for other operating liabilities	-240,770	-49,148	-264,549	-54,383
Net exchange differences	-20,659	0	-22,544	0
Total finance expenses	-1,683,570	-1,244,790	-1,709,016	-764,667
Net financial result	5,889,249	5,104,913	4,682,276	3,102,801

In 2023, the controlling company records finance income from shares in Group companies and presents shared profits of these companies, i.e. Luka Koper INPO, d. o. o., in the amount of EUR 115,027, Adria Terminali, d. o. o., in the amount of EUR 250,000 Adria Investicije, d. o. o., in the amount of EUR 44,679, Logis-Nova, d. o. o. in the amount of EUR 11,859, and TOC, d. o. o. in the amount of EUR 41,136. In the previous year, in addition to the financial income of EUR 202,983 due to the payment of profits of the Group companies, the controlling company also realised income of EUR 1,198,479 on the completion of the liquidation proceedings of Luka Koper Pristan, d. o. o. - in liquidation, which ended on 14 December 2022 with the company's removal from the court register.

Finance income from shares and interests in associates recorded by the controlling company in 2023 refers to sharing of profits of companies, i. e., Adria-Tow, d. o. o. in the amount of EUR 541,000, Adria Transport, d. o. o. in the amount of EUR 160,246, Avtoservis, d. o. o. in the amount of EUR 487,490, and Adriaфин, d. o. o. in the amount of EUR 44,245.

Finance income from shares and interests in other entities recorded by the Company/Group mainly refers to dividends received on investments into securities and distributions of the related share of profits. The group also reports the profits received from companies that are excluded from consolidation, namely Logis-Nova, d. o. o. and Adria Investicije, d. o. o.

Finance income from other investments refers to the recognised higher value of investments valued at fair value through profit or loss.

The Company/Group also generates finance income in the financial markets through interest on funds placed in short-term bank deposits and treasury bills.

Finance income from operating receivables relates mainly to default interest charged for late payments of receivables paid by customers in the financial year.

Among the financial expenses from financial investments, the Company/Group recognises the revaluation of other financial investments carried at fair value through profit or loss.

Finance expenses arising on interest in 2023 amounted to EUR 1,422,134 in the Company, whereas the Group recorded EUR 1,421,902. The increase was mainly due to an increase in financial expenses for interest to banks, as a result of a larger volume of loans received and a rise in variable interest rates.

Note 10. Taxes and effective tax rate

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Profit before tax	65,122,488	86,834,436	67,375,056	87,951,620
Income tax (19%)	12,373,273	16,498,543	12,801,261	16,710,808
Non-taxable income and increase in expenditure	-537,578	-306,173	-565,549	-369,201
Non-taxable dividends received	-776,627	-738,330	-803,378	-680,062
Tax incentives	-1,388,746	-2,698,089	-1,711,210	-2,857,012
Non-deductible expense	716,072	759,984	805,819	876,874
Other reduction in the tax base	0	0	-8,990	-8,140
Other increase in the tax base	302,789	52,274	429,089	52,274
Tax calculated under tax uncertainty	574,656	0	574,656	0
Change in tax rate	-591,373	0	-592,011	0
Total tax expenditure	10,672,466	13,568,209	10,929,687	13,725,541
Effective tax rate	16.39%	15.63%	16.22%	15.61%

For the income tax calculation, the controlling company and all Group companies observed provisions of the Corporate Income Tax Act.

The tax expense comprises the income tax and deferred taxes recognised in the income statement.

Note 11. Net earnings per share

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Net profit for the period	54,450,022	73,266,227	56,393,649	74,112,143
Total number of shares	14,000,000	14,000,000	14,000,000	14,000,000
Basic and diluted earnings per share	3.89	5.23	4.03	5.29

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Note 12. Property, plant and equipment

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Land	17,513,373	20,138,595	22,314,194	23,287,917
Buildings	293,595,520	288,263,091	299,987,009	294,658,334
Plant and equipment	107,650,039	106,427,539	109,538,146	108,530,087
Property, plant and equipment being acquired	33,055,949	30,151,426	33,062,149	30,168,276
Rights to use assets	938,303	1,125,800	822,911	1,000,701
Total	452,753,184	446,106,451	465,724,409	457,645,315

No items of the Company's/Group's property, plant and equipment were pledged as collateral.

The cost of the property, plant and equipment in use, of which the carrying value as at 31 December 2023 equalled zero, is recorded in the Company at EUR 308,246,546 (31 Dec 2022: EUR 291,503,400). In the Group, such assets amounted to purchase price of EUR 317,109,486 as at 31 December 2023 (31 Dec 2022: EUR 299,250,747).

As at 31 December 2023, the Company/Group presented commitments to purchase property, plant and equipment in the amount of EUR 75,756,496 (in 2022, EUR 37,419,048 at the Company/Group level).

As at 31 December 2023, the outstanding trade payables of the Company to suppliers of items of property, plant and equipment amounted to EUR 11,758,389 (2022: EUR 15,032,463), and the Group recorded such payables at EUR 11,830,912 (2022: EUR 15,038,666).

In 2023, the Company/Group recognised EUR 214,669 from capitalization of borrowing costs. The weighted interest rate was between 1.60% and 1.90%.

In 2023, investments in property, plant and equipment amounted to a total of EUR 41,067,873 in the Company, and EUR 41,351,905 in the Group. The largest investments were:

- Development of storage areas in the area of the 5A cassette,
- Installation of new plugs for reefer containers,
- Construction of a new external truck terminal at the Sermin entrance,
- Modernisation of the cooling and fire extinguishing system on methanol tanks,
- Construction of a transformer station to power the new enclosed passages,
- Continued transfer of storage blocks at the container terminal,
- Continued upgrade of the dry bulk cargoes terminal in line with ATEX,
- Purchase of 8 terminal tractors with trailers for the needs of the container terminal,
- Purchase of 9 new 8 ton forklifts for the general cargo terminal,
- Purchase of an industrial excavator for dry bulk cargoes.

In terms of mitigating climate change and adapting to climate change, the Company/Group invested in the amount of EUR 867,951 in 2023, mainly in the construction of solar power plants, energy upgrade of lighting, procurement and installation of ventilation, heating and cooling systems and electric scooters.

In order to meet its sustainability vision, the Company/Group invested a total of EUR 4,332,437, mainly in the upgrade of the dry bulk cargoes terminal in accordance with the ATEX Directive, the modernisation of the cooling and fire-fighting system on the Methanol tanks, seabed dredging and transfer of marine sediment, and the replacement of internal combustion cars with electric ones.

In the reference period, the Company/Group found no material indication of required impairment to be carried out with respect to the property, plant and equipment.

At the end of the year, the Company/Group assessed the useful life of property, plant and equipment and concluded that there had been no change in circumstances. The Company/Group divides important fixed assets by components that have different useful lives.

The difference between the cost and value adjustment for assets disposed of and written off was recognised among costs for impairment, write-offs and losses on sale of property, plant and equipment and investment property (Note 8).

Movements in property, plant and equipment in 2023 - Company

(in EUR)	Land	Buildings	Plant and equipment	Assets in acquisition	Total
Cost					
Balance at 31 Dec 2022	20,138,595	574,194,757	354,039,484	30,151,427	978,524,263
Additions	0	0	0	41,067,873	41,067,873
Transfer from investments in course of construction	137,736	21,203,092	16,727,196	-38,068,024	0
Disposals	-542,000	-526,496	-3,186,060	-12,000	-4,266,556
Write-offs	0	-1,036,796	-3,010,412	0	-4,047,208
Transfer to intangible assets	0	0	-11,018	-28,529	-39,547
Transfer from intangible assets	0	0	109,150	0	109,150
Transfer to investment property	0	0	0	-54,799	-54,799
Reclassifications within property, plant and equipment	-569,459	-655,966	-14,091	0	-1,239,516
Subsequent payments to a subsidiary	-1,651,498	-1,053,724	-246,316	0	-2,951,537
Balance at 31 Dec 2023	17,513,373	592,124,867	364,407,933	33,055,950	1,007,102,123
Allowances					
Balance at 31 Dec 2022	0	285,931,666	247,611,945	0	533,543,611
Depreciation	0	15,463,166	15,527,083	0	30,990,249
Disposals	0	-183,699	-3,133,045	0	-3,316,744
Write-offs	0	-950,614	-3,010,412	0	-3,961,026
Transfer from intangible fixed assets	0	0	19,000	0	19,000
Reclassifications within property, plant and equipment	0	-1,225,997	-13,520	0	-1,239,516
Subsequent payments to a subsidiary	0	-505,175	-243,157	0	-748,332
Balance at 31 Dec 2023	0	298,529,347	256,757,895	0	555,287,242
Carrying amount					
Balance at 31 Dec 2022	20,138,595	288,263,091	106,427,539	30,151,427	444,980,652
Balance at 31 Dec 2023	17,513,373	293,595,520	107,650,038	33,055,950	451,814,881

Movements in property, plant and equipment in 2022 - Company

(in EUR)	Land	Buildings	Plant and equipment	Assets in acquisition	Total
Cost					
Balance at 31 Dec 2021	20,138,595	540,212,421	337,792,237	37,649,656	935,792,909
Additions	0	0	0	50,144,988	50,144,988
Transfer from investments in course of construction	0	34,854,725	22,620,616	-57,475,341	0
Disposals	0	-915,576	-5,730,648	-51,542	-6,697,766
Write-offs	0	-94,870	-675,280	0	-770,150
Transfer to intangible assets	0	0	0	-29,980	-29,980
Transfer from intangible assets	0	0	32,559	0	32,559
Transfer to investment property	0	0	0	-86,354	-86,354
Transfer from investment properties	0	138,057	0	0	138,057
Balance at 31 Dec 2022	20,138,595	574,194,757	354,039,484	30,151,427	978,524,263
Allowances					
Balance at 31 Dec 2021	0	271,934,357	239,260,078	0	511,194,435
Depreciation	0	14,753,946	14,692,178	0	29,446,124
Disposals	0	-817,710	-5,730,280	0	-6,547,990
Write-offs	0	-72,563	-610,031	0	-682,594
Transfer from investment properties	0	133,636	0	0	133,636
Balance at 31 Dec 2022	0	285,931,666	247,611,945	0	533,543,611
Carrying amount					
Balance at 31 Dec 2021	20,138,595	268,278,064	98,532,159	37,649,656	424,598,474
Balance at 31 Dec 2022	20,138,595	288,263,091	106,427,539	30,151,427	444,980,652

Movements in property, plant and equipment in 2023 - Group

(in EUR)	Land	Buildings	Plant and equipment	Assets in acquisition	Total
Cost					
Balance at 31 Dec 2022	23,287,916	587,710,773	365,340,554	30,168,278	1,006,507,521
Additions	0	0	211,199	41,140,706	41,351,905
Transfer from investments in course of construction	137,736	21,203,092	16,798,828	-38,139,656	0
Disposals	-542,000	-991,171	-3,269,283	-12,000	-4,814,454
Write-offs	0	-1,036,796	-3,022,912	0	-4,059,708
Transfer to intangible assets	0	0	-11,018	-40,379	-51,397
Transfer from intangible assets	0	0	109,150	0	109,150
Transfer to investment property	0	0	0	-54,799	-54,799
Reclassifications within property, plant and equipment	-569,459	-686,051	-34,131	0	-1,289,641
Subsequent payments to a subsidiary - Increases	4,800,821	4,930,750	3,159	0	9,734,730
Subsequent payments to a subsidiary - Decreases	-4,800,821	-10,052,879	-246,316	0	-15,100,015
Balance at 31 Dec 2023	22,314,192	601,077,718	375,879,232	33,062,151	1,032,333,292
Allowances					
Balance at 31 Dec 2022	0	293,052,440	256,810,467	0	549,862,907
Depreciation	0	15,877,389	16,027,498	0	31,904,888
Disposals	0	-183,699	-3,216,251	0	-3,399,950
Write-offs	0	-1,289,497	-3,022,912	0	-4,312,408
Transfer from intangible assets	0	0	19,000	0	19,000
Reclassifications within property, plant and equipment	0	-1,243,797	-33,560	0	-1,277,357
Subsequent payments to a subsidiary - Decreases	0	-5,122,128	-243,157	0	-5,365,285
Balance at 31 Dec 2023	0	301,090,708	266,341,086	0	567,431,794
Carrying amount					
Balance at 31 Dec 2022	23,287,916	294,658,333	108,530,087	30,168,278	456,644,614
Balance at 31 Dec 2023	22,314,192	299,987,010	109,538,146	33,062,151	464,901,498

Movements in property, plant and equipment in 2022 - Group

(in EUR)	Land	Buildings	Plant and equipment	Assets in acquisition	Total
Cost					
Balance at 31 Dec 2021	23,287,916	555,061,052	349,638,972	37,670,657	965,658,597
Additions	0	34,256	556,959	50,180,987	50,772,202
Transfer from investments in course of construction	0	34,894,321	22,621,169	-57,515,490	0
Disposals	0	-2,340,514	-6,833,825	-51,542	-9,225,881
Write-offs	0	-94,870	-675,280	0	-770,150
Transfer from property, plant and equipment	0	20,960	0	0	20,960
Transfer to intangible assets	0	-2,489	0	-29,980	-32,469
Transfer from intangible assets	0	0	32,559	0	32,559
Transfer to investment property	0	0	0	-86,354	-86,354
Transfer from investment properties	0	138,057	0	0	138,057
Balance at 31 Dec 2022	23,287,916	587,710,773	365,340,554	30,168,278	1,006,507,521
Allowances					
Balance at 31 Dec 2021	0	279,071,607	249,049,221	0	528,120,828
Depreciation	0	15,199,239	15,179,124	0	30,378,363
Disposals	0	-1,277,646	-6,807,847	0	-8,085,493
Write-offs	0	-72,563	-610,031	0	-682,594
Transfer to intangible long-term assets	0	-1,833	0	0	-1,833
Transfer from investment properties	0	133,636	0	0	133,636
Balance at 31 Dec 2022	0	293,052,440	256,810,467	0	549,862,907
Carrying amount					
Balance at 31 Dec 2021	23,287,916	275,989,445	100,589,751	37,670,657	437,537,769
Balance at 31 Dec 2022	23,287,916	294,658,333	108,530,087	30,168,278	456,644,614

Rights to use assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Land	687,699	956,040	687,699	956,040
Buildings	237,774	156,972	103,485	12,442
Equipment	12,830	12,788	31,727	32,219
Total	938,303	1,125,800	822,911	1,000,701

The rights to use assets refer to the assets rented and recognised by the Company/Group in accordance with the standard IFRS 16 – Leases. The rights to use assets are part of fixed assets and, due to insignificance, are not disclosed as a separate item in statements of financial position.

Among disposals and write-offs, the Company/Group discloses completed and written-off leases that were terminated in 2023 or earlier.

