



# ANNUAL REPORT 2022

LUKA KOPER GROUP AND LUKA KOPER, D. D.





Luka Koper continues to strengthen its role in the global logistics chain and, with its outstanding business results, accelerates the economic pulse and development of the Coastal-Karst region and Slovenia in general.

The landmark year 2022, with **one million container units handled** in a single year, confirmed the correctness of our long-term orientation towards container traffic growth.

Exceeding **800,000 vehicles** handled through the shortest route to their destination consolidates our position as one of the Mediterranean's leading ports and heralds a decade of remarkable results.

Our first commitment to our business and continued excellence remains consistent green logistics, sustainable development, and a sincere concern for our environment.

Luka Koper



## Statement of Management's Responsibility

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 2022 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 2022 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 judgements were made under the principle of prudence and due diligence of a good manager.

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 and/or illegal acts.

Members of the Management Board:

**Boštjan Napast**

*President of the Management Board*



**Nevenka Kržan**

*Member of the Management Board*



**Vojko Rotar**

*Member of the Management Board, Worker Director*



Koper, 28 March 2023

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# 1

**BUSINESS  
REPORT**



# 1 Business performance highlights of the Luka Koper Group in 2022

The Luka Koper Group successfully defied the still difficult economic conditions and closed 2022 with record business results. Total maritime throughput reached 23.2 million tons of goods and exceeded the planned 2022 volumes in by 378 thousand tons, or by 2 percent, and the 2021 throughput by 2.4 million tons, or by 12 percent. Transshipment was higher than planned in all commodity groups, with the exception of general cargo and containers, whereas compared to 2021, growth in transshipment was recorded in all commodity groups. In 2021, 42 percent of freight was transported by road and 58 percent by rail, and in 2022, freight by road increased to 46 percent, while freight by rail decreased to 54 percent.

At the end of 2022, a new annual historical record for container handling was achieved at the container terminal with 1,017,788 TEUs handled, while at the same time surpassing the historical mark of one million TEUs handled in a single year. Container handling was slightly lower than planned and by 2 percent higher than in 2021. The car terminal also achieved a new annual transshipment record in 2022, with 801,036 vehicles handled, which is 7% above plan and 22% more than in 2021. Historical milestones were also reached at general, dry bulk and bulk and liquid cargo terminals.

In 2022, all financial indicators exceeded the achieved indicators of the previous year and also the planned indicators. Due to the very good business results in the period January-August 2022 and the intensified economic trends, the Luka Koper Group prepared a rebalancing of its 2022 business plan in September 2022. All comparisons in this report are made on the basis of the adopted rebalanced business plan.

The year 2022 was also marked by record high net sales revenues of the Luka Koper Group, which at EUR 313.5 million exceeded the planned figure by 4 percent, or EUR 11 million, and the previous year's figure by 37 percent, or EUR 85 million. The increase in net sales revenue was mainly affected by revenue from storage fees due to the extended time the goods were kept in the warehouse as a result of the situation on the global logistics market, which decreased at the end of 2022 due to the gradual normalization of the situation. In 2022, the average dwell time of full containers at the terminal increased by 2.1 days compared to 2021. Higher revenues were also influenced by the increase in service prices and the increased volume of throughput and additional services of all product groups, also due to higher productivity.

The year 2022 was marked by the war in Ukraine, which changed the geopolitical situation at the beginning of the second quarter and affected economic trends in 2022. The international economic outlook deteriorated, uncertainty and inflationary pressures increased, and the situation in the energy markets tightened. Direct exposure of the Luka Koper Group to Russia and Ukraine is relatively small, as the volume of cargo handled through Luka Koper destined for the Ukrainian and Russian markets is insignificant. However, the management regularly monitors the situation on the market and responds to ensure the smooth operation of the Luka Koper Group.

In 2022, the Luka Koper Group made major investments, mainly in the area of the container terminal and the car terminal – representing a new development cycle for these key strategic commodity groups – and took final investment decisions for the period 2022-2027 totalling EUR 430 million.



