

**Remuneration Policy for Members of the Management Board and Supervisory Board
of the Company LUKA KOPER, d.d.**

(in the following text: Remuneration Policy or Policy)

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1. CONTRIBUTION OF THE REMUNERATION POLICY

Luka Koper, d.d. (Plc) is a public limited Company which provides services in the port sector as one of the crucial links in the logistics chain. The port sector is a highly complex, constantly evolving and highly competitive business. The Company pursues its main objectives on the market in the context of its profitable activities. In addition, the Company also engages in activities that go beyond purely economic objectives and are geared towards the implementation of the concession contract, based on which it has certain responsibilities in the public interest, such as the pursuit of strategic development objectives in the maintenance and development of the port infrastructure of the freight port of Koper, its smooth operation and the development of its activities. The Company is also committed to corporate governance principles, thus demonstrating its social responsibility towards the environment in which it operates.

To achieve the above, the contribution of a consistent remuneration policy for the management board and the supervisory board is very important since it promotes

- the achievement of a business strategy that defines the fundamental objectives pursued by the Company and the activities and resources required to achieve them,
- the long-term development, allowing the Company to monitor and adapt appropriately to the economic and wider environment in which it operates,
- the Company's sustainability, with a view to using its resources wisely, in order to achieve economic and wider impacts (as for instance social responsibility impacts).

To achieve the goals pursued by the Company, the objectives of this *Remuneration Policy for Members of the Management Board and Supervisory Board*, are:

- to attract into the Company's management board and supervisory board top-class professionals, whose skills and experiences cover all areas of expertise needed by these two bodies,
- to set the remuneration and other benefits for the members of the management board and supervisory board that enable the engagement of skilled experts who perform their work competently, in a way that is financially sustainable for the Company,
- motivating the members of the management board and the supervisory board to work responsibly and actively, and to achieve the set objectives.

2. MEANING OF TERMS

Company: LUKA KOPER, pristaniški in logistični sistem, delniška družba.

3. LEGAL AND ECONOMIC BASIS OF THE REMUNERATION POLICY

In defining the remuneration of members of the Company's management board and supervisory board, the legislation in force and the general corporate governance codes and the codes for companies that are majority-owned by the Slovenian State are taken as a basis, as they regulate the remuneration of the Company's management and supervisory bodies by taking into account that the remuneration is proportionate to their powers, duties, experience, responsibilities, the scope and quality of their work, the criteria for the results achieved, and the Company's size and financial situation.

4. COMPETENCES

The remuneration of members of the Company's management board shall be determined by the supervisory board of the Company.

The remuneration of members of the supervisory board shall be determined by the Company's general meeting of shareholders, except for external members of the supervisory board's committees whose remuneration shall be subject to the decision of the Company's supervisory board.

5. REMUNERATION OF THE MANAGEMENT BOARD

Remuneration of the management board members shall consist of a basic gross remuneration and a variable remuneration which depends on a successful performance (in the following text: variable remuneration). In addition to that, the management board members are entitled to other remuneration and benefits, as set forth in this Remuneration Policy.

5.1. BASIC GROSS REMUNERATION

The basic gross remuneration (in the following text: basic remuneration or basic salary) consists of all allowances (length-of-service allowance, additional skills and flexibility allowance, re-allocation of working hours allowance, allowance for occupations in deficit, allowance for value-added-growth, etc.) which are already included in the basic salary, and it determined in relation to the average salary paid in the companies of the Luka Koper Group in the previous financial year. Pursuant to the Regulation determining the maximum ratios for basic remuneration and the amount of variable remuneration of directors¹ (the "Regulation"), the basic remuneration for the president of the management board shall not exceed five times the average gross salary in the group, and for the other members of management board, the basic remuneration shall not exceed

¹ In Slovene: Uredba o določitvi najvišjih razmerij za osnovna plačila ter višine sprejemljivih prejemkov direktorjev;

90% of the gross salary of president of the management board in due proportion to the powers, duties, experience, responsibility, scope of work and the size and financial situation of the Company.