Movements in the rights to use assets in 2023 - Company

(in EUR)	Land	Buildings	Plant and equipment	Total
Cost				
Balance at 31 Dec 2022	1,987,392	491,288	64,965	2,543,644
Additions	0	211,483	41,571	253,054
Disposals, write-offs	-590,624	-391,698	-51,610	-1,033,931
Balance at 31 Dec 2023	1,396,768	311,073	54,926	1,762,768
Allowances				
Balance at 31 Dec 2022	1,031,352	334,316	52,177	1,417,845
Depreciation	268,341	130,682	41,529	440,551
Disposals, write-offs	-590,624	-391,698	-51,610	-1,033,931
Balance at 31 Dec 2023	709,069	73,300	42,096	824,465
Carrying amount				
Balance at 31 Dec 2022	956,040	156,972	12,788	1,125,800
Balance at 31 Dec 2023	687,699	237,774	12,830	938,303

Movements in the rights to use assets in 2022 - Company

(in EUR)	Land	Buildings	Plant and equipment	Total
Cost				
Balance at 31 Dec 2021	1,987,392	381,793	51,610	2,369,185
Additions	0	109,494	13,355	122,849
Balance at 31 Dec 2022	1,987,392	491,288	64,965	2,543,644
Allowances				
Balance at 31 Dec 2021	763,011	232,515	45,502	1,041,028
Depreciation	268,341	101,800	6,675	376,817
Balance at 31 Dec 2022	1,031,352	334,316	52,177	1,417,845
Carrying amount				
Balance at 31 Dec 2021	1,224,381	149,278	6,108	1,328,157
Balance at 31 Dec 2022	956,040	156,972	12,788	1,125,800

Movements in the rights to use assets in 2023 - Group

(in EUR)	Land	Buildings	Plant and equipment	Total
Cost				
Balance at 31 Dec 2022	1,987,392	183,417	307,833	2,478,642
Additions	0	131,259	79,677	210,936
Disposals, write-offs	0	0	-294,478	-294,478
Balance at 31 Dec 2023	1,987,392	314,676	93,032	2,395,100
Allowances				
Balance at 31 Dec 2022	1,031,352	170,974	275,615	1,477,941
Depreciation	268,341	40,218	80,169	388,728
Disposals, write-offs	0	0	-294,478	-294,478
Balance at 31 Dec 2023	1,299,693	211,192	61,306	1,572,190
Carrying amount				
Balance at 31 Dec 2022	956,040	12,443	32,219	1,000,701
Balance at 31 Dec 2023	687,699	103,484	31,727	822,910

Movements in the rights to use assets in 2022 - Group

(in EUR)	Land	Buildings	Plant and equipment	Total
Cost				
Balance at 31 Dec 2021	1,987,392	164,213	314,839	2,466,444
Additions	0	19,204	52,538	71,742
Disposals, write-offs	0	0	-59,544	-59,544
Balance at 31 Dec 2022	1,987,392	183,417	307,833	2,478,642
Allowances				
Balance at 31 Dec 2021	763,011	120,911	243,015	1,126,937
Depreciation	268,341	50,063	87,087	405,491
Disposals, write-offs	0	0	-54,487	-54,487
Balance at 31 Dec 2022	1,031,352	170,974	275,615	1,477,941
Carrying amount				
Balance at 31 Dec 2021	1,224,381	43,302	71,824	1,339,507
Balance at 31 Dec 2022	956,040	12,443	32,219	1,000,701

Note 13. Investment property

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Investment property – land	11,256,486	14,405,808	11,256,486	11,256,486
Investment property – buildings	4,129,658	9,061,559	3,831,596	4,067,583
Total	15,386,143	23,467,367	15,088,082	15,324,069

The item of investment property includes land and buildings leased out, and properties that are currently not in use. Investment properties are valued by using the cost model.

Leased properties

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Rental income on investment property	1,313,239	1,238,055	830,322	755,128
Depreciation of investment property	584,912	584,912	271,245	271,245
Maintenance costs of investment property	636,008	393,477	583,849	319,132
Other expenditure	270,704	179,977	121,690	122,164

Investment properties are not pledged as collateral.

Fair value of investment property as at 31 December 2023 amounted to EUR 15,545,375 in the Company and EUR 15,404,728 in the Group.

The Company/Group assesses the fair value significant investments using periodic valuations, and for less significant investments, using the method of the total value of expected future cash flows generated through renting.

The valuation for the purposes of financial reporting was carried out by a certified real estate appraiser as at 30 September 2023. The valuation was carried out using the market comparison approach (comparable transactions method).

The management estimates that the fair value as of 31 December 2023 is unchanged from that at 31 December 2022.

Movements in investment property in 2023 – Company

(in EUR)	Land	Buildings	Total
Cost			
Balance at 31 Dec 2022	14,405,808	17,683,778	32,089,586
Disposals, write-offs	0	-54,751	-54,751
Transfer from property, plant and equipment	0	54,799	54,799
Subsequent payments to a subsidiary	-3,149,322	-8,999,155	-12,148,478
Balance at 31 Dec 2023	11,256,486	8,684,671	19,941,156
Popravek vrednosti			
Balance at 31 Dec 2022	0	8,622,219	8,622,219
Depreciation	0	584,912	584,912
Disposals, write-offs	0	-35,164	-35,164
Subsequent payments to a subsidiary	0	-4,616,954	-4,616,954
Balance at 31 Dec 2023	0	4,555,013	4,555,013
Carrying amount			
Balance at 31 Dec 2022	14,405,808	9,061,559	23,467,367
Balance at 31 Dec 2023	11,256,486	4,129,657	15,386,143

Movements in investment property in 2022 – Company

(in EUR)	Land	Buildings	Total
Cost			
Balance at 31 Dec 2021	14,405,808	17,749,328	32,155,136
Additions	0	86,354	86,354
Disposals, write-offs	0	-13,847	-13,847
Transfer to property, plant and equipment	0	-138,057	-138,057
Balance at 31 Dec 2022	14,405,808	17,683,778	32,089,586
Popravek vrednosti			
Balance at 31 Dec 2021	0	8,180,017	8,180,017
Depreciation	0	586,800	586,800
Disposals, write-offs	0	-10,961	-10,961
Transfer to property, plant and equipment	0	-133,636	-133,636
Balance at 31 Dec 2022	0	8,622,219	8,622,219
Carrying amount			
Balance at 31 Dec 2021	14,405,808	9,569,311	23,975,119
Balance at 31 Dec 2022	14,405,808	9,061,558	23,467,366

Movements in investment property in 2023 – Group

(in EUR)	Land	Buildings	Total
Cost			
Balance at 31 Dec 2022	11,256,486	8,020,283	19,276,769
Disposals, write-offs	0	-54,751	-54,751
Transfer from property, plant and equipment	0	54,799	54,799
Balance at 31 Dec 2023	11,256,486	8,050,416	19,306,902
Allowances			
31. decembra 2022	0	3,952,701	3,952,701
Depreciation	0	271,246	271,246
Disposals, write-offs	0	-22,927	-22,927
Balance at 31 Dec 2023	0	4,218,820	4,218,820
Carrying amount			
Balance at 31 Dec 2022	11,256,486	4,067,582	15,324,068
Balance at 31 Dec 2023	11,256,486	3,831,596	15,088,082

Movements in investment property in 2022 – Group

(in EUR)	Land	Buildings	Total
Cost			
Balance at 31 Dec 2021	11,256,486	8,104,304	19,360,790
Additions	0	65,394	65,394
Disposals, write-offs	0	-13,847	-13,847
Transfer to property, plant and equipment	0	-135,568	-135,568
Balance at 31 Dec 2022	11,256,486	8,020,283	19,276,769
Allowances			
Balance at 31 Dec 2021	0	3,830,557	3,830,557
Depreciation	0	264,908	264,908
Disposals, write-offs	0	-10,961	-10,961
Transfer to property, plant and equipment	0	-131,803	-131,803
Balance at 31 Dec 2022	0	3,952,701	3,952,701
Carrying amount			
Balance at 31 Dec 2021	11,256,486	4,273,747	15,530,233
Balance at 31 Dec 2022	11,256,486	4,067,582	15,324,068

Note 14. Intangible assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Long-term property rights and long-term deferred development costs	759,814	870,086	841,090	942,603
Total	759,814	870,086	841,090	942,603

In the Company, the cost of the intangible assets in use, of which the carrying value as at 31 December 2023 equalled zero, is recorded at EUR 11,178,720 (2022: EUR 9,730,305). In the Group, such assets amounted to purchase price of EUR 11,608,190 as at 31 December 2023 (31 Dec 2022: EUR 10,159,536).

As at 31 December 2023, the Company/Group, recorded commitments to purchase intangible assets in the amount of EUR 64,419, whereas at the previous year-end, there were no such commitments.

Intangible assets were not pledged as collateral as at 31 December 2023.

Intangible assets of the Company/Group include industrial property rights and other rights, as well as costs of development. Industrial property rights and other rights comprise computer software, information systems and development-related projects. Development costs recorded in the Group relate to the company TOC, d. o. o. in connection with the CAPSorb project (development of efficient ecological absorbents to control spills of all types of hydrophilic and hydrophobic hazardous and non-hazardous substances on hard and water surfaces).

Movements in intangible assets in 2023 – Company

(in EUR)	Industrial property and other rights	Intangible assets in acquisition	Total
Cost			
Balance at 31 Dec 2022	13,181,858	13,670	13,195,528
Additions	0	191,917	191,917
Write-offs	-414,439	0	-414,439
Transfer from property, plant and equipment	33,938	5,609	39,547
Transfer to property, plant and equipment	-19,000	-90,150	-109,150
Subsequent payments to a subsidiary - Decreases	-22,320	0	-22,320
Balance at 31 Dec 2023	12,760,037	121,046	12,903,403
Allowances			
Balance at 31 Dec 2022	12,325,442	0	12,325,442
Depreciation	247,390	0	247,390
Write-offs	-414,439	0	-414,439
Transfer to property, plant and equipment	-19,000	0	-19,000
Subsequent payments to a subsidiary - Decreases	-18,124	0	-18,124
Balance at 31 Dec 2023	12,121,269	0	12,139,393
Carrying amount			
Balance at 31 Dec 2022	856,416	13,670	870,086
Balance at 31 Dec 2023	638,768	121,046	759,814

Movements in intangible assets in 2022 – Company

(in EUR)	Industrial property and other rights	Intangible assets in acquisition	Total
Cost			
Balance at 31 Dec 2021	13,151,878	33,988	13,185,866
Additions	0	12,241	12,241
Transfer from property, plant and equipment	29,980	0	29,980
Transfer to property, plant and equipment	0	-32,559	-32,559
Balance at 31 Dec 2022	13,181,858	13,670	13,195,528
Allowances			
Balance at 31 Dec 2021	11,935,336	0	11,935,336
Depreciation	390,106	0	390,106
Balance at 31 Dec 2022	12,325,442	0	12,325,442
Carrying amount			
Balance at 31 Dec 2021	1,216,542	33,988	1,250,530
Balance at 31 Dec 2022	856,416	13,670	870,086

Movements in intangible assets in 2023 – Group

(in EUR)	Development costs	Industrial property and other rights	Intangible assets in acquisition	Total
Cost				
Balance at 31 Dec 2022	390,746	13,420,583	21,555	13,832,884
Additions	0	0	191,917	191,917
Transfer from investments in course of construction	0	0	11,850	11,850
Transfer from property, plant and equipment	0	33,938	5,609	39,547
Transfer to property, plant and equipment	0	-19,000	-90,150	-109,150
Subsequent payments to a subsidiary - Increases	0	0	4,196	4,196
Subsequent payments to a subsidiary - Decreases	0	-22,320	0	-22,320
Balance at 31 Dec 2023	390,746	13,413,201	144,976	13,948,924
Allowances				
Balance at 31 Dec 2022	390,746	12,499,535	0	12,890,281
Depreciation	0	254,679	0	254,679
Transfer to property, plant and equipment	0	-19,000	0	-19,000
Subsequent payments to a subsidiary - Decreases	0	-18,124	0	-18,124
Balance at 31 Dec 2023	390,746	12,717,090	0	13,107,836
Carrying amount				
Balance at 31 Dec 2022	0	921,048	21,555	942,603
Balance at 31 Dec 2023	0	696,111	144,976	841,088

Movements in intangible assets in 2022 – Group

(in EUR)	Development costs	Industrial property and other rights	Intangible assets in acquisition	Total
Cost				
Balance at 31 Dec 2021	390,746	13,390,603	41,873	13,823,222
Additions	0	0	12,241	12,241
Transfer from property, plant and equipment	0	29,980	0	29,980
Transfer to property, plant and equipment	0	0	-32,559	-32,559
Balance at 31 Dec 2022	390,746	13,420,583	21,555	13,832,884
Allowances				
Balance at 31 Dec 2021	351,672	12,099,375	0	12,451,047
Depreciation	39,074	400,160	0	439,234
Balance at 31 Dec 2022	390,746	12,499,535	0	12,890,281
Carrying amount				
Balance at 31 Dec 2021	39,074	1,291,228	41,873	1,372,175
Balance at 31 Dec 2022	0	921,048	21,555	942,603

Note 15. Other non-current assets

Under non-current assets, the Company/Group records advances given for purchase of property, plant and equipment.

Note 16. Shares and interests in Group companies

Investments in subsidiaries

Recorded only by the controlling company, investments in subsidiaries amounted to EUR 13,786,988 as at 31 December 2023 (31 Dec 2022: EUR 4,048,063).

As the sole shareholder of Adria Terminali, d. o. o., the controlling company made a subsequent contribution of EUR 11,514,699 as at 31 December 2023 using the Company's non-cash assets. Investment property with a carrying amount of EUR 7,531,523, property, plant and equipment with a carrying amount of EUR 2,203,205 and intangible assets with a carrying amount of EUR 4,196 were transferred. All fixed assets are located in the territory of the Sežana cadastral municipality. At the same time, the investment in the subsidiary Adria Investicije, d. o. o., with a carrying amount of EUR 1,775,775, was transferred. Since the transfer, the company is 100% owned by the subsidiary Adria Terminali, d. o. o.

Investments in subsidiaries are not pledged as collateral.

Detailed presentation of transactions with subsidiaries is provided in Note 31 'Related party transactions'.

Movements in investments in subsidiaries

(in EUR)	2023	2022
Balance at 1 Jan	4,048,063	4,048,063
Increases	11,514,699	0
Increased investment due to subsequent payment	1,775,775	0
Transfer from property, plant and equipment, investment property, and intangible fixed assets	9,738,924	0
Decreases	-1,775,775	0
Decreased investment due to subsequent payment	-1,775,775	0
Balance at 31 Dec	13,786,987	4,048,063

Overview of investments in subsidiaries

(in EUR)	Equity interest	Investments at 31 Dec 2023	Equity at 31 Dec 2023	Net sales revenue in 2023	Net profit or loss for 2023	No of employees 31 Dec 2023
Luka Koper INPO, d. o. o.	100%	1,336,288	25,599,101	7,926,549	863,509	133
Adria Terminali, d. o. o.	100%	11,740,699	13,967,028	3,876,278	828,756	27
Logis-Nova, d. o. o.	100%	710,000	706,893	23,420	14,071	0
TOC, d. o. o.	68.13%	0	1,056,790	681,048	162,291	5
Total		13,786,988				

(in EUR)	Equity interest	Investments at 31 Dec 2022	Equity at 31 Dec 2022	Net sales revenue in 2022	Net profit or loss for 2022	No of employees 31 Dec 2022
Luka Koper INPO, d. o. o.	100%	1,336,288	24,609,437	7,233,927	595,085	131
Adria Terminali, d. o. o.	100%	226,000	1,881,124	3,689,583	521,901	27
Adria Investicije, d. o. o.	100%	1,775,775	157,394	84,028	44,678	0
Logis-Nova, d. o. o.	100%	710,000	704,681	21,291	12,483	0
TOC, d. o. o.	68.13%	0	955,566	609,907	149,539	5
Total		4,048,063				

Note 17. Shares and interests in associates

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Shares and interests in associates	6,737,709	6,737,709	16,898,490	16,361,004
Total	6,737,709	6,737,709	16,898,490	16,361,004

The Company's/Group's shares and interests in associates are not pledged as collateral.