## 2022 IN NUMBERS



**23.2 million tons**

unloaded from and loaded on ships



**1,017,788 TEU**

containers unloaded from and loaded on ships



**801,036 cars**

unloaded from and loaded on ships



**21,824 trains**

trains arrived in and departed from the port



**399,291**

trucks arrived in the port



**280,817**

wagons unloaded and loaded



**1,659**

ships berthed

**54 %**

share of railway transshipment

**46 %**

share of road transshipment



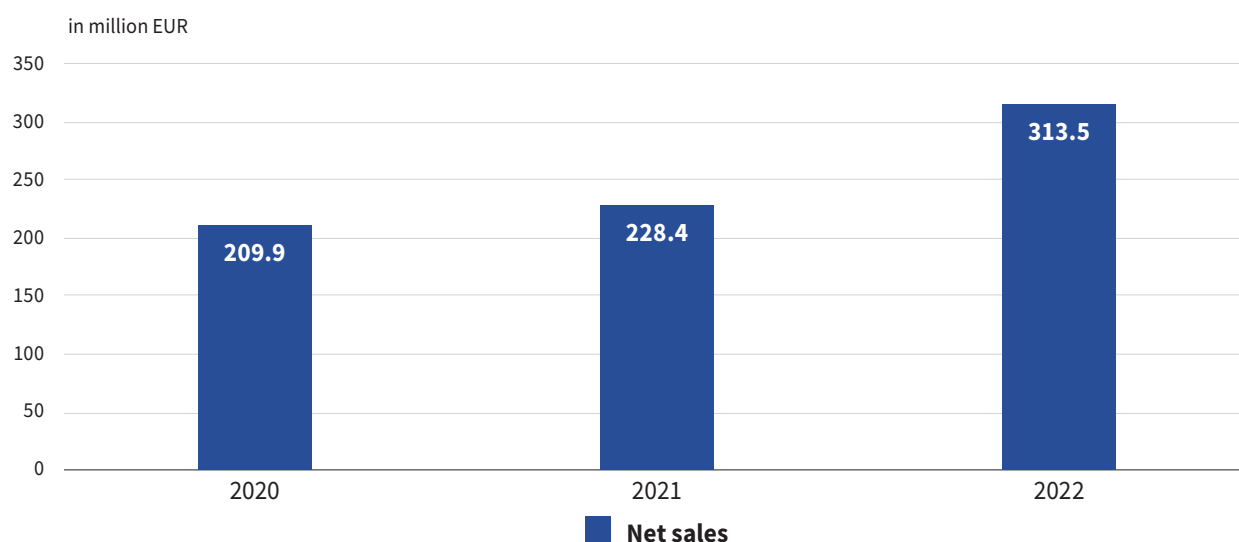


## NET SALES

EUR **313.5** million

**+37%** 2022/2021

**+4%** 2022/PLAN 2022



In 2022, net sales of the the Luka Koper Group amounted to the record EUR 313.5 million, which was an increase by 37% or EUR 85 million compared to 2021. The increase in net sales was mainly the result of higher revenue from storage fees, the rise in service prices and the increased volume of transshipment and additional services of all product groups, also due to higher productivity. Towards the end of 2022, the situation normalised and, consequently, so did the net sales revenue, which also continues in 2023. The net sales of the Luka Koper Group achieved in 2020 was marked by the COVID-19 pandemic. The gradual recovery in 2021 had a positive effect on higher ship throughput, which was reflected in higher net sales.