5.2. VARIABLE REMUNERATION

The variable part of remuneration which is performance-related ("variable remuneration") shall amount to a maximum of 30% of the annual basic salary paid out, and shall not exceed 3.6- times the average monthly basic salary of a management board member in the financial year under review. For the purpose of granting the bonus, the Company's supervisory board shall determine the measures for calculating the bonus by setting the criteria (benchmarks) for key performance indicators. To determine the variable part of remuneration, the following criteria and maximum and minimum weights within these criteria shall be taken into account:

- quantitative criteria with a maximum weighting of 75%; the criteria such as, in particular, the achievement of planned net sales revenues, EBITDA, ROE, value added per employee, CAPEX, other performance indicators, throughput, etc.
- qualitative criteria defining business objectives with a minimum weighting of 10%; the criteria such as, in particular, the implementation of internal audit recommendations, risk management measures, implementation of projects, reorganisation, increase in market share, etc., and
- qualitative criteria defining the achievement of corporate social responsibility objectives with a minimum weighting of 15%; the criteria such as, in particular, human resource management, occupational health and safety, cooperation with local communities in the area in which the Company is present, environmental protection, responsible cooperation with the users of the Company's services and with its suppliers, payment of taxes, compliance with the decisions of governmental authorities, etc.

The purpose of variable remuneration is to encourage potential aspiring candidates to stand for election to the Company's governing bodies and, once appointed, to do a good and responsible job, on the grounds that their remuneration is not based solely on a pre-determined amount, but on the possibility of additional remuneration that encourages and motivates them to work towards the promotion of the Company's business strategy and its long-term development and sustainability. The quantitative criteria for variable remuneration are the same for all members of the management board and are intended to be shared by them in pursuit of the objectives of this Remuneration Policy. The qualitative criteria are intended to be applied to each member of the supervisory body individually and relate to the area of responsibility within the management board for which he/she is responsible as member of supervisory body.

An important part of setting the qualitative criteria for variable remuneration of the management board is the pursuit of corporate social responsibility objectives, which, although they do not have a direct economic or financially measurable impact, have a significant impact on the long-term performance and sustainable development of the Company, both in the context of the Company's internal processes and in the context of the processes that take place between the Company and the environment in which it operates.

Each year before the end of the financial year, criteria for the variable remuneration shall be set for each member of the management board and supervisory board for the next financial year.

The variable remuneration shall be determined by a resolution of the supervisory board, which entitles the member of the management board to the variable remuneration after the end of each financial year, subject to the fulfilment of predefined criteria. 50% of the variable remuneration shall be paid to the management board member immediately, and the payment of the remaining 50% of the variable remuneration shall be deferred for at least two years.

A member of the management board shall not be entitled to variable remuneration, despite meeting the quantitative and qualitative criteria set out above, in the financial years or the period prior to the recall as referred to in the first, second and third indent of the second paragraph of Article 268 of the Companies Act (ZGD-1). The supervisory board shall not determine variable remuneration that has not yet been calculated and determined by the time of the recall, and shall resolve that the member of the management board is not entitled to variable remuneration for the reasons set out in this paragraph. This shall also be laid down in the individual managers employment contracts and in other contracts if these are concluded for the performance of their corporate function.

If the term of office of a member of the management board expires before the end of the deferral period, the member of the management board shall be entitled to receive the deferred 50% of the variable remuneration already at the end of the term of office. If the management board member has served for less than two years, he/she is not entitled to 50% of the variable remuneration.

The member of the management board shall be obliged to repay the variable part of his/her performance-related remuneration (the entire part of the salary received and paid out based on quantitative and qualitative criteria), or a pro-rata part of it, within three years of its payment or partly payment in the following cases:

- if the annual report is declared void and the grounds of invalidity relate to the items or facts on which the variable component was based,
- on the basis of a special auditor's report establishing that the criteria for determining the remuneration have been incorrectly applied or that the relevant accounting, financial and

other data and indicators have not been correctly established or taken into account, and in any other case as provided for by the legislation in force.