In 2023, there was no change in ownership of associates.

Movements in shares and interests in associates - Group

(in EUR)	2023	2022
Balance at 1 Jan	16,361,004	15,784,793
Attributable profits	1,780,357	1,734,286
- Adria Transport, d. o. o.	390,301	320,493
- Adria Transport Croatia, d. o. o.	-40,664	-43,913
- Adria- Tow, d. o. o.	860,256	926,723
- Adria-fin, d. o. o.	103,943	44,245
- Avtoservis, d. o. o.	466,521	486,738
Decreases	-9,889	0
Shares of other comprehensive income of associated companies and joint ventures, which is accounted for using the equity method	-9,889	0
Dividends paid	-1,232,982	-1,158,075
- Adria Transport, d. o. o.	-160,246	-200,000
- Adria-Tow, d. o. o.	-541,000	-315,000
- Adria-fin, d. o. o.	-44,245	-179,338
- Avtoservis, d. o. o.	-487,490	-463,737
Balance at the end of the period	16,898,490	16,361,004

Significant data on associates in 2023

(in EUR)	Equity interest (in %)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Revenue	Net profit or loss	Profit or loss attributable to the Group	Other comprehensive income	Payment of previous year's profit belonging to the Group	No of employees 31 Dec 2023
Adria Transport, d. o. o.	50%	8,468,608	4,633,557	2,245,707	2,997,412	13,733,320	780,602	390,301	776,425	160,246	45
Adria Transport Croatia, d. o. o.	50%	2,536	407,335	0	223,291	583,233	-81,328	-40,664	-81,328	0	2
Adria-Tow, d. o. o.	50%	13,561,096	2,395,018	183,955	1,838,078	8,288,480	1,720,513	860,256	1,701,541	541,000	35
Adria-fin, d. o. o.	50%	8,083,348	2,290,413	0	17,067	6,635	207,887	103,943	207,887	44,245	0
Avtoservis, d. o. o.	49%	649,583	3,180,012	0	955,545	5,659,718	952,083	466,521	953,769	487,490	34
Total								1,780,357		1,232,982	

Significant data on associates in 2022

(in EUR)	Equity interest (in %)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Revenue	Net profit or loss	Profit or loss attributable to the Group	Other comprehensive income	Payment of previous year's profit belonging to the Group	No of employees 31 Dec 2022
Adria Transport, d. o. o.	50%	9,216,069	4,006,734	2,850,857	2,968,831	11,181,147	640,985	320,493	665,361	200,000	43
Adria Transport Croatia, d. o. o.	50%	3,150	271,814	250,050	3,133	0	-87,826	-43,914	-87,826	0	0
Adria-Tow, d. o. o.	50%	9,051,180	4,969,678	191,537	514,779	8,000,763	1,853,446	926,723	1,859,768	315,000	36
Adria-fin, d. o. o.	50%	8,074,302	2,186,051	0	23,056	91,066	88,490	44,245	88,490	179,338	0
Avtoservis, d. o. o.	49%	683,069	3,398,378	94,170	1,023,304	6,078,368	993,342	486,738	998,884	463,737	38
Total								1,734,285		1,158,075	

Note 18. Other non-current investments

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Other investments measured at fair value through profit or loss	9,726,548	4,205,892	12,212,323	6,691,667
Other investments measured at fair value through equity	47,736,700	41,552,427	47,736,700	42,297,460
Total	57,463,248	45,758,319	59,949,023	48,989,127

Other non-current investments primarily comprise investments in securities and equity interests.

Other investments measured at fair value through equity consisted of an investment in shares of Krka, d. d. as at 31 December 2023 and investments in shares of Krka, d. d. and Intereuropa, d. d. as at the previous year-end. The sale of Intereuropa, d. d. shares was successfully completed in December 2023. Realised gains were recognised through retained earnings, amounting to EUR 1,452,366 in the Company and EUR 2,117,354 in the Group. The Company/Group previously measured the investment at cost and then reclassified it to equity-valued investments in 2014 (Note 27).

Other investments measured at fair value through profit or loss refer to investments in other companies, where the Company's/Group's equity interest is less than 20%, investments in mutual funds and two companies that are fully (100%) owned by the controlling company or subsidiary and are not consolidated due to insignificance within the Group.

In 2023, the Company/Group invested part of its surplus liquid assets of EUR 5,000,000 in a mutual fund and classified the investment as measured at fair value through profit or loss.

Movements in other non-current investments of the Company

(in EUR)	2023	2022
Balance at 1 Jan	45,758,319	56,587,335
Increases		
Purchases	5,000,000	0
Revaluation to fair value through equity	8,228,343	0
Revaluation to fair value through profit or loss	520,656	1,095,672
Decreases		
Sale, long-term write-off	-2,044,070	0
Revaluation to fair value through equity	0	-11,619,416
Revaluation to fair value through profit or loss	0	-305,272
Balance at 31 Dec	57,463,248	45,758,319

Movements in other non-current investments of the Group

(in EUR)	2023	2022
Balance at 1 Jan	48,989,127	59,972,076
Increases		
Purchases	5,000,000	0
Revaluation to fair value through equity	8,419,219	0
Revaluation to fair value through profit or loss	520,656	1,095,671
Decreases		
Sale	-2,979,979	0
Revaluation to fair value through equity	0	-11,773,348
Revaluation to fair value through profit or loss	0	-305,272
Balance at 31 Dec	59,949,023	48,989,127

Note 19. Inventories

As at 31 December 2023, inventories in the Company/Group were recorded at EUR 2,091,082 (2022: EUR 1,596,208). A larger portion thereof relates to maintenance material and spare parts, as well as to overhead-related material and auxiliary material.

Note 20. Short-term investments

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Deposits and loans given	30,000,000	1,717	30,000,000	1,717
Treasury bills	39,474,594	0	39,474,594	0
Total	69,474,594	1,717	69,474,594	1,717

During the reporting period, the Company/Group placed part of its surplus cash in short-term bank deposits and Treasury bills with the aim of generating higher finance income.

Movements in short-term investments in 2023 - Company/Group

(in EUR)	Financial investments at amortised cost	Loans/deposits	Total
Balance at 31 Dec 2021	0	1,619	1,619
Increases			
Transfer from non-current financial investments	0	1,717	1,717
Decreases			
Repayments	0	-1,619	-1,619
Balance at 31 Dec 2022	0	1,717	1,717
Increases			
New investments	68,704,100	115,000,000	183,704,100
Capitalised interest	770,494	0	770,494
Decreases			
Repayments received/investment realisation	-30,000,000	-85,001,717	-115,001,717
Balance at 31 Dec 2023	39,474,594	30,000,000	69,474,594

Note 21. Trade and other receivables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Current operating receivables:				
domestic market	23,990,403	29,409,231	24,976,227	30,189,532
foreign markets	25,376,870	21,646,631	25,492,610	21,800,778
Current operating receivables due from Group companies	520,140	568,139	0	0
Current operating receivables due from associates	328,794	413,994	328,794	413,994
Current trade receivables	50,216,207	52,037,995	50,797,631	52,404,304
Current dividend receivables	554,151	0	554,151	0
Advances and collaterals given	77,328	86,991	79,800	87,616
Current receivables related to finance income	79,964	6,385	116,707	12,410
Receivables due from the state	3,491,566	3,467,266	3,668,360	3,608,808
Other current receivables	1,040,004	203,473	1,205,365	237,797
Trade receivables	55,459,220	55,802,110	56,422,014	56,350,935
Current deferred costs and expenses	3,708,335	3,544,481	3,715,779	3,551,751
Accrued income	225,599	275,941	225,598	275,940
Other receivables	3,933,934	3,820,422	3,941,377	3,827,691
Total	59,393,154	59,622,532	60,363,391	60,178,626

As at 31 December 2023, the value of trade and other receivables in the Company was EUR 59,393,154, the same level as the previous year-end. The Group had trade and other receivables of EUR 60,363,391 as at 31 December 2023, which is also at the level of the balance on the last day of the previous year.

With most trade receivables, the Company/Group has an option to enforce a legal lien over the stored goods in its possession. The Company/Group has a permanent insurance policy covering the major part of its short-term trade receivables from customers incurred in the controlling company from 1 January 2023 and of the subsidiary Adria Terminali, d. o. o. from 1 April 2023. As at 31 December 2023, 78.7% of the Company's outstanding short-term trade receivables from customers are secured by a trade receivables insurance policy, 12.5% are covered by bank guarantees or cash collateral, and 8.8% of short-term trade receivables from customers are unsecured. The policyholder's excess is 5.0%.

As at 31 December 2023, the Company/Group recorded no receivables from Members of the Management Board or the Supervisory Board.

Other receivables recorded by the Company/Group include short-term accrued income, which refer to income arising on expenses for European development projects, co-financed by European institutions, and short-term deferred costs. In 2019, the controlling company received from the Financial Administration of the Republic of Slovenia a notice regarding the assessment of corporate income tax for 2017 amounting to EUR 3,058,642, and settled the obligation. The liability was presented under current deferred costs since the Company appealed the tax notice. Pursuant to IFRIC 23 – Uncertainty over Income Tax Treatments, the Company/Group formed a liability for the payment of corporate income tax due to the uncertainty regarding the decision of the state authorities in relation to the said appeal.

Maturity of current trade receivables

Luka Koper, d. d.

(in EUR)	31 Dec 2023			31 Dec 2022		
	Gross value	Allowances	Net value	Gross value	Allowances	Net value
Outstanding and undue trade receivables	45,662,661	-145,044	45,517,617	47,764,501	-189,119	47,575,382
Past due trade receivables	5,158,564	-459,974	4,698,590	5,389,535	-926,922	4,462,613
Of which overdue:						
up to 30 days	4,156,037	-43,475	4,112,562	3,377,788	-35,409	3,342,379
31 to 60 days	511,412	-48,934	462,478	590,043	-63,243	526,800
61 to 90 days	61,578	-13,362	48,216	524,158	-106,696	417,462
91 to 180 days	94,513	-38,215	56,298	217,437	-78,575	138,862
more than 181 days	335,024	-315,988	19,036	680,109	-642,999	37,110
Total	50,821,225	-605,018	50,216,207	53,154,036	-1,116,041	52,037,995

Note: the amount comprises trade receivables and receivables due from subsidiaries and associates.

Luka Koper Group

(in EUR)	31 Dec 2023			31 Dec 2022		
	Gross value	Allowances	Net value	Gross value	Allowances	Net value
Outstanding and undue trade receivables	45,647,116	-147,614	45,499,502	47,885,008	-192,045	47,692,963
Past due trade receivables	5,602,338	-477,932	5,124,406	5,653,064	-941,723	4,711,341
Of which overdue:						
up to 30 days	4,485,383	-47,236	4,438,147	3,575,096	-37,426	3,537,670
31 to 60 days	619,937	-59,802	560,135	644,934	-68,856	576,078
61 to 90 days	69,525	-14,920	54,605	530,858	-107,967	422,891
91 to 180 days	96,024	-38,555	57,469	221,369	-79,081	142,288
more than 181 days	331,469	-317,419	14,050	680,807	-648,393	32,414
Total	51,249,454	-625,546	50,623,908	53,538,072	-1,133,768	52,404,304

Note: the amount comprises trade receivables and receivables due from associates.

As at 31 December 2023, the Company disclosed allowances for receivables amounting to EUR 605,018, a decrease from the preceding year end by EUR 511,023 and Group disclosed allowances for receivables amounting to EUR 625,546, a decrease from the preceding year end by EUR 508,222. The lower allowance for receivables in the Company/Group is attributable to the better age structure of trade receivables.

Movements in allowances - Company

(in EUR)	2023	2022
Balance at 1 Jan	1,116,041	1,074,261
Increase:		
Formation of allowances in the year	113,463	347,413
Transfer upon liquidation of Luka Koper Pristan	0	92,077
Decrease:		
Collected receivables	-544,814	-381,393
Definitive write-off (elimination) of receivables	-79,672	-16,317
Balance at 31 Dec	605,018	1,116,041

Movements in allowances - Group

(in EUR)	2023	2022
Balance at 1 Jan	1,133,768	1,373,470
Increase:		
Formation of allowances in the year	124,571	356,681
Transfer upon liquidation of Luka Koper Pristan	0	92,077
Decrease:		
Collected receivables	-549,033	-394,907
Definitive write-off (elimination) of receivables	-83,761	-293,553
Balance at 31 Dec	625,546	1,133,768

Note 22. Cash and cash equivalents

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Cash in hand	224	228	19,685	18,403
Bank balances	23,282,574	19,091,183	33,629,292	20,746,563
Short-term deposits at call	30,000,000	50,004,250	47,980,000	73,984,250
Total	53,282,798	69,095,661	81,628,977	94,749,216

Cash equivalents include short-term deposits at call where the Company/Group invests part of its surplus cash.

Note 23. Equity

Share capital

Share capital in the amount of EUR 58,420,965 consists of 14,000,000 shares of the controlling company Luka Koper, d. d. that are freely transferable. The nominal value of a share is EUR 4.17.

The ownership structure, the movement of the share price and the dividend policy are outlined in detail in the Business Report of the Luka Koper Group, Chapter 15, 'The LKPG Share.'

Capital surplus (share premium) and revenue reserves

The Company/Group records legal reserves in the amount of at least 10% of share capital as required by the Companies Act (ZGD-1). Legal reserves, share premium and other revenue reserves are not included in the accumulated profit and are not subject to distribution. The Company/Group has no statutory reserves, as they are not envisaged under its articles of association. Pursuant to Article 230 (3) of the Companies Act, at the year-end of 2023, the controlling company formed additional other revenue reserves in the amount of a half of net profit or loss, which equalled EUR 27,225,011.

(in EUR)	31 Dec 2023	31 Dec 2022
Share premium	89,562,703	89,562,703
Legal reserves	18,765,115	18,765,115
Other revenue reserves	270,000,708	242,775,697
Total	378,328,526	351,103,515

Reserves arising from valuation at fair value

At the year-end of 2023, reserves arising on valuation at fair value with respect to the valuation of investments measured at fair value through equity and with respect to unrealised actuarial gains and losses, amounted to EUR 31,975,786 in the Company, and EUR 31,736,420 in the Group. After deducting deferred taxes, they are recorded at EUR 24,719,356 and EUR 24,501,725 respectively.