## MARITIME THROUGHPUT

**23.2 million TON**

**+12% 2022/2021**

**+2% 2022/PLAN 2022**

## CONTAINER THROUGHPUT

**1 million TEU**

**+2% 2022/2021**

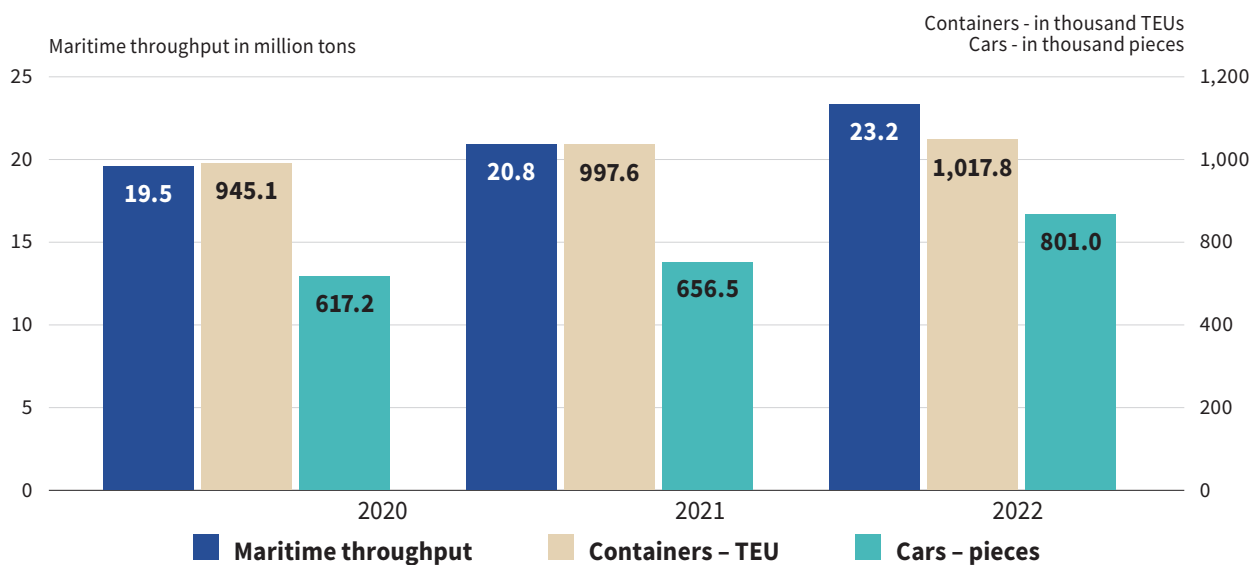
**-2% 2022/PLAN 2022**

## CAR THROUGHPUT

**801 THOUSAND PIECES**

**+22% 2022/2021**

**+7% 2022/PLAN 2022**



In 2022, total maritime throughput reached 23.2 million tons of goods and exceeded the 2021 throughput by 2.4 million tons, or by 12 percent. With regard to 2021, growth in throughput was recorded in all commodity groups. The container terminal and the car terminal set a new historical record for annual throughput. In 2021, there was a gradual recovery and strengthening of economic activity in the international environment, which also affected the increase in maritime throughput with respect to 2020.