5.3. OTHER REMUNERATION AND BENEFITS OF MANAGEMENT BOARD MEMBERS

In addition to the remuneration mentioned above, members of the Company's management board shall be entitled to the following remuneration and benefits:

- use of a Company car in accordance with the Recommendations and Expectations of the Slovenian Sovereign Holding (SDH)² in force at the relevant time (currently from August 2020) and in line with the individual managers employment contracts concluded, up to a maximum car's retail price of EUR 60,000.00 incl. VAT, or up to EUR 70,000.00 incl. VAT if the car is more environment-friendly,
- professional trainings up to a maximum of EUR 7,000.00 excl. VAT per year,
- membership fees of professional organisations/associations up to a maximum amount of EUR 2,500.00 excl. VAT per year,
- annual medical check-up for managers up to a maximum of EUR 1,500.00 excl. VAT,
- annual leave allowance at the same rate as received by all employees in the Company;
- reimbursement of travel costs to- and from work providing that a management board member is not entitled to use a Company car for private purposes,
- reimbursement of the cost of meals during work,
- reimbursement of business trips expenses and daily allowances,
- jubilee benefits,
- the use of a mobile telephone for private purposes,
- the payment of the voluntary supplementary pension insurance premium at the rate set for all Company's employees, if they join the scheme,
- the liability insurance for the members of the management boards (the so-called D&O insurance), by considering the deductible provided for by the legislation in force.

Members of the management board shall be entitled to a severance pay not exceeding 6-times the basic monthly remuneration of a member of the Company's management board. No severance payment shall be made to a member of the management board if he or she is dismissed for the reasons set out in the first, second or third indent of the second paragraph of Article 268 of the Companies Act and/or if he or she resigns from office or terminates the management contract and/or if he or she is employed by the Company after the termination of his/her office or management contract, and in any other case where the applicable law does not permit the payment of a severance pay.

For the purpose of complying with the non-compete clause, as defined in the Company's articles of association and their management contract, members of the management board are entitled to compensation for compliance with the non-compete clause after they cease to be members of

² Priporočila in pričakovanja Slovenskega državnega holdinga;

the management board, provided that they no longer receive any income or receive less income as before as a result of such compliance. The amount of the compensation shall be calculated on the basis of the average monthly salary received in the three months preceding the termination of the management board member's office and the actual monthly earnings for the duration of the non-compete clause, up to a maximum of 24 months. The monthly compensation to which a member of the management board may be entitled may be no more than one half of his/her average monthly salary during the last three months preceding the termination of his/her office. Only the fixed monthly salary shall be taken into account for the calculation of the average monthly salary.

5.4. REVIEW OF LEGAL TRANSACTIONS RELATED TO REMUNERATION

The main legal transaction in which remuneration of members of the management board is regulated, is the execution of the Individual Managers Employment Contract³, also known as Individual Contract. The characteristics of this contract are the following:

- it is concluded for a maximum period of five years;
- it terminates on the expiry of the term-of-office of the member of the management board, or on termination of his/her employment by mutual agreement, on member's resignation, on member's recall by the Company's supervisory board, on member's death, loss of capacity, permanent incapacity or cessation of the statutory conditions for the performance of the duties of management board member, and in other cases provided for by the applicable legislation;
- in the event of resignation from office, the term-of-office of the member of management board shall terminate after a 6-month period of notice, when the member's individual employment contract for the management of the Company shall terminate too. The member of the management board and the Company may also agree on a shorter period of notice;
- the contractual severance pay is set out in point 5.3. of this Policy.