Retained earnings

Retained earnings consist of the unappropriated portion of the net profit for the period, which as at 31 December 2023 amounted to EUR 27,225,011 in the Company and EUR 29,168,638 in the Group, and net profit brought forward that was recorded at EUR 16,653,542 and EUR 52,296,092 respectively.

Use of accumulated profit from 31 December 2022

In 2023, the Management and Supervisory Board proposed to the Shareholders' Meeting to appropriate the accumulated profit, which as at 31 December 2022 amounted to EUR 50,229,863.96, as follows:

- A portion in the amount of EUR 35,000,000 is to be used for dividend pay-out in the gross value of EUR 2.5 per ordinary share,
- The residual amount of accumulated profit in the amount of EUR 15,229,863.96 to remain unappropriated.

During the 37th Shareholders' Meeting of Luka Koper, d. d. on 28 June 2023, the proposal for the division of the accumulated profit was voted through.

The statement of accumulated profit for the financial year 2023 is provided in Section 32, 'Statement of accumulated profit.'

Note 24. Provisions

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Provisions for pensions and similar liabilities	10,763,083	8,955,719	11,537,468	9,644,931
Provisions for legal disputes	12,075,018	11,392,779	12,075,018	11,392,779
Total	22,838,101	20,348,498	23,612,486	21,037,710

Provisions for pensions and similar liabilities are composed of provisions for termination benefits and jubilee premiums as well as the post-employment benefits plan (one-off payment on retirement).

As at 31 December 2023, the Company/Group recorded EUR 3,657,301 liabilities under post-employment benefits.

Based on actuarial calculation, in the Company, the unrealised actuarial gain from the current and preceding year with respect to termination benefits amounting to EUR 280,760 was recorded in other comprehensive income, whereas the Group recorded EUR 331,085 of actuarial gain. The Company/Group recognised in the income statement the current and past service cost with respect to termination benefits and jubilee premiums in the amount of EUR 621,188 in the Company, and EUR 679,524 in the Group, and the interest cost amounting to EUR 225,585, and EUR 249,302 respectively. In 2023, payments under jubilee premiums and termination benefits amounted to EUR 183,217 in the Company, and EUR 246,402 in the Group.

On 31 December 2023, provisions for lawsuits in the Company/Group were higher by EUR 682,239, which is the net effect of the drawn down and additionally created provisions for legal liabilities in 2023. The Company/Group records a number of different lawsuits for which, in accordance with Article 92 of IAS 37 - Provisions, Contingent Liabilities and Contingent Assets, it does not disclose information because disclosure would result in a judgement on the position of the Company's/Group in disputes with other parties. The balance of provisions as at 31 December 2023 reflects the Management's best estimate of the status of litigation in connection with lawsuits received. Actual future liabilities of the Company/Group under this heading may deviate from current estimates, both positively and negatively.

Sensitivity analysis of actuarial assumptions – Luka Koper, d. d.

Actuarial assumption	Change in item * (percentage points)	Change in the present value of the liability for (in EUR)			
		Jubilee awards as at		Termination benefits as at	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Rate of return	+0.5	-58,039	-46,472	-330,817	-278,572
	-0.5	62,441	49,912	361,877	304,444
Salary growth	+0.5	64,220	51,879	362,354	305,854
	-0.5	-60,122	-48,619	-331,964	-279,807
Fluctuation	+0.5	-60,409	-48,629	-343,525	-290,802
	-0.5	47,822	38,671	161,248	137,473

Sensitivity analysis of actuarial assumptions – Luka Koper Group

Actuarial assumption	Change in item * (percentage points)	Change in the present value of the liability for (in EUR)			
		Jubilee awards as at		Termination benefits as at	
		31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Rate of return	+0.5	-61,727	-49,534	-352,857	-294,975
	-0.5	66,379	53,181	385,662	324,237
Salary growth	+0.5	68,307	55,294	386,031	325,579
	-0.5	-63,979	-51,840	-353,954	-298,123
Fluctuation	+0.5	-64,248	-51,834	-366,483	-310,069
	-0.5	50,643	41,026	170,071	144,361

Movements in provision for jubilee premiums and termination benefits and movements in actuarial gains and losses in the financial year

(in EUR)	Luka Koper, d. d.			Luka Koper Group		
	Total jubilee premiums	Termination benefits	Total Luka Koper, d. d.	Total jubilee premiums	Termination benefits	Total Luka Koper Group
Amount of present value of commitments at 31 Dec 2021	811,713	4,616,315	5,428,028	868,626	5,163,351	6,031,977
Interest costs	6,861	39,983	46,845	7,332	44,535	51,867
Ongoing service costs	166,324	624,907	791,231	176,971	682,441	859,412
Past service costs	-3,028	-6,059	-9,087	4,853	23,578	28,431
Actuarial gains (-) and losses (+) – movement in actuarial assumptions and experience	152,564	-132,178	20,386	166,853	-91,045	75,808
Actuarial gains – reversal	-9,822	-53,020	-62,842	-10,446	-57,599	-68,045
Actuarial losses – formation and use	689	10,222	10,911	689	16,507	17,196
Liabilities for earnings in the period 1 Jan 2022 - 31 Dec 2022	-42,548	-154,685	-197,232	-48,443	-230,751	-279,194
Amount of present value of commitments at 31 Dec 2022	1,082,754	4,945,486	6,028,240	1,166,435	5,551,017	6,717,452
Interest costs	39,618	185,967	225,585	42,512	206,790	249,302
Ongoing service costs	150,588	461,689	612,277	160,493	512,843	673,336
Past service costs	-352	9,263	8,911	693	5,495	6,188
Actuarial gains (-) and losses (+) – movement in actuarial assumptions and experience	146,566	331,058	477,624	162,744	378,326	541,070
Actuarial gains – reversal	-13,447	-58,419	-71,866	-13,646	-63,577	-77,223
Actuarial losses – formation and use	109	8,121	8,230	109	16,337	16,445
Liabilities for earnings in the period 1 Jan 2023 - 31 Dec 2023	-61,839	-121,378	-183,217	-70,822	-175,580	-246,402
Amount of present value of commitments at 31 Dec 2023	1,343,996	5,761,787	7,105,783	1,448,518	6,431,650	7,880,168

Breakdown of actuarial gains and losses in the 2023 financial year by cause

(in EUR)	Luka Koper, d. d.			Luka Koper Group		
	Total jubilee premiums	Termination benefits	Total Luka Koper, d. d.	Total jubilee premiums	Termination benefits	Total Luka Koper Group
Actuarial gains or losses from changes in assumptions	138,473	458,544	597,018	147,770	488,786	636,556
Actuarial gains or losses from experience adjustments	-5,246	-177,784	-183,030	1,437	-159,700	-158,263
Total actuarial gains (-) and losses (+) in the period	133,227	280,760	413,988	149,207	329,086	478,293

Breakdown of actuarial gains and losses in the 2022 financial year by cause

(in EUR)	Luka Koper, d. d.			Luka Koper Group		
	Total jubilee premiums	Termination benefits	Total Luka Koper, d. d.	Total jubilee premiums	Termination benefits	Total Luka Koper Group
Actuarial gains or losses from changes in assumptions	-213,674	-1,545,703	-1,759,376	-225,376	-1,624,855	-1,850,231
Actuarial gains or losses from experience adjustments	357,105	1,370,726	1,727,831	382,472	1,492,718	1,875,190
Total actuarial gains (-) and losses (+) in the period	143,431	-174,977	-31,545	157,096	-132,137	24,959

Maturity of liabilities for jubilee awards and severance payments due by calendar years as at 31 Dec 2023

(in EUR)	Luka Koper, d. d.			Luka Koper Group		
	Total jubilee premiums	Termination benefits	Total Luka Koper, d. d.	Total jubilee premiums	Termination benefits	Total Luka Koper Group
2024	72,530	526,644	599,174	82,896	724,996	807,892
2025	83,922	249,196	333,118	95,623	279,052	374,676
2026	86,001	297,405	383,406	90,975	353,229	444,205
2027	116,687	154,646	271,333	129,460	192,477	321,937
2028	98,137	199,705	297,842	111,244	242,796	354,040
nad 5 let	886,719	4,334,190	5,220,910	938,319	4,639,099	5,577,418
Total actuarial gains (-) and losses (+) in the period	1,343,996	5,761,787	7,105,783	1,448,518	6,431,650	7,880,168

Maturity of liabilities for jubilee awards and severance payments due by calendar years as at 31 Dec 2022

(in EUR)	Luka Koper, d. d.			Luka Koper Group		
	Total jubilee premiums	Termination benefits	Total Luka Koper, d. d.	Total jubilee premiums	Termination benefits	Total Luka Koper Group
2023	51,011	412,270	463,281	58,873	583,196	642,069
2024	62,279	236,627	298,905	65,096	298,901	363,997
2025	73,969	235,251	309,221	84,111	261,419	345,530
2026	72,689	266,451	339,140	77,433	311,268	388,701
2027	98,710	143,922	242,632	109,161	177,378	286,539
nad 5 let	724,095	3,650,965	4,375,061	771,760	3,918,856	4,690,616
Total actuarial gains (-) and losses (+) in the period	1,082,754	4,945,486	6,028,240	1,166,435	5,551,017	6,717,452

Movements in provisions – Luka Koper, d. d.

(in EUR)	1. Termination benefits	2. Jubilee premiums	3. Post-employment benefits plan	Total benefits (1, 2 and 3)	Claims and damages	Total
Balance at 31 Dec 2021	4,616,315	811,713	2,356,603	7,784,631	11,366,109	19,150,740
Movement:						
Formation	536,875	323,411	1,048,575	1,908,861	75,665	1,984,526
Transfer	0	0	-63,495	-63,495	0	-63,495
Use	-154,685	-42,548	-414,203	-611,436	-46,020	-657,456
Reversal	-53,020	-9,822	0	-62,842	-2,975	-65,817
Balance at 31 Dec 2022	4,945,485	1,082,754	2,927,480	8,955,719	11,392,779	20,348,498
Movement:						
Formation	996,098	336,528	1,118,810	2,451,436	2,864,406	5,315,842
Transfer	0	0	-46,465	-46,465	0	-46,465
Use	-121,378	-61,839	-342,524	-525,741	-524,382	-1,050,123
Reversal	-58,419	-13,447	0	-71,866	-1,657,785	-1,729,651
Balance at 31 Dec 2023	5,761,786	1,343,996	3,657,301	10,763,083	12,075,018	22,838,101

Movements in provisions – Luka Koper Group

(in EUR)	1. Termination benefits	2. Jubilee premiums	3. Post-employment benefits plan	Total benefits (1, 2 and 3)	Claims and damages	Total
Balance at 31 Dec 2021	5,163,351	868,626	2,356,603	8,388,580	11,366,109	19,754,689
Movement:						
Formation	676,016	356,697	1,048,575	2,081,288	75,665	2,156,953
Use	-230,751	-48,443	-477,698	-756,892	-46,020	-802,912
Reversal	-57,599	-10,446	0	-68,045	-2,975	-71,020
Balance at 31 Dec 2022	5,551,017	1,166,434	2,927,480	9,644,931	11,392,779	21,037,710
Movement:						
Formation	1,119,790	366,550	1,118,810	2,605,150	2,864,406	5,469,556
Use	-175,581	-70,822	-388,989	-635,392	-524,382	-1,159,774
Reversal	-63,577	-13,644	0	-77,221	-1,657,785	-1,735,006
Balance at 31 Dec 2023	6,431,649	1,448,518	3,657,301	11,537,468	12,075,018	23,612,486

Note 25. Deferred income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Non-current deferred income for regular maintenance	25,007,424	24,341,825	25,007,424	24,341,825
Non-refundable grants received	8,951,056	6,935,850	8,967,395	7,026,485
Other non-current deferred income	0	0	984,303	1,038,081
Total	33,958,480	31,277,675	34,959,122	32,406,391

Non-current deferred income of the Company/Group comprises deferred income on regular maintenance since in compliance with the Concession Agreement, the controlling company Luka Koper, d. d., has the right and obligation to collect port dues, which is income intended to cover the costs of performing public utility services. With respect to any annual surplus of revenue over costs, the controlling company forms non-current deferred income for covering the costs of public utility services relating to regular maintenance of the port infrastructure in the coming years. In the event that costs exceeded the revenue, the controlling company would be utilising non-current deferred income.

The grants received primarily comprise payments received with respect to non-refundable funds for investment into EU development projects which are recorded by the controlling company and are utilised in accord with their useful life. Under non-refundable funds received, the Group also records retained contributions on salaries of employees of the Luka Koper INPO, d. o. o sheltered workshop, i.e., contributions to insurance schemes for retirement pension, disability, sickness, and maternity. The assets were used in compliance with the Vocational Rehabilitation and Employment of Disabled Persons Act for covering 75% of wages for disabled persons and labour costs for the staff for the time spent assisting the disabled persons.

Group's other non-current deferred income comprises non-current deferred income earmarked to cover the costs of depreciation of fixed assets.

Movements in deferred income – Luka Koper, d. d.

(in EUR)	Non-current deferred income for regular maintenance	Non-refundable grants received	Total
Balance at 31 Dec 2021	21,642,989	7,235,652	28,878,641
Movement:			
Formation	2,698,836	64,559	2,763,395
Transfer to other liabilities	0	-812	-812
Use	0	-363,549	-363,549
Balance at 31 Dec 2022	24,341,825	6,935,850	31,277,675
Movement:			
Formation	665,599	0	665,599
Transfer to other liabilities	0	2,851,049	2,851,049
Use	0	-835,843	-835,843
Balance at 31 Dec 2023	25,007,424	8,951,056	33,958,480

Movements in deferred income – Luka Koper Group

(in EUR)	Non-current deferred income for regular maintenance	Non-refundable grants received	Other non-current deferred income	Total
Balance at 31 Dec 2021	21,642,989	7,376,030	1,118,357	30,137,376
Movement:				
Formation	2,698,836	1,636,840	0	4,335,676
Transfer to other liabilities	0	-812	0	-812
Use	0	-1,985,573	-80,276	-2,065,849
Balance at 31 Dec 2022	24,341,825	7,026,485	1,038,081	32,406,391
Movement:				
Formation	665,599	1,751,267	29,417	2,446,283
Transfer to other liabilities	0	2,851,049	0	2,851,049
Use	0	-2,661,406	-83,195	-2,744,601
Balance at 31 Dec 2023	25,007,424	8,967,395	984,303	34,959,122

Note 26. Non-current loans and borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Non-current borrowings from banks in Slovenia	93,979,370	54,315,463	93,979,370	54,315,463
Total	93,979,370	54,315,463	93,979,370	54,315,463

Non-current loans received are wholly attributable to the controlling company only, and therefore all notes and movements below are presented together as if they were attributable to the Company/Group.

As at the balance sheet date, non-current borrowings from banks in the Company/Group amounted to EUR 93,979,370, and have thus increased by EUR 39,663,907 as compared to the year-end of 2022. The increase is the result of drawing down a loan in the amount of EUR 60,000,000 taken out at the beginning of 2022 by the controlling company from the banking syndicate of two banks.

The Company/Group transferred the portion of the loans due within one year to current borrowings.