## EARNINGS BEFORE INTEREST AND TAXES (EBIT)

EUR **83.1** million

**+165%** 2022/2021

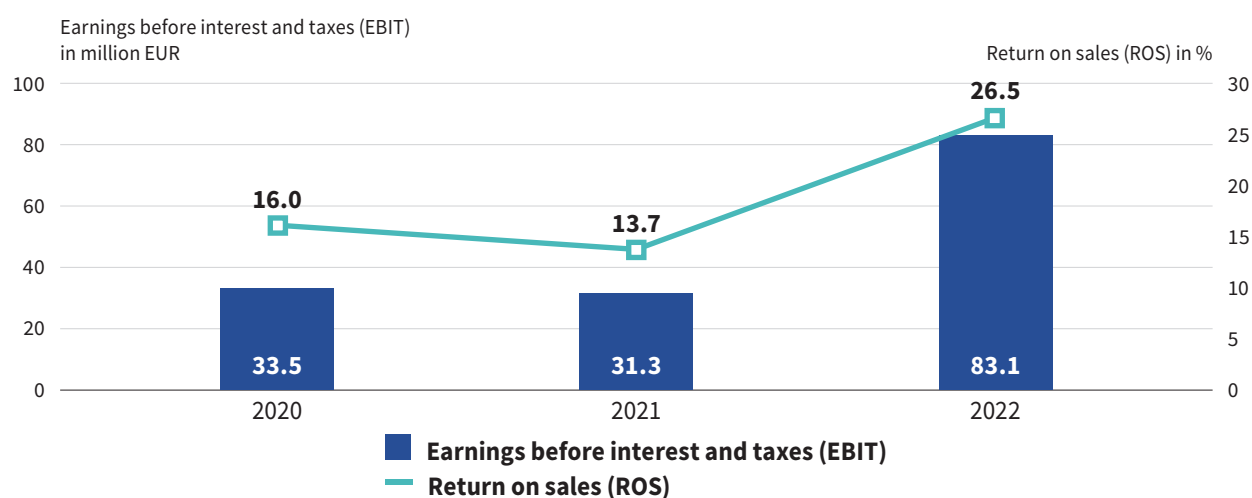
**+19%** 2022/PLAN 2022

## RETURN ON SALES (ROS)

**26.5%**

**+93%** 2022/2021

**+15%** 2022/PLAN 2022



In 2022, the earnings before interest and taxes (EBIT) amounted to EUR 83.1 million, thus exceeding the 2021 figure in by 165 percent or EUR 51.8 million due to higher net sales revenue. Despite the growth of net sales in 2021 against the 2020 figures, lower earnings before interest and taxes (EBIT) were achieved than in the previous year, which was due to lower other revenues, because in 2020, one-off events were recognized under other events that had a positive impact on business results in 2020.

## EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTISATION (EBITDA)

EUR **114.6** million

**+87%** 2022/2021

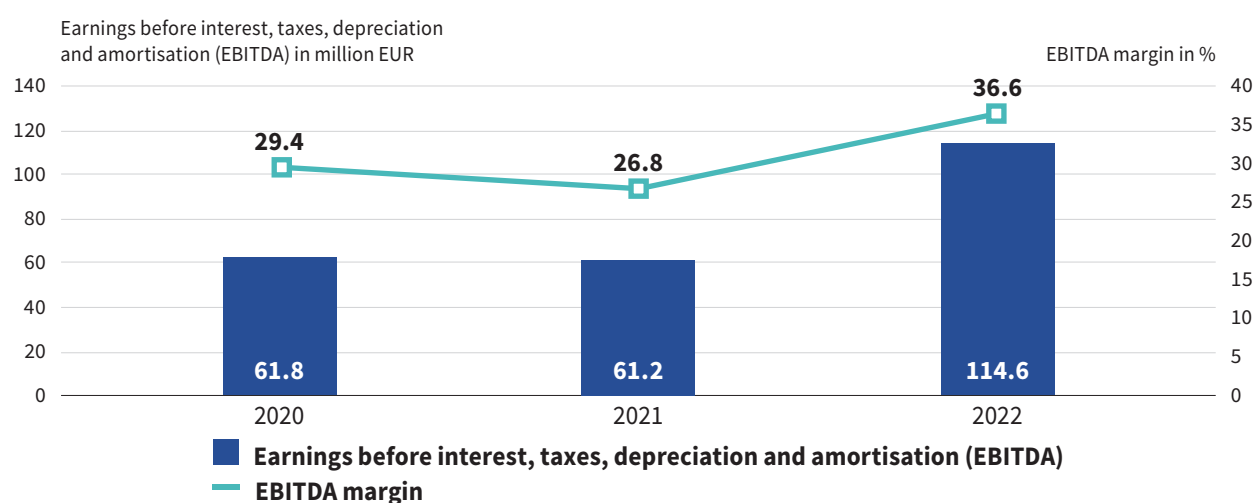
**+14%** 2022/PLAN 2022

## EBITDA margin

**36.6 %**

**+37%** 2022/2021

**+10%** 2022/PLAN 2022



In 2022, earnings before interest, taxes, depreciation and amortisation (EBITDA) of the Luka Koper Group amounted to EUR 114.6 million, which was a 87% or EUR 53.4 million increase from 2021. In 2021, earnings before interest, taxes, depreciation and amortisation (EBITDA) of the Luka Koper Group amounted to EUR 61.2 million, which was a 1% or EUR 0.6 million decrease from 2020.