5.5. PRESENTATION OF PROCEDURES

The remuneration of members of the management board shall be determined by the supervisory board for each management board member as follows:

- The amount of fixed remuneration shall be determined at the time of execution of the fixed-term individual managers employment contract, where the basic remuneration with all the components as set out in point 5.1 shall be determined. Account shall be taken of the complexity and difficulty of the tasks to be performed by each management board member in the performance of his/her duties. The other remuneration and benefits referred to in point 5.3 of this Remuneration Policy shall also be set out in the individual managers employment contract, subject to the

³ Pogodba o zaposlitvi za poslovanje družbe (individualna pogodba);

conclusion of supplementary contracts as appropriate. These contracts shall be approved by the Company's supervisory board in accordance with Article 262 of the Companies Act (ZGD-1).

- The maximum amount of the variable remuneration shall be set in the fixed-term individual managers employment contract. The criteria for variable remuneration of each member of the management board shall be determined each year before the end of the financial year, for the following financial year. After the end of the financial year, the amount of the variable remuneration shall be determined for each member of the management board depending on his/her fulfilment of the criteria.
- The individual managers employment contract shall specify the maximum amount of severance pay permitted by applicable law. Providing that the legal or contractual conditions are met, the severance pay shall be determined on the termination of the duties of the members of the management board in proportion to the time spent in the management function, the contribution made to the Company, performance in relation to the criteria for determining variable remuneration, etc.
- The amount of the compensation for compliance with the non-compete clause shall be set out in the individual managers employment contract, subject to the maximum level set out in this Policy (point 5.3).
- At the time of appointment and during the term of office of each member of the management board, conflicts of interest shall be comprehensively checked, and this also applies to the conflict of interest in relation to the remuneration of the members of the management board. Members of the management board are obliged to disclose any potential conflicts of interest upon appointment and during their term of office, also within the framework of the provisions of the Slovenian Sovereign Holding Act (ZSDH – 1). In this respect, they are required to provide the Company with an annual declaration disclosing whether they have been in circumstances that could give rise to a conflict of interest, which shall be verified by the Company's Corporate Integrity Officer. Conflicts of interest of members of the Management Board shall be dealt with by both the management board and the supervisory board, in accordance with the provisions of the applicable law and the Company's internal regulations, whenever they arise.

5.6. METHOD OF PAYMENT

All types of remuneration paid by the Company to the members of the management board shall be exclusively in cash, without the use of remuneration in the form of shares or share options, etc.

6. REMUNERATION OF THE SUPERVISORY BOARD

In determining the remuneration and the amount of remuneration of members of the supervisory board, taking into account the applicable legislation and the fact that the Republic of Slovenia and

the legal entities controlled by it hold a majority of voting rights in the Company's supervisory board, the fundamental guideline is the Corporate Governance Code for Companies with Capital Assets of the State – Slovenian Sovereign Holding and its annexes⁴ (in the following text: SDH Code), which is in force at the time.

The remuneration of members of the supervisory board which consists of attendance fees and payment for supervisory services is determined on the basis of the respective Annexes to the SDH Code and the SDH Code, which set out the amounts and their ranges for large companies whose securities are traded on a regulated market. In accordance with the provisions of the Companies Act, Luka Koper, d.d. is a large Company.

Subject to the current SDH Code as of March 2021, members of the supervisory board and their committees are entitled to:

- EUR 275.00 gross of attendance fees for attending each supervisory board meeting, and up to 80% of this amount for attending each meeting of the supervisory board committees providing that a supervisory board member is also a member of the supervisory board committee;
- a maximum EUR 15,000.00 gross annual remuneration or basic remuneration for the performance of duties of supervisory board member. The aforementioned amount shall also be taken into account as the basis for determining other remuneration of members of the supervisory board and its committees, such as: the maximum amount of the attendance fees for attending the supervisory board meetings (that cannot exceed 50% of the basic remuneration for the performance of duties of supervisory board member), the maximum amount of attendance fees for attending the meetings of supervisory board committees (cannot exceed 75% of the basic remuneration for the performance of duties of supervisory board member), the supplement (i.e. additional payment) for performing the function of president of the supervisory board (50% of the basic remuneration for the performance of duties of supervisory board member), the supplement for performing the function of deputy president of the supervisory board (10% of the basic remuneration for the performance of duties of supervisory board member);
- reimbursement of travel- and accommodation expenses incurred in connection with their work on the supervisory board, up to the limit laid down in the rules governing reimbursement of expenses relating to work and other income not chargeable to tax,
- reimbursement of training expenses up to a maximum of EUR 2,000.00 excl. VAT per year,
- membership fees of professional organisations/professional associations up to a maximum of EUR 1,000.00 excl. VAT per year,