All non-current borrowings from banks are being repaid following the predefined repayment schedule. All liabilities under non-current borrowings from banks are collateralised with blank bills of exchange and financial covenants. The Company/Group has been able to meet in full its financial commitments arising from loan agreements with banks.

The controlling company, Luka Koper, d. d., has concluded a non-current loan agreement with the subsidiary Luka Koper INPO, d. o. o., in the total amount of EUR 20,000,000, which have not yet been drawn down as of 31 December 2023.

Movements in non-current borrowings - Company/Group

(in EUR)	Lender	
	Banks	Total
Balance at 31 Dec 2021	60,688,522	60,688,522
New borrowings	36,100,000	36,100,000
Repayments	-12,250,000	-12,250,000
Transfer to current borrowings – the portion that matures within 1 year	-30,223,059	-30,223,059
Balance at 31 Dec 2022	54,315,463	54,315,463
New borrowings	60,000,000	60,000,000
Repayments	-5,142,857	-5,142,857
Transfer to current borrowings – the portion that matures within 1 year	-15,193,235	-15,193,235
Balance at 31 Dec 2023	93,979,370	93,979,370

Loan principals (non-current and current borrowings) by type of interest rate

Luka Koper, d. d., and the Luka Koper Group

Balance at 31 December 2023

(in EUR)	Currency of loan	Interest rate	Date of maturity	Approved principal amount	Principal at 31 Dec 2023
from 0.440 to 0.850	EUR	from 0.440 to 0.850	from 31 Dec 2028 to 31 Dec 2031	123,716,356	78,487,606
Euribor3m + 0.320	EUR	Euribor3m + 0.320	to 30 Apr 2032	36,100,000	30,685,000
Total				159,816,356	109,172,606
- whereof current portion					15,193,235

Balance at 31 December 2022

(in EUR)	Currency of loan	Interest rate	Date of maturity	Approved principal amount	Principal at 31 Dec 2022
from 0.440 to 0.850	EUR	from 0.440 to 0.850	from 31 Dec 2028 to 31 Dec 2031	123,716,356	28,356,555
Euribor3m + 0.320	EUR	Euribor3m + 0.320	to 30 Apr 2032	36,100,000	34,295,000
Total				159,816,356	62,651,555
- whereof current portion					8,336,093

Balance of non-current and current borrowings from banks at par value and by their maturity

Luka Koper, d. d. and Luka Koper Group for the financial year 2023

(in EUR)	Principal at 31 Dec 2023	2024	2025	2026	2027	2028	Period 2029–2032
Balance of received loan principals by maturity	109,172,606	15,193,235	15,193,236	15,193,235	15,193,235	15,193,235	33,206,429
Expected interest	7,081,971	1,638,694	1,429,189	1,203,081	976,974	753,116	1,080,917
Total	116,254,577	16,831,929	16,622,424	16,396,317	16,170,209	15,946,351	34,287,346

Luka Koper, d. d. and Luka Koper Group for the financial year 2022

(in EUR)	Principal at 31 Dec 2022	2024	2025	2026	2027	2028	Period 2028–2032
Balance of received loan principals by maturity	62,651,555	8,336,093	8,336,093	8,336,093	8,336,093	8,336,093	20,971,092
Expected interest	4,894,581	1,055,802	925,408	789,725	656,687	523,649	943,309
Total	67,546,137	9,391,895	9,261,501	9,125,818	8,992,779	8,859,741	21,914,402

Note 27. Deferred tax assets and deferred tax liabilities

(in EUR)	Luka Koper, d. d.				Luka Koper Group			
	Receivables		Liabilities		Receivables		Liabilities	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Deferred tax assets and deferred tax liabilities relating to:								
- impairment of investments in subsidiaries	301,528	298,562	0	0	301,528	298,562	0	0
- impairment of other investments and deductible temporary differences arising on securities	3,326,454	8,740,460	7,424,965	5,125,034	3,326,454	8,761,627	7,424,965	5,215,116
- allowances for trade receivables	170,167	244,056	0	0	174,683	247,424	0	0
- provisions for termination benefits	412,324	423,855	0	0	451,917	468,598	0	0
- provisions for jubilee premiums	67,196	73,071	0	0	71,190	77,918	0	0
- provisions for legal disputes	12,921	11,159	0	0	12,921	11,159	0	0
- non-current accrued costs and deferred income for public utility service	525,665	453,983	0	0	525,665	453,983	0	0
Total	4,816,255	10,245,146	7,424,965	5,125,034	4,864,358	10,319,271	7,424,965	5,215,116
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-4,816,255	-5,125,034	-4,816,255	-5,125,034	-4,864,358	-5,215,116	-4,864,358	-5,215,116
Total	0	5,120,112	2,608,710	0	0	5,104,155	2,560,607	0

Deferred tax assets comprise deductible temporary differences arising on securities, non-current investments, impairment of receivables, provisions for retirement benefits and jubilee premiums, lawsuits, and deferred income from public utility service. Deferred tax liabilities are taxable temporary differences arising on the fair value revaluation of shares. The bases from which deferred taxes are formed do not have a limited term of validity.

Within deferred taxes, the Group also records deferred taxes relating to impairment of investments in subsidiaries, which due to being a tax item of the controlling company, is not excluded. They are formed for the subsidiaries that have been defined as non-strategic for the Company and are also subject to various types of withdrawal or disinvestment.

The largest decrease can be seen in the item impairment of other investments and deductible temporary differences arising on securities, namely from the realisation of deferred tax receivables on the sale of the investment in the shares of Intereuropa, d. d.

With the adoption of the Act on Reconstruction, Development and Provision of Financial Resources (ZORZFS) in December 2023, an increased tax rate of 22% was confirmed for the period from 2024 to 2028 inclusive. As a result, the Company/ Group has restated deferred tax assets and liabilities as it expects them to be realised in the period, except for the provision for termination and jubilee benefits, which is expected to be realised over a longer time frame.

As at 31 December 2023, the Company conducted an off-set of its deferred tax liabilities with receivables in the amount of EUR 4,816,255 (2022: EUR 5,125,034), whereas in the Group the off-set amount was EUR 4,864,358 (2022: EUR 5,215,116).

Movements in deferred tax assets and deferred tax liabilities in 2023 – Luka Koper, d. d.

(in EUR)	Receivables				Liabilities		
	Balance at 31 Dec 2022	Recognised in the income statement	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2023
Deferred tax assets and deferred tax liabilities relating to:							
- impairment of investments in subsidiaries	298,562	2,966	0	301,528	0	0	0
- impairment of other investments and deductible temporary differences arising on securities	8,740,460	-5,414,006	0	3,326,454	5,125,034	2,299,931	7,424,965
- allowances for trade receivables	244,056	-73,890	0	170,166	0	0	0
- provisions for termination benefits	423,855	-35,478	23,947	412,325	0	0	0
- provisions for jubilee premiums	73,071	-5,875	0	67,196	0	0	0
- provisions for legal disputes	11,159	1,762	0	12,921	0	0	0
- non-current accrued costs and deferred income for public utility service	453,983	71,682	0	525,665	0	0	0
Total	10,245,146	-5,452,839	23,947	4,816,255	5,125,034	2,299,931	7,424,965
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,125,034	0	308,779	-4,816,255	-5,125,034	308,779	-4,816,255
Deferred tax assets in the Company's statement of financial position	5,120,112	-5,452,839	332,726	0	0	2,608,710	2,608,710

Movements in deferred tax assets and deferred tax liabilities in 2022 – Luka Koper, d. d.

(in EUR)	Receivables				Liabilities		
	Balance at 31 Dec 2021	Recognised in the income statement	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2022	Balance at 31 Dec 2021	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2022
Deferred tax assets and deferred tax liabilities relating to:							
- impairment of investments in subsidiaries	509,689	-211,127	0	298,562	0	0	0
- impairment of other investments and deductible temporary differences arising on securities	8,740,582	-122	0	8,740,460	7,332,723	-2,207,688	5,125,035
- allowances for trade receivables	236,118	7,938	0	244,056	0	0	0
- provisions for termination benefits	438,550	5,307	-20,002	423,856	0	0	0
- provisions for jubilee premiums	77,113	-4,042	0	73,071	0	0	0
- provisions for legal disputes	0	11,159	0	11,159	0	0	0
- non-current accrued costs and deferred income for public utility service	453,983	0	0	453,983	0	0	0
Total	10,456,035	-190,887	-20,002	10,245,147	7,332,723	-2,207,688	5,125,035
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-7,332,723	0	2,207,688	-5,125,035	-7,332,723	2,207,688	-5,125,035
Deferred tax assets in the Company's statement of financial position	3,123,312	-190,887	2,187,686	5,120,112	0	0	0

Movements in deferred tax assets and deferred tax liabilities in 2023 – Luka Koper Group

(in EUR)	Receivables			Liabilities			
	Balance at 31 Dec 2022	Recognised in the income statement	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2023
Deferred tax assets and deferred tax liabilities relating to:							
- impairment of investments in subsidiaries	298,562	2,966	0	301,528	0	0	0
- impairment of other investments and deductible temporary differences arising on securities	8,761,627	-5,435,173	0	3,326,454	5,215,115	2,209,849	7,424,964
- allowances for trade receivables	247,424	-72,742	0	174,682	0	0	0
- provisions for termination benefits	468,598	-42,937	26,257	451,918	0	0	0
- provisions for jubilee premiums	77,918	-6,728	0	71,190	0	0	0
- provisions for legal disputes	11,159	1,762	0	12,921			
- non-current accrued costs and deferred income for public utility service	453,983	71,682	0	525,665	0	0	0
Total	10,319,271	-5,481,170	26,257	4,864,358	5,215,115	2,209,849	7,424,964
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,215,116	0	350,758	-4,864,358	-5,215,115	350,758	-4,864,357
Deferred tax assets in the Group's statement of financial position	5,104,155	-5,481,170	377,015	0	0	2,560,607	2,560,607

Movements in deferred tax assets and deferred tax liabilities in 2022 – Luka Koper Group

(in EUR)	Receivables			Liabilities			
	Balance at 31 Dec 2021	Recognised in the income statement	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2022	Balance at 31 Dec 2021	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2022
Deferred tax assets and deferred tax liabilities relating to:							
- impairment of investments in subsidiaries	509,689	-211,127	0	298,562	0	0	0
- impairment of other investments and deductible temporary differences arising on securities	8,761,750	-122	0	8,761,628	7,452,050	-2,236,934	5,215,116
- allowances for trade receivables	292,968	-45,544	0	247,424	0	0	0
- provisions for termination benefits	490,518	-4,072	-17,848	468,598	0	0	0
- provisions for jubilee premiums	82,520	-4,602	0	77,918	0	0	0
- provisions for legal disputes	0	11,159	0	11,159	0	0	0
- non-current accrued costs and deferred income for public utility service	453,983	0	0	453,983	0	0	0
Total	10,591,428	-254,308	-17,848	10,319,272	7,452,050	-2,236,934	5,215,116
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-7,452,051	0	2,236,934	-5,215,117	-7,452,050	2,236,934	-5,215,116
Deferred tax assets in the Group's statement of financial position	3,139,377	-254,308	2,219,086	5,104,155	0	0	0

Note 28. Current loans and borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Current borrowings from banks in Slovenia	15,193,235	8,336,093	15,193,235	8,336,093
Total	15,193,235	8,336,093	15,193,235	8,336,093

Current borrowings from banks as at 31 December 2023 refer to the portion of non-current principal amounts which mature in 2024 according to amortisation schedules.

Movements in current loans and borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	Lender		Lender	
	Banks	Total	Banks	Total
Balance at 31 Dec 2021	10,521,175	10,521,175	10,521,175	10,521,175
Repayments	-32,408,143	-32,408,143	-32,408,143	-32,408,143
Transfer from non-current borrowings – the portion that matures within 1 year	30,223,061	30,223,061	30,223,061	30,223,061
Balance at 31 Dec 2022	8,336,093	8,336,093	8,336,093	8,336,093
Repayments	-8,336,093	-8,336,093	-8,336,093	-8,336,093
Transfer from non-current borrowings – the portion that matures within 1 year	15,193,235	15,193,235	15,193,235	15,193,235
Balance at 31 Dec 2023	15,193,235	15,193,235	15,193,235	15,193,235

Note 29. Trade and other payables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Current trade payables to domestic suppliers	29,761,821	27,630,541	30,292,892	28,308,157
Current trade payables to foreign suppliers	375,736	416,588	439,094	462,015
Current liabilities to Group companies	693,043	777,047	0	0
Current liabilities to associates	82,350	78,865	82,350	78,865
Current liabilities from advances	10,123,487	11,245,495	10,393,078	11,461,426
Current liabilities to employees	7,157,014	6,515,540	7,625,523	6,968,339
Current liabilities to the state and other institutions	18,925	24,295	51,694	60,714
Total operating liabilities	48,212,376	46,688,371	48,884,631	47,339,516
Other operating liabilities	10,241,864	9,390,584	10,881,940	9,946,847
Total	58,454,240	56,078,955	59,766,571	57,286,363

At 31 December 2023, current trade and other payables were slightly higher than at the last day of the previous year for both the Company and the Group. The largest increase is seen in the country's payables to domestic suppliers, due to increased investment in fixed assets, maintenance and higher service prices.

Among liabilities from advances, the Company/Group shows advances received for subsidized EU projects, shown in the controlling company, as well as collaterals received for the purpose of operating the tax warehouse at the liquid and bulk cargo terminal.

Other operating liabilities comprise accrued costs relating to part of the salary from collective work performance, accrued interest for loans and borrowings, accrued costs for remunerations and bonuses paid under individual contracts, accrued costs for unused vacation days, and accrued charges for invoices to be received.

Note 30. Contingent liabilities

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Securities given	319,830	729,849	0	0
Contingent liabilities under legal disputes	25,894,775	23,618,984	25,894,775	23,618,984
Total contingent liabilities	26,214,605	24,348,833	25,894,775	23,618,984

Securities in the amount of EUR 319,830 were given to the company Adria Transport, d. o. o., by the controlling company to cover a lease of locomotives. The company that received a guarantee from the controlling company regularly paid its liabilities in this regard and there were no outstanding instalments as at 31 December 2023.

Contingent liabilities under legal disputes amounted to EUR 25,894,775 as at 31 December 2023, up EUR 2,275,791 from the preceding year-end. The increase relates to claims under lawsuits that the Company/Group assessed as not qualifying for provisioning and were therefore recognised as contingent liabilities.

Regarding the property used in the area of the port of Koper for the performance of its activities and certain property in the immediate vicinity of the Port of Koper, the Company/Group has some pending cases with the Republic of Slovenia concerning the ownership status of the mentioned property, regarding which they are seeking appropriate solutions together with the Republic of Slovenia. The Company/Group has not yet received any formal request from the Republic of Slovenia on the basis of which it would be possible to assess its value, which has thus not been disclosed, but it could have a significant impact on the accounts. For this issue, the Company/Group formed no provisions as the conditions for their formation have not been met.