The EBITDA margin of the Luka Koper Group in 2022 accounted for 36.6%, which was an increase of 37 % or 9.8 percentage points from 2021. The EBITDA margin of the Luka Koper Group in 2021 accounted for 26.8%, which was a decrease of 9% or 2.7 percentage points from 2020.



## NET PROFIT OR LOSS

EUR **74.2** million

**+133%** 2022/2021

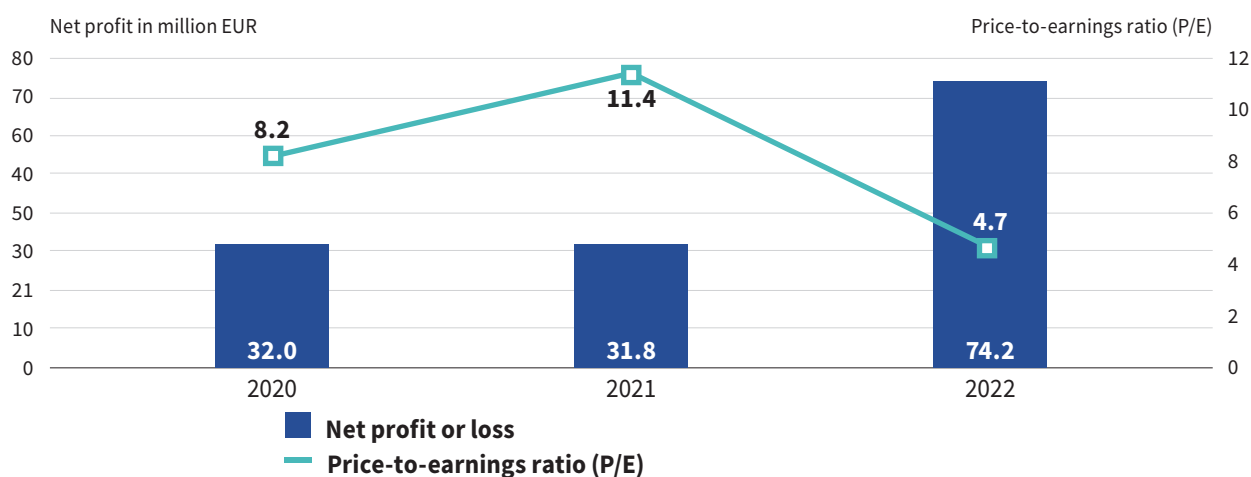
**+17%** 2022/PLAN 2022

## PRICE-TO-EARNINGS RATIO (P/E)

**4.7**

**-6.7** 2022/2021

INDICATOR NOT PLANNED



In 2022, net profit of the Luka Koper Group reached a record EUR 74.2 million, which was an increase of 133% or EUR 42.4 million from 2021. The higher net profit in 2022 compared to 2021 was the result of the already explained factors that contributed to the higher earnings before interest and taxes (EBIT), whereas the net profit was also positively influenced by higher financial income. In 2021, the Luka Koper Group achieved a lower net profit than in 2020. In addition to the already mentioned effects on earnings before interest and taxes (EBIT), net profit was positively affected by higher operating profit from financing and negatively by the higher profit tax rate.