⁴ Kodeks korporativnega upravljanja družb s kapitalsko naložbo države – Slovenskega državnega holdinga, d.d. in njegove priloge;

- payment of the premium for the liability insurance of a member of the supervisory board (also known as D&O insurance), subject to the prescribed deductible.

External members of supervisory board committees shall be entitled to a remuneration of up to 50% of the basic annual remuneration received by a member of the supervisory board, and to a gross attendance fee of EUR 220.00 for attending the meetings of the supervisory board committees.

Taking into account the complexity of the role of Company's supervision and the amount of work to be carried out in the context of supervision, the maximum basic remuneration for exercising the supervisory function in large companies permitted by the SDH shall be observed, i.e. a maximum of EUR 15,000.00 gross per year. All other limits recommended by the SDH Code shall also be strictly observed, even though individual members of the supervisory board, considering the amount of work performed, should be entitled to a higher remuneration.

Members of the supervisory board shall receive the basic remuneration, the supplement (additional payment) for the performance of a function and the additional remuneration for special duties in proportionate monthly payments to which they are entitled for as long as they hold office and/or perform special duties.

6.1 PRESENTATION OF PROCEDURES

The members of the supervisory board representing the capital shall be appointed by the Company's general meeting of shareholders. Members of the supervisory board who are representatives of the employees shall be appointed by the Works Council and their appointment shall be notified to the Company's general meeting of shareholders. The term of office of supervisory board members shall be 4 years.

External members of the supervisory board committees shall be appointed by the supervisory board.

The amount of remuneration of supervisory board members shall be decided by a resolution of the Company's general meeting of shareholders upon proposal of the supervisory board. The decision shall be adopted in accordance with the provisions of this Policy and shall remain in force until revoked or amended.

The amount of remuneration of external members of the supervisory board committees shall be decided by the supervisory board by resolution. The supervisory board shall adopt its decision in accordance with the provisions of this Policy and shall remain in force until revoked or amended.

The remuneration of the supervisory board members and members of the supervisory board committees, depending on the nature of their work, shall not depend on the remuneration of the Company's management board and the Company's employees, nor on the Company's performance.

At the time of appointment and during the term of office of each member of the supervisory board or each external member of the supervisory board committee, conflicts of interest shall be comprehensively checked including conflicts of interest in relation to the remuneration of members of the supervisory board and its committees. Members of the supervisory board and its committees are obliged to disclose potential conflicts of interest upon appointment to office and during their term of office, also within the framework of the provisions of the Slovenian Sovereign Holding Act (ZSDH-1). 1. In this respect, they are required to provide the Company with an annual declaration disclosing whether they have been in circumstances that could give rise to a conflict of interest, which shall be verified by the Company's corporate integrity officer. Conflicts of interest of an individual member of the supervisory board or of the supervisory board committees shall be dealt with by the supervisory board in accordance with the provisions of the applicable law and the Company's internal regulations whenever they arise.

7. TRANSITIONAL AND FINAL PROVISIONS

The issues not covered by this Remuneration Policy shall be governed by the relevant legislation governing the remuneration of members of the management board and supervisory board, the applicable SDH Code, the Recommendations of the Slovenian Sovereign Holding (SDH), the reference basis for voting by the SDH at the annual general meetings of companies in which the Republic of Slovenia has a participation, etc.

On the date of entry into force of this Remuneration Policy, the Remuneration Policy for the Management Board and Directors of Subsidiaries dated 11 June 2020 shall cease to apply.

Koper, 12 May 2021

President of the management board

Dimitrij Zadel */signature/*

President of the supervisory board

Uroš Ilić, MSc. */signature/*