Note 31. Related party transactions

Remuneration of Members of the Management Board in the company Luka Koper, d. d. in 2023 (in EUR)

Name and surname	Gross salary (fixed part)	Gross salary (variable part)	Annual holiday pay and jubilee premiums	Insurance premium benefits	Benefits and other receipts	Total remuneration
Boštjan Napast, President of the Management Board from 3 Dec 2021 to 30 Jun 2023	122,138	27,872	1,096	170	124,872	276,148
Nevenka Kržan, Member of the Management Board from 1 Jul 2022 to 30 Jun 2023, President of the Management Board since 1 Jul 2023	198,857	12,598	2,192	261	7,743	221,651
Robert Rožac, Member of the Management Board from 16 Nov 2021 to 31 Dec 2022	13,968	23,701	0	0	48,705	86,374
Vojko Rotar, Member of the Management Board - Worker Director since 16 Feb 2018	190,463	40,595	2,192	268	6,184	239,702
Total	525,425	104,766	5,480	699	187,505	823,875

Remuneration of Members of the Management Board in the company Luka Koper, d. d. in 2022 (in EUR)

Name and surname	Gross salary (fixed part)	Gross salary (variable part)	Annual holiday pay and jubilee premiums	Insurance premium benefits	Benefits and other receipts	Total remuneration
Boštjan Napast, President of the Management Board since 3 Dec 2021	182,958	0	2,008	315	4,092	189,373
Dimitrij Zadel, President of the Management Board from 29 Dec 2017 to 15 Nov 2021	0	30,855	0	0	0	30,855
Irma Gubanec, Member from 29 Dec 2017 to 15 Nov 2021	0	27,234	0	0	0	27,234
Metod Podkrižnik, Member from 29 Dec 2017 to 15 Nov 2021	0	27,758	0	0	0	27,758
Nevenka Kržan, Member since 1 Jul 2022	69,992	0	1,004	131	3,313	74,440
Robert Rožac, Member from 16 Nov 2021 to 31 Dec 2022	163,294	1,988	2,008	316	8,925	176,531
Vojko Rotar, Member of the Management Board - Worker Director since 16 Feb 2018	165,140	27,615	2,008	316	6,896	201,975
Total	581,384	115,450	7,028	1,078	23,226	728,166

Pursuant to Article 294, Item 5 of the Companies Act, the above table comprises remuneration for exercising respective functions as well as other income, such as cost reimbursement, supplementary retirement schemes and jubilee premiums.

To determine the variable income, i.e. remuneration for the Management Board, the Company/Group applied several quantitative and qualitative indicators, which contribute to the Company's long-term interests and development.

The payment of variable income or remuneration to a member of the Management Board is made in accordance with the applicable legislation.

The contracts of the Members of the Management Board do not include the variable income or remuneration determined in form of shares.

Remuneration of groups of persons in the company Luka Koper, d. d. in 2023 (in EUR)

	Gross salary (fixed and variable part)	Annual holiday pay and jubilee premiums	Insurance premium benefits	Benefits and other receipts	Total remuneration
Members of the Management Board	630,192	5,480	699	187,504	823,874
Members of the Supervisory Board	254,587	0	2,268	8,468	265,322
Employees with individual employment contracts	3,156,749	62,858	0	225,983	3,445,590
Total	4,041,527	68,338	2,967	421,955	4,534,787

Remuneration of groups of persons in the company Luka Koper, d. d. in 2022 (in EUR)

Groups of persons	Gross salary (fixed and variable part)	Annual holiday pay and jubilee premiums	Insurance premium benefits	Benefits and other receipts	Total remuneration
Members of the Management Board	696,834	7,028	1,078	23,226	728,166
Members of the Supervisory Board	260,073	0	2,737	4,000	266,810
Employees with individual employment contracts	2,634,657	51,014	0	209,776	2,895,447
Total	3,591,564	58,042	3,815	237,002	3,890,423

Remuneration of groups of persons in the Luka Koper Group in 2023 (in EUR)

Gross remuneration of groups of persons (in EUR)	Gross salary (fixed and variable part)	Annual holiday pay and jubilee premiums	Insurance premium benefits	Benefits and other receipts	Total
Members of the Management Board	630,192	5,480	699	187,504	823,875
Members of the Supervisory Board	264,196	0	2,268	8,468	274,932
Employees with individual employment contracts	3,313,677	67,425	0	241,935	3,623,037
Managing Directors of subsidiaries	217,232	4,566	512	50,299	272,610
Total	4,425,297	77,471	3,479	488,206	4,994,453

Until 1 August 2023, the Audit Committee of the Supervisory Board of the controlling company operated in the subsidiary Luka Koper INPO, d. o. o., in accordance with Article 514a, Paragraph 2 of the Companies Act. When the articles of association were amended, Luka Koper, d. d., as the sole shareholder, formed the Supervisory Board and the Audit Committee of the Supervisory Board. The members of the Supervisory Board have not yet received any remuneration in 2023 for their work on the company's bodies, but the estimated costs are included in the statements for 2023.

Remuneration of groups of persons in the Luka Koper Group in 2022 (in EUR)

Gross remuneration of groups of persons	Gross wages (fixed and variable part)	Annual holiday pay and jubilee premiums	Insurance premium benefits	Benefits and other receipts	Total
Members of the Management Board	696,834	7,028	1,078	23,226	728,166
Members of the Supervisory Board	260,073	0	2,737	4,000	266,810
Members of Audit Committee – Luka Koper INPO, d. o. o.	18,094	0	0	188	18,282
Employees with individual employment contracts	2,708,660	53,022	0	68,553	2,830,235
Managing Directors of subsidiaries	280,882	6,024	0	58,101	345,007
Total	3,964,543	66,074	3,815	154,068	4,188,500

Gross remuneration of Members of the Supervisory Board and its Committees in Luka Koper, d. d., in 2023 (in EUR)

Name and surname	Performance of function	Insurance premium benefits (SB)	Attendance fees and reimbursement of costs	Total gross earnings
Andrej Koprivec, Member from 2 Jul 2021 to 6 Feb 2023	4,152	67	2,164	6,382
Barbara Nose, Member since 7 Feb 2023	16,191	193	6,241	22,625
Borut Škabar, Member since 7 Feb 2023	15,112	193	4,290	19,594
Boštjan Rader, Member since 7 Feb 2023	17,991	193	6,945	25,129
Božidar Godnjavec, member from 2 Jul 2021 to 6 Feb 2023	4,152	67	3,556	7,775
Franci Matoz, Chair from 2 Jul 2021 to 6 Feb 2023	5,103	67	1,996	7,166
Jožef Petrovič, Member since 7 Feb 2023	17,991	193	7,644	25,828
Mehrudin Vuković, Member since 19 Jan 2020	18,571	259	6,461	25,292
Mirko Bandelj, President since 7 Feb 2023	17,991	193	4,056	22,239
Mladen Jovičić, Member since 8 Apr 2009	19,263	259	6,270	25,793
Mateja Treven, External Member of the SB's Audit Committee since 23 Feb 2023	5,068	0	2,048	7,116
Nevenka Črešnar Pergar, Deputy Chair from 2 Jul 2021 to 6 Feb 2023	4,429	67	3,484	7,979
Rok Parovel, Member since 13 Sep 2016	19,263	259	6,842	26,365
Simon Kolenc, External Member of the SB's Audit Committee from 12 Jul 2021 to 22 Feb 2023	1,532	0	726	2,259
Tomaž Benčina, Member from 7 Jun 2022 and Deputy Chair since 23 Feb 2023	23,295	259	10,227	33,781
TOTAL	190,105	2,268	72,950	265,322

Gross remuneration of Members of the Supervisory Board and its Committees in Luka Koper, d. d., in 2022 (in EUR)

Name and surname	Performance of function	Insurance premium benefits (SB)	Attendance fees and reimbursement of costs	Total gross earnings
Andrej Koprivec, Member since 2 Jul 2021	22,500	316	6,901	29,717
Božidar Godnjavec, member since 2 Jul 2021	22,500	316	10,975	33,791
Franci Matoz, Chair since 2 Jul 2021	27,656	316	5,277	33,249
Mehrudin Vuković, Member since 19 Jan 2020	18,750	316	4,730	23,796
Mladen Jovičić, Member since 8 Apr 2009	22,500	316	5,445	28,261
Nevenka Črešnar Pergar, Deputy Chair since 2 Jul 2021	24,000	316	10,816	35,132
Rado Antolovič, Member from 1 Jul 2019 to 26 Apr 2022	9,125	129	2,695	11,949
Rok Parovel, Member since 13 Sep 2016	22,500	316	6,017	28,833
Simon Kolenc, External Member of the SB's Audit Committee since 12 Jul 2021	6,600	0	2,484	9,084
Tamara Kozlovič, Member from 22 Aug 2019 to 12 Aug 2022	15,726	235	4,730	20,691
Tomaž Benčina, Member since 7 Jun 2022	9,036	158	3,113	12,307
TOTAL	200,893	2,734	63,183	266,810

Remuneration in 2023 was paid pursuant to a decision on determining the payment for performance of functions and attendance fees to the Members of the Supervisory Board and Members of Committees of the Supervisory Board, which was adopted at the 29th General Meeting on 28 December 2017, and is published on the Company's website.

In addition to payments to the Supervisory Board Members, in 2023 the Supervisory Board allocated EUR 1,674 for training of its Members.

Transactions with the Government of the Republic of Slovenia

(in EUR)	Luka Koper, d. d.			
	Payments in 2023	Costs/expenses in 2023	Payments in 2022	Costs/expenses in 2022
Concessions and the water fee	12,345,895	10,650,012	7,849,917	10,682,667
Transshipment fee	5,681,160	5,595,511	5,994,238	6,084,315
Dividends	17,850,000	0	8,139,600	0
Corporate income tax (taxes and advance payments)	16,543,596	5,219,628	6,665,206	13,377,322
Other taxes and contributions	12,778,516	12,529,356	11,896,076	11,577,922
Total	65,199,167	33,994,507	40,545,037	41,722,226

(in EUR)	Luka Koper Group			
	Payments in 2023	Costs/expenses in 2023	Payments in 2022	Costs/expenses in 2022
Concessions and the water fee	12,345,895	10,650,012	7,849,917	10,682,667
Transshipment fee	5,681,160	5,595,511	5,994,238	6,084,315
Dividends	17,850,000	0	8,139,600	0
Corporate income tax (taxes and advance payments)	16,652,848	5,448,518	6,735,756	13,471,233
Other taxes and contributions	13,098,549	13,485,424	12,196,106	12,479,435
Total	65,628,452	35,179,465	40,915,617	42,717,650

In 2023, dividends were paid out to two other companies, in which the Government of the Republic of Slovenia holds a controlling interest, i.e., to SDH, d. d., in the amount of EUR 3,894,643 and Kapitalska družba, d. d. in the amount of EUR 1,741,448.

No other transactions between the Government of the Republic of Slovenia and the Company/Group were recorded.

Transactions with Members of the Management Board and Members of the Supervisory Board or persons related to them

In the business year 2023, there were no transactions between the Company/Group and Members of the Management and Supervisory Boards.

In the period from January to December 2023, there were no transactions with related parties of the Members of the Management Board; however, there were transactions with related parties of the Supervisory Board, namely in the Company for EUR 1,393,000 from sales transactions, and in the Group for EUR 1,463,554. Most of the transactions concern services related to port operations. As at 31 December 2023, the company reported receivables for EUR 51,910 and the Group for EUR 52,383. All transactions were carried out on market terms.

In the period from January to December 2023, the company had EUR 1,393,000 worth of sales transactions with persons related to key management personnel, and the Group had EUR 1,463,554 of such transactions. Most of the transactions concern services related to port operations. As at 31 December 2023, the company reported receivables for EUR 51,910 and the Group for EUR 52,383. All transactions were carried out on market terms.

Transactions with companies, in which the Republic of Slovenia has directly dominant influence

The shareholder-related companies are those in which the Republic of Slovenia and the SDH together directly hold at least a 20% stake. The list of such companies is published on the SDH website (<https://www.sdh.si/sl-si/upravljanje-nalozb/sez-nam-nalozb>).

In 2023, sales transactions conducted between Luka Koper, d. d. and entities in which the state has directly dominant influence were recorded at EUR 4,791,412 and purchasing transactions amounted to EUR 5,135,308, whereas the transactions between the Luka Koper Group and such entities were recorded at EUR 4,793,372 and EUR 5,259,884 respectively. The majority

of sale referred to services related to port operations, whereas major purchasing included purchases of energy, pumping services, and insurance costs. As at 31 December 2023, Luka Koper, d. d. recorded receivables of EUR 198,647 and liabilities of EUR 97,591,732 to such entities and the Luka Koper Group recorded EUR 198,647 and EUR 97,578,150 respectively. The major part of liabilities was related to loans given by SID – Slovenska izvozna in razvojna banka, d. d., and Nova Ljubljanska Banka, d. d., which were raised under market conditions.

Transactions of Luka Koper, d. d. with its subsidiaries and associates

Related party transactions have been concluded under market conditions.

(in EUR)	2023	2022
Sale to subsidiaries:		
Luka Koper INPO, d. o. o.	488,656	378,189
Luka Koper Pristan, d. o. o. – in liquidation*	0	6,000
Adria Terminali, d. o. o.	569,880	609,623
TOC, d. o. o.	4,200	4,200
Adria Investicije, d. o. o.	828	828
Logis-Nova, d. o. o.	1,200	1,200
Sale to associates:		
Adria Transport, d. o. o.	460,138	357,283
Adria-Tow, d. o. o.	136,793	111,723
Avtoservis, d. o. o.	1,432,505	1,598,573
Adriaфин, d. o. o.	13,440	13,440
Total	3,107,640	3,081,059

* liquidation completed in 2022

(in EUR)	2023	2022
Purchase from subsidiaries:		
Luka Koper INPO, d. o. o.	7,903,513	7,222,771
Luka Koper Pristan, d. o. o. – in liquidation*	0	105
Adria Terminali, d. o. o.	4,800	14,400
TOC, d. o. o.	36,921	20,925
Adria Investicije, d. o. o.	66,085	79,082
Purchase from associates:		
Adria Transport, d. o. o.	1,095	800
Adria-Tow, d. o. o.	66,976	73,701
Avtoservis, d. o. o.	883,960	879,555
Total	8,963,350	8,291,339

* liquidation completed in 2022

A substantial part of purchases from subsidiaries refers to the company Luka Koper INPO, d. o. o., which carried out maintenance work on the port infrastructure and electrical installation work for the Company.

(in EUR)	31 Dec 2023	31 Dec 2022
Trade and other receivables due from subsidiaries:		
Luka Koper INPO, d. o. o.	450,385	514,104
Adria Terminali, d. o. o.	52,144	53,608
TOC, d. o. o.	427	127
Adria Investicije, d. o. o.	84	84
Logis-Nova, d. o. o.	122	122
Trade and other receivables due from associates:		
Adria Transport, d. o. o.	46,056	33,236
Adria-Tow, d. o. o.	567,226	13,170
Avtoservis, d. o. o.	268,297	366,221
Adriaфин, d. o. o.	1,366	1,366
Total	1,386,107	982,038

(in EUR)	31 Dec 2023	31 Dec 2022
Trade payables due to subsidiaries:		
Luka Koper INPO, d. o. o.	702,037	791,702
Adria Terminali, d. o. o.	986	1,464
TOC, d. o. o.	8,190	3,900
Adria Investicije, d. o. o.	6,034	0
Trade payables due to associates:		
Adria-Tow, d. o. o.	0	7,211
Avtoservis, d. o. o.	82,350	71,653
Total	799,597	875,930

Finance income from shares in subsidiaries and associates is presented in more detail in Note 9 'Finance income and finance expenses'.

Transactions of the Luka Koper Group with its associates

Income statement items from transactions with associates	Luka Koper Group	
(in EUR)	2023	2022
Net revenue from sales to associates	2,044,904	2,081,240
Cost of material purchased from associates	106,283	86,506
Cost of services performed by associates	966,413	869,810
Profit of associates	1,770,468	1,734,286

Items of the statement of financial position to associates	Luka Koper Group	
(in EUR)	2023	2022
Non-current investments except loans to associates	16,898,490	16,361,004
Current operating receivables due from associates	882,945	413,994
Current operating liabilities to associates	82,350	78,865

Note 32. Financial instruments and financial risk management.

Financial risks to which the Company/Group is exposed to include:

- Risk of change in fair value,
- Interest rate risk,
- Liquidity risk,
- Currency risk,
- Credit risk, and
- Risk of adequate capital structure.

In the Company/Group, the management of financial risks has been organised within the departments of finance and accounting, since accounts of subsidiaries are also kept within the controlling company. The existing economic environment makes forecasting future financial categories quite demanding, introducing into the planned categories a higher degree of unpredictability and, consequently, a higher level of risk. The Company/Group has consequently tightened the control over individual financial categories.

Financial Instruments

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	Carrying amount at 31 Dec 2023	Carrying amount at 31 Dec 2022	Carrying amount at 31 Dec 2023	Carrying amount at 31 Dec 2022
Non-derivative financial assets at fair value				
Financial assets at fair value through profit or loss	9,726,548	4,205,892	12,212,323	6,691,667
Financial assets at fair value through other comprehensive income	47,736,700	41,552,427	47,736,700	42,297,460
Non-derivative financial assets at amortised cost				
Financial claims	69,474,594	1,717	69,474,594	7,274
Operating receivables (excluding receivables due from the state, advances and collaterals given)	51,481,810	52,517,409	52,228,594	52,918,041
Assets from contracts with customers	253,653	0	253,653	0
Cash and cash equivalents	53,282,798	69,095,661	81,628,977	94,749,216
Total non-derivative financial assets	231,956,103	167,373,106	263,534,841	196,663,658
Non-derivative financial liabilities at amortized cost				
Bank loans and other financial liabilities	109,172,605	62,651,556	109,172,605	62,651,556
Lease liabilities	943,321	1,128,073	827,869	1,006,969
Operating liabilities (excluding other non-current and current liabilities, current liabilities to the state, employees and from advances and collaterals)	30,912,950	28,903,041	30,814,336	28,849,037
Total non-derivative financial liabilities	141,028,876	92,682,670	140,814,810	92,507,562

1. Risk management and change in fair value

Luka Koper, d. d. Company

At the end of 2023, 7.8% of the Company's assets were financial investments measured at fair value (year-end of 2022: 6.9%). The change in fair value risk associated with investments in securities is demonstrated through fluctuations in stock market prices that affect the value of these assets and, consequently the potential capital gain on their disposal, and with investments in shares of other companies there is a risk for the sales value not to equal the value of the market transaction. This type of risk has been recognised with regard to investments in market securities of successful Slovenian companies and to investments in shares and interests.

As at 31 December 2023, the value of non-current investments at fair value amounted to EUR 57,463,248.

Sensitivity analyses of financial investments at fair value are not disclosed by the Company due to the insignificance of financial investments at fair value, which are classified as level 3.

Fair value hierarchy in 2023

Luka Koper, d. d.					
(in EUR)	Carrying amount at 31 Dec 2023	Fair value as at 31 Dec 2023	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	57,463,248	57,463,248	55,691,517	0	1,771,731
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial assets					
Current loans, deposits and treasury bills**	69,474,594	69,474,594	0	0	69,474,594
Non-current financial liabilities					
Non-current loans and borrowings**	93,979,370	93,979,370	0	0	93,979,370
Non-current operating liabilities**	98,146	98,146	0	0	98,146
Current financial liabilities					
Current loans and borrowings**	15,193,235	15,193,235	0	0	15,193,235
Other current financial liabilities**	18,077	18,077	0	0	18,077

*measured at fair value

**presented at fair value

Fair value hierarchy in 2022

Luka Koper, d. d.					
(in EUR)	Carrying amount at 31 Dec 2023	Fair value as at 31 Dec 2023	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	45,758,319	45,758,319	44,098,319	0	1,660,000
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial assets					
Current loans given**	1,717	1,717	0	0	1,717
Non-current financial liabilities					
Non-current loans and borrowings**	54,315,463	54,315,463	0	0	54,315,463
Non-current operating liabilities	1,105,802	1,105,802	0	0	1,105,802
Current financial liabilities					
Current loans and borrowings**	8,336,093	8,336,093	0	0	8,336,093
Other current financial liabilities**	21,564	21,564	0	0	21,564

*measured at fair value

**presented at fair value

The carrying amount of current receivables, cash and current liabilities represents a good approximation of fair value, therefore, these are not disclosed in the table above.

Shares and interests measured at fair value (Level 1) were valued at publicly applicable exchange rates of the Ljubljana Stock Exchange and mutual funds quotations.

In 2023, the Company verified the fair value of other shares and holdings classified at Level 3 with a valuation carried out by an independent authorised company value appraiser. Valuation reports for the purpose of financial reporting were prepared in accordance with the hierarchy of valuation rules, international valuation standards and the guidelines of the Slovenian Institute of Auditors, based on public data on the operations and assets of the evaluated company, publicly announced and disclosed strategic directions of the company and on based on the findings from analyses of industry trends and indicators. The discounted cash flow method was used for the valuation, or the net asset value method when the conditions for using the discounted cash flow method were not met.

Luka Koper Group

At the year-end of 2023, 7.7% of the Group's assets were financial investments measured at fair value (year-end of 2022: 7.0%). The change in fair value risk associated with investments in securities is demonstrated through fluctuations in stock market prices that affect the value of these assets and, consequently the potential capital gain on their disposal, and with investments in shares of other companies there is a risk for the sales value not to equal the value of the market transaction. This type of risk has been recognised with regard to investments in market securities of successful Slovenian companies and to investments in shares and interests.

As at 31 December 2023, the value of non-current investments at fair value amounted to EUR 59,949,023.

Sensitivity analyses of financial investments at fair value are not disclosed by the Group due to the insignificance of financial investments at fair value, which are classified as level 3.

Fair value hierarchy in 2023

(in EUR)	Luka Koper Group				
	Carrying amount at 31 Dec 2023	Fair value as at 31 Dec 2023	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	59,949,023	59,949,023	55,691,517	0	4,257,506
Non-current loans given**a	0	0	0	0	0
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial assets					
Current loans, deposits and treasury bills**	69,474,594	69,474,594	0	0	69,474,594
Non-current financial liabilities					
Non-current loans and borrowings**	93,979,370	93,979,370	0	0	93,979,370
Non-current operating liabilities**	82,544	82,544	0	0	82,544
Current financial liabilities					
Current loans and borrowings**	15,193,235	15,193,235	0	0	15,193,235
Other current financial liabilities**	18,077	18,077	0	0	18,077

*measured at fair value

**presented at fair value

Fair value hierarchy in 2022

Luka Koper Group					
(in EUR)	Carrying amount at 31 Dec 2023	Fair value as at 31 Dec 2023	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
Non-current financial assets					
Other non-current investments*	48,989,127	48,989,127	44,843,352	0	4,145,775
Non-current loans given**	5,557	5,557	0	0	5,557
Non-current operating receivables**	39,991	39,991	0	0	39,991
Current financial assets					
Current loans given**	1,717	1,717	0	0	1,717
Non-current financial liabilities					
Non-current loans and borrowings**	54,315,463	54,315,463	0	0	54,315,463
Non-current operating liabilities	1,145,239	1,145,239	0	0	1,145,239
Current financial liabilities					
Current loans and borrowings**	8,336,093	8,336,093	0	0	8,336,093
Other current financial liabilities**	21,564	21,564	0	0	21,564

*measured at fair value

**presented at fair value

The carrying amount of current receivables, cash and current liabilities represents a good approximation of fair value, therefore, these are not disclosed in the table above.

Shares and interests measured at fair value (Level 1) were valued at publicly applicable exchange rates of the Ljubljana Stock Exchange and mutual funds quotations.

In 2023, the Group verified the fair value of other shares and holdings classified at Level 3 with a valuation carried out by an independent authorised company value appraiser. Valuation reports for the purpose of financial reporting were prepared in accordance with the hierarchy of valuation rules, international valuation standards and the guidelines of the Slovenian Institute of Auditors, based on public data on the operations and assets of the evaluated company, publicly announced and disclosed strategic directions of the company and on based on the findings from analyses of industry trends and indicators. The discounted cash flow method was used for the valuation, or the net asset value method when the conditions for using the discounted cash flow method were not met.

2. Management of interest rate risk

With respect to its liabilities structure, the Company/Group also faces interest rate risk since an unexpected growth in variable interest rates can have an adverse effect on the planned results.

Luka Koper, d. d. Company

As at 31 December 2023, the percentage of financial liabilities (excluding other financial liabilities) increased in the overall structure of the Company's liabilities from 9.5% at the end of the previous year to 14.9%. The effect of possible variable interest rates changes on future profit and loss after taxes is shown in the table below.

Possible interest rate fluctuations would consequently have an impact on 28.1 percent (year-end of 2022: 54.7%) of Company's total borrowings. The remaining 71.9% of borrowings were concluded with a fixed interest rate.

Overview of exposure

(in EUR)	31 Dec 2023	Exposure on 31 Dec 2023	31 Dec 2022	Exposure on 31 Dec 2022
Borrowings received at a variable interest rate (without interest rate hedge)	30,685,000	28.1%	34,295,000	54.7%
Borrowings received at a nominal interest rate	78,487,606	71.9%	28,356,556	45.3%
Total	109,172,606	100,0%	62,651,556	100.0%

Sensitivity analysis of borrowings from banks in view of the variable interest rate fluctuations:

(in EUR)	Non-hedged bank borrowings with a variable interest rate	Increase by 15 bp	Increase by 25 bp	Increase by 50 bp	Increase by 100 bp	Increase by 150 bp
Balance at 31 Dec 2023						
3M EURIBOR	30,685,000	46,028	76,713	153,425	306,850	460,275
Total effect on interest expenses	30,685,000	46,028	76,713	153,425	306,850	460,275
Balance at 31 Dec 2022						
3M EURIBOR	34,295,000	51,443	85,738	171,475	342,950	514,425
Total effect on interest expenses	34,295,000	51,443	85,738	171,475	342,950	514,425

The analysis of financial liabilities' sensitivity to changes in variable interest rates was based on assumptions of potential growth in interest rates of 15, 25, 50, 100 and 150 base points. At the year-end of 2023, the Company's borrowings subject to the movement of the 3M Euribor were not hedged against interest rate risk.

Luka Koper Group

The share of financial liabilities (excluding other financial liabilities) increased in the overall structure of the Group's liabilities from the initial 8.9% in 2022 to 14.1% at the year-end 2023. The effect of possible variable interest rates changes on future profit and loss after taxes is shown in the table below.

Possible interest rate fluctuations would consequently have an impact on 28.1% (2022: 54.7% percent) of Group's total borrowings. The remaining 71.9% of borrowings were concluded with a fixed interest rate.

Exposure review and sensitivity analysis of borrowings from banks in view of the variable interest rate fluctuations:

Among the Group companies, only the controlling company has borrowings and therefore the exposure review and sensitivity analysis of borrowings from banks in view of the variable interest rate fluctuations is the same as for the controlling company.

3. Management of liquidity risk

Liquidity risk refers to the risk that the Company/Group would fail to settle its liabilities at maturity. The Company/Group manages liquidity risk by regular planning of cash flows required to settle liabilities with diverse maturity. Additional measures for preventing delays in receivable collection include regular monitoring of payments and immediate response to any delays, and also charging penalty interest in accordance with its uniform receivables management policy.

Liquidity risk management in Luka Koper, d. d.

(in EUR)	Luka Koper, d. d.					
	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	Total
31 Dec 2023						
Loans and borrowings	3,798,309	11,394,927	15,193,235	45,579,706	33,206,429	109,172,606
Expected interest on all borrowings	412,662	1,226,032	1,429,189	2,933,171	1,080,917	7,081,971
Lease liabilities	110,895	302,989	368,841	160,596	0	943,321
Other financial liabilities	18,077	0	0	0	0	18,077
Total operating liabilities	38,088,889	0	0	0	0	38,088,889
Other operating liabilities	10,241,864	0	0	0	0	10,241,864
Total	52,670,696	12,923,948	16,991,265	48,673,473	34,287,346	165,546,728
31 Dec 2022						
Loans and borrowings	2,084,023	6,252,069	8,336,093	25,008,278	20,971,092	62,651,555
Expected interest on all borrowings	200,238	855,564	925,408	1,970,060	943,309	4,894,580
Lease liabilities	100,662	286,050	326,241	415,120	0	1,128,073
Other financial liabilities	21,564	0	0	0	0	21,564
Total operating liabilities	35,442,876	0	0	0	0	35,442,876
Druge poslovne Liabilities	9,390,584	0	0	0	0	9,390,584
Total	47,239,947	7,393,684	9,587,742	27,393,458	21,914,402	113,529,232

Liquidity risk management in the Luka Koper Group

(in EUR)	Luka Koper Group					
	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	Total
31 Dec 2023						
Loans and borrowings	3,798,309	11,394,927	15,193,235	45,579,706	40,803,046	116,769,223
Expected interest on all borrowings	406,848	1,137,023	1,340,509	2,828,011	1,212,139	6,924,531
Lease liabilities	96,470	258,367	312,436	160,597	0	827,869
Other financial liabilities	18,077	0	0	0	0	18,077
Total operating liabilities	38,491,553	0	0	0	0	38,491,553
Other operating liabilities	10,881,940	0	0	0	0	10,881,940
Total	53,693,197	12,790,316	16,846,180	48,568,315	42,015,186	173,913,193
31 Dec 2022						
Loans and borrowings	2,084,023	6,252,069	8,336,093	25,008,278	20,971,092	62,651,555
Expected interest on all borrowings	196,551	549,311	652,535	1,377,306	649,672	3,425,375
Lease liabilities	84,624	223,839	283,387	415,120	0	1,006,969
Other financial liabilities	21,564	0	0	0	0	21,564
Total operating liabilities	35,878,090	0	0	0	0	35,878,090
Druge poslovne Liabilities	9,946,847	0	0	0	0	9,946,847
Total	48,211,699	7,025,220	9,272,014	26,800,704	21,620,764	112,930,400

4. Management of currency risk

The risk of changes in foreign exchange rates arises from trade receivables denominated in US dollars (USD). In the Company/Group, receivables denominated in US dollars are negligible due to the small amount of invoiced realization in USD, based on which the Company/Group has opted not to hedge this item.

5. Management of credit risk

Management of the risk of default by the debtor or the counterparty, i.e., the credit risk, has gained in importance in recent years, which is why the Company/Group has opted to take additional measures in managing this type of risk. This is because customer defaults are being passed on to economic entities, much like a chain reaction, which significantly reduces the assessed probability of timely inflows and increases additional costs of financing the operation. In addition to the accelerated collection-related activities that were introduced in recent years and consistent monitoring of trade receivables past due, an automated system for monitoring open claims and credit limits set for customers is being implemented. In case of customers regarding which the Company/Group detects late payments and inconsistency in observing adopted business agreements, an advance payment system is set up for all ordered services with the aim of avoiding the late-payment culture. The latter area is positively impacted by the specific structure of Company's/Group's customers, which are predominantly major companies, freight forwarders and forwarding agents that have been the Company's/Group's business partners for a number of years.

Certain receivables have been secured by the Company/Group with collaterals, which are returned to the customers once all obligations have been settled or cooperation has been terminated. The Company/Group has a permanent trade receivables insurance policy covering the major part of its short-term trade receivables from customers incurred in the controlling company from 1 January 2023 and of the subsidiary Adria Terminali, d. o. o. from 1 April 2023.

Exposure to credit risk

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Non-current loans given	0	0	0	5,557
Non-current operating receivables	39,991	39,991	39,991	39,991
Current loans, deposits and treasury bills given	69,474,594	1,717	69,474,594	1,717
Current trade receivables	50,216,207	52,037,995	50,623,908	52,404,304
Other receivables	5,243,013	3,764,115	5,624,383	3,946,631
Cash and cash equivalents	53,282,798	69,095,661	81,628,977	94,749,216
Total	178,256,603	124,939,479	207,391,853	151,147,416

6. Management of risk relating to adequate capital structure

The Company/Group has set a goal of the optimal capital structure with a debt to liability ratio below 55 percent.

	Luka Koper, d. d.				Luka Koper Group			
	31 Dec 2023		31 Dec 2022		31 Dec 2023		31 Dec 2022	
	in EUR	Share (%)	in EUR	Share (%)	in EUR	Share (%)	in EUR	Share (%)
Own funds	505,347,400	68.9%	480,225,780	72.5%	543,052,948	70.2%	515,732,169	73.6%
Non-current liabilities	154,012,244	21.0%	107,788,799	16.3%	155,667,161	20.1%	109,603,310	15.6%
Current liabilities	74,079,436	10.1%	74,666,277	11.3%	75,332,720	9.7%	75,818,749	10.8%
Equity and liabilities	733,439,080	100.0%	662,680,856	100.0%	774,052,829	100.0%	701,154,228	100.0%

Note 33. Transactions with the audit firm

The contractual value of auditing the annual report, rendered for the Company for the financial year 2023 by BDO revizija d. o. o., is recorded at EUR 32,510 (exclusive of VAT), whereas the value of auditing the annual report for the Group amounted to EUR 67,325 (exclusive of VAT). BDO Revizija, d. o. o. provided the Company with other services of auditing, i.e., auditing the remuneration report, auditing the financial statements for the public utility service of regular maintenance of port infrastructure intended for public transport and public utility service of collecting waste from vessels, as well as auditing the calculation and compliance with financial commitments, the total value of which was EUR 3,985 (exclusive of VAT). Other auditing services for the financial year 2023 for the Group amounting to EUR 5,230 (exclusive of VAT) include providing assurance on the report on relations with associated companies and report on the use of public funds received due to the disabled employees, which alongside the assurance provided to the Company was carried out for the Group by BDO revizija, d. o. o. In 2023, the auditing of ESEF statements is included in the value of auditing the annual report, whereas in the previous year it was charged among other auditing services.

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2023	2022	2023	2022
Auditing the annual report	32,510	24,805	67,325	43,337
Other audit services	3,985	11,200	5,215	12,266
Total	36,495	36,005	72,540	55,603

35 Statement of Accumulated Profit

In 2023, the controlling company Luka Koper, d. d. generated a net profit of EUR 54,450,022. At the end of the financial year, the Company's Management Board earmarked half of the profit in the amount of EUR 27,225,011 to other revenue reserves pursuant to Article 230, Paragraph 3 of the Companies Act. The company established that the accumulated profit in 2023 was EUR 43,878,553.

(in EUR)	31 Dec 2023	31 Dec 2022
Retained net profit	16,653,542	13,596,751
Profit for the period	54,450,022	73,266,227
Increase in revenue reserves	-27,225,011	-36,633,114
Total accumulated profit	43,878,553	50,229,864

36 Relevant events after the end of the financial year

There have been no significant events affecting the financial position of the Company/Group since the date of the statement of financial position.

37 Independent Auditor's Report



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INDEPENDENT AUDITOR'S REPORT to the shareholders of LUKA KOPER, D.D. (Translation from the original in Slovene language)

REPORT ON AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the separate financial statements of Luka Koper, d.d. (the Company) and consolidated financial statements of Luka Koper, d.d. and its subsidiaries (the Group), which comprise the separate and consolidated statement of financial position as at December 31, 2023 and the separate and consolidated income statement, separate and consolidated statement of changes in equity and separate and consolidated cash flow statement for the year then ended, and notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company and the Group as at December 31, 2023, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Regulation (EU) 537/2014 of the European Parliament and of the Council, dated April 16, 2014, on specific requirements regarding statutory audit of public-interest entities. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements* section of our report. We are independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Slovenia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition in the separate and consolidated financial statements

Key audit matter

Net sales revenue for the year ended 31 December 2023, amounted to EUR 309.284.223 for the Company and EUR 312.772.489 for the Group (2022: EUR 310.196.680 for the Company and EUR 313.462.636 for the Group).

The Group's core activities include transshipment of goods and rendering other accompanying and supporting services.

Revenue from these services is generally recognized by reference to their stage of completion on the reporting date, calculated based on proportion of the service rendered.

Transshipment and other accompanying and supporting services are frequently contracted by the Company and Group within a single customer arrangement or separately. The Company or the Group performs a large

Our response

Our audit procedures included, among others:

- Testing of design, implementation and operating effectiveness of controls over the revenue cycle. This included using our own IT specialists in evaluating the controls in the IT systems that support the revenue recognition.
- Assessing the Company's policy for recognizing revenue, including consideration whether the policy is in accordance with relevant financial reporting standards.
- Assessing how the Company defines the components of an individual contract and recognizes revenue from contracts with customers on a sample basis.
- Critically evaluating the Company's identification of the stage of completion of the services by inspecting of contracts and supporting documents at the year-end.
- Review of issued invoices just before the end of



volume of individual transactions, which are predominantly smaller, therefore it is very important that their accuracy and completeness are ensured in the accounting period.

Accounting for such bundled arrangements and large scale of data requires significant management judgement in determining the appropriate measurement and timing of revenue, hence we considered revenue recognition to be a key audit matter.

Disclosures regarding revenue recognition are included in the *Note 32 Summary of key accounting policies and disclosures*, more precisely in the *Note 32.1.22 Revenue* and in the *Note 33 Additional disclosures to the income statement - Disclosure 1 Net sales revenue*.

the financial year and immediately after the end of the financial year in order to confirm the recognition of revenue in the correct accounting period.

- Review of accuracy and completeness of rebates and credit notes, based on supporting documentation.
- Review of accuracy and existence of net sales revenue on a sample basis, in accordance with the contract, proposal and disposition.
- Inspecting manual journal entries posted to revenue accounts focusing on unusual and irregular postings, or entries modified subsequent to the balance sheet date.
- Review of disclosures according to IFRS as adopted in EU, especially IFRS 15 - Revenue from contract with customers.

Recognition of Investments in property, plant and equipment in separate and consolidated financial statements

Key audit matter

The carrying amount of property, plant and equipment as at 31 December 2023 is EUR 452.753.184 for the Company and EUR 465.724.409 for the Group (2022: EUR 446.106.451 for the Company and EUR 457.645.315 for the Group); costs of maintenance services for the year ended as at 31 December 2023 amounted to EUR 11.047.917 for the Company and EUR 10.947.762 for the Group (2022: EUR 7.287.790 for the Company and EUR 7.096.165 for the Group).

In addition to the construction of new investments, the Company and the Group also performs ongoing maintenance of property, plant and equipment, especially port infrastructure. While items that qualify for recognition as property, plant and equipment are capitalized and transferred to costs through annual depreciation, maintenance costs are recognized as expenses as incurred. The distinction between items that meet the conditions for recognition of property, plant and equipment and items that are immediately recognized as expenses is important for the audit, as their recognition requires management's judgement of whether and which conditions are met for classification of an item as property, plant and equipment, as well as whether and what conditions are met for the item to be classified as maintenance cost, which is why we have identified the matter as a key audit matter.

We refer to the *Note 32 Summary of key accounting policies and disclosures*, more precisely to the *Note 32.1.2 Property, plant and equipment*, to the *Note 12 Property, plant and equipment* within the *Note 34 Additional disclosures to the statement of financial position* and to the *Note 5 Cost of services* within the *Note 33 Additional disclosures to the income statement*, which define investments in property, plant and equipment and maintenance costs.

Our response

Our audit procedures included among other:

- Assessment of internal acts defining the area of investment maintenance and investment in property, plant and equipment and subsequent costs in order to ensure that they comply with the guidelines prescribed by IFRS as adopted in EU, in particular IAS 16 - Property, Plant and Equipment.
- Testing the design, implementation and effectiveness of internal controls in the process of recognizing costs and fixed assets and related liabilities.
- Getting acquainted with the method of managing investments with the help of software support, which is used for this purpose by the Company and the Group.
- Getting acquainted with investment plan and explanations for deviations.
- Testing on a sample of selected items of property, plant and equipment and maintenance costs, whereby we:
 - we assessed whether the conditions for the recognition of property, plant and equipment or maintenance costs are met;
 - we obtained the supporting documents and explanations from the persons responsible for the investments;
 - we checked if depreciation rates are aligned with internal rules and estimated useful lives and check the accuracy
 - we checked the supporting accounting documentation and entries in the financial statements.The sample included both randomly selected items and items that we determined based on our risk-related approach due to the size, complexity, content or duration of construction/ maintenance.
- Review of disclosures according to IFRS as adopted in EU, especially IAS 16.



Other information

Management is responsible for the other information. The other information comprises the information included in Management report as a part of Annual report of the Company and the Group, other than the separate and consolidated financial statements and our auditor's report thereon. Other information was obtained prior to the date of auditor's report except the report of supervisory board, which will be available later.

Our opinion on the separate and consolidated financial statements does not cover the other information and we express no assurance thereon.

In connection with our audit of the separate and the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and the consolidated financial statements, regulatory requirements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

With regards to these procedures, we report on the following:

- Other information is consistent with audited separate and consolidated financial statements in all respect;
- Other information is prepared in line with regulatory requirements and
- Based on our knowledge and understanding of the Company and the Group and their environment, obtained during the audit, no material inconsistencies were found in relation to other information.

Responsibilities of Management and Supervisory board for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and the consolidated financial statements in accordance with International Financial Reporting Standards, as adopted in EU, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements of the Company and the Group, management is responsible for assessing their ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

Supervisory Board is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that



may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and the consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the separate and the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE LEGAL AND REGULATORY REQUIREMENTS

Report on Requirements of Regulation (EU) No. 537/2014 of the European Parliament and of the Council (Regulation 537/2014)

Confirmation to the Audit Committee

We confirm that our audit opinion expressed herein is consistent with the additional report to the Audit Committee of the Company.

Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in the Article 5(1) of Regulation ((EU) No. 537/2014 of the European Parliament and the Council were provided and audit company complied with independence requirements at auditing.

Other services

There are no services, in addition to the statutory audit which we provided to the Company and its controlled undertakings, and which have not been disclosed in the Annual Report.

Appointment of the Auditor, the Period of Engagement and Certified Auditor

BDO Revizija d.o.o. was appointed as the statutory auditor of the Company and the Group by the shareholder on General Shareholders' Meeting held on June 28, 2023, the president of the Supervisory board signed the engagement letter on September 4, 2023. Our total uninterrupted engagement started on December 29, 2017.

Engagement partner responsible for the audit on behalf of BDO Revizija d.o.o. is Maruša Hauptman, certified auditor.

Auditor's Report on the Compliance of Financial Statements in Electronic Format with the requirements of Delegated Regulation (EU) No. 2019/815 on a Single Electronic Reporting Format

We have conducted a reasonable assurance engagement on whether the separate and the consolidated financial statements of the Company and the Group for the financial year ended 31 December 2023 (hereinafter: the audited separate and the consolidated financial statements), which are published in the electronic file 549300H1GO5N7BK34P37-2023-12-31-en, are prepared in accordance with the requirements of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of European



Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format applicable in 2023 (hereinafter: Delegated Regulation).

Responsibilities of Management and Supervisory Board

Management is responsible for the preparation and accurate presentation of the audited separate and consolidated financial statements in electronic format in accordance with the requirements Delegated Regulation, and for such internal control as the management determines is necessary to enable the preparation of the audited separate and consolidated financial statements in electronic format that are free from material misstatements, whether due to fraud or error.

Supervisory Board is responsible for overseeing the preparation of the audited separate and consolidated financial statements in electronic format in accordance with the requirements of the Delegated Regulation.

Auditor's Responsibility

Our responsibility is to perform a reasonable assurance engagement and to express a conclusion on whether the audited separate and consolidated financial statements have been prepared in accordance with the requirements of the Delegated Regulation. We conducted our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) published by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform the engagement to obtain reasonable assurance for providing a conclusion.

We have acted in accordance with the independence and ethical requirements of the Regulation EU No. 537/2014 and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We are in compliance with the 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, and accordingly maintain an overall management control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and statutory requirements.

Summary of work performed

Withing the scope of the work, we have carried out the following audit procedures:

- Identified and assessed the risk of non-compliance of the audited separate and consolidated financial statements with the requirements of Delegated Regulation due to fraud or error;
- Obtained an understanding of internal controls relevant to the reasonable assurance engagement in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls;
- Assessed whether the audited separate and consolidated financial statements meet the requirements of the Delegated Regulation applicable at the reporting date;
- Obtained reasonable assurance that the audited separate and consolidated financial statements, which are included in the annual report of the issuer are accurately presented in electronic XHTML format;
- Obtained reasonable assurance that the values and disclosures in the XHTML format of the audited consolidated financial statements are marked-up correctly using the Inline XBRL (iXBRL), and that machine reading of these documents ensures complete and true information contained in the audited consolidated financial statements.

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



Conclusion

Based on the procedures performed and the evidence obtained, in our opinion the audited separate and consolidated financial statements of the Company and the Group for the financial year ended 31 December 2023, have been prepared, in all material respects, in accordance with the requirements of the Delegated Regulation.

Ljubljana, April 17, 2024



BDO Revizija d.o.o.
Cesta v Mestni log 1, Ljubljana

(Signature on original Slovene independent auditor's report)

Maruša Hauptman,
Certified auditor