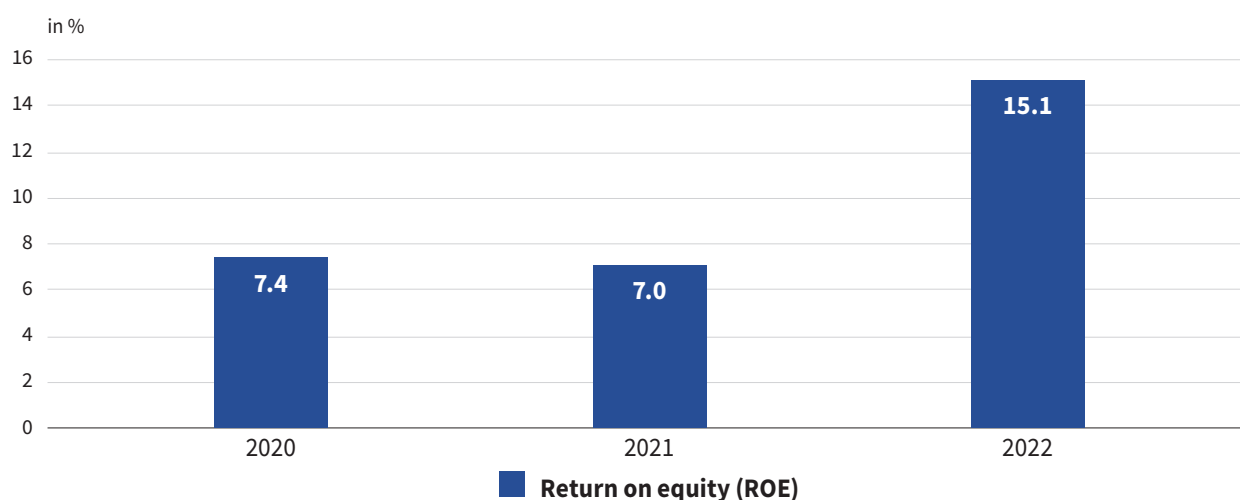
The ratio between the market price and the earnings per share (P/E) decreased in 2022 compared to the previous year due to the achieved higher net profit and amounted to 4.7.

## RETURN ON EQUITY (ROE)

**15.1%**

**+116%** 2022/2021

**+14%** 2022/PLAN 2022



The return on equity (ROE) amounted to 15.1% in 2022, which is 116% or 8.1 percentage points higher than in 2021. The 2022 increase in the indicator was influenced by the higher achieved operating profit. The return on equity (ROE) was at 7% in 2021, down 6% or 0.4 percentage points from 2020. The lower return on equity (ROE) in 2021 was due to lower net operating profit resulting from the above-mentioned impacts and higher average capital.

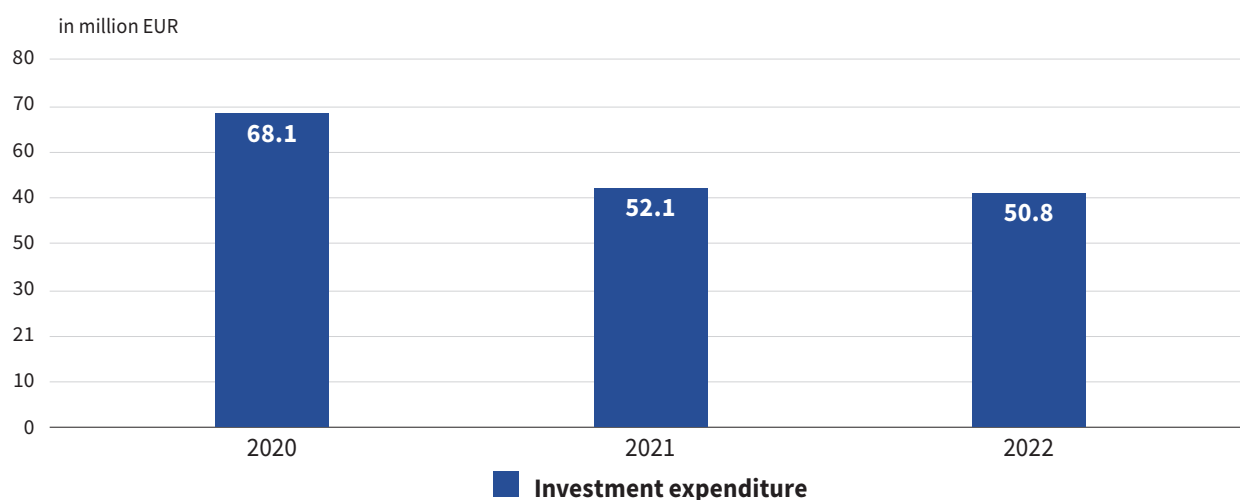


## INVESTMENT EXPENDITURE

EUR **50.8** million

–3% 2022/2021

–28% 2022/PLAN 2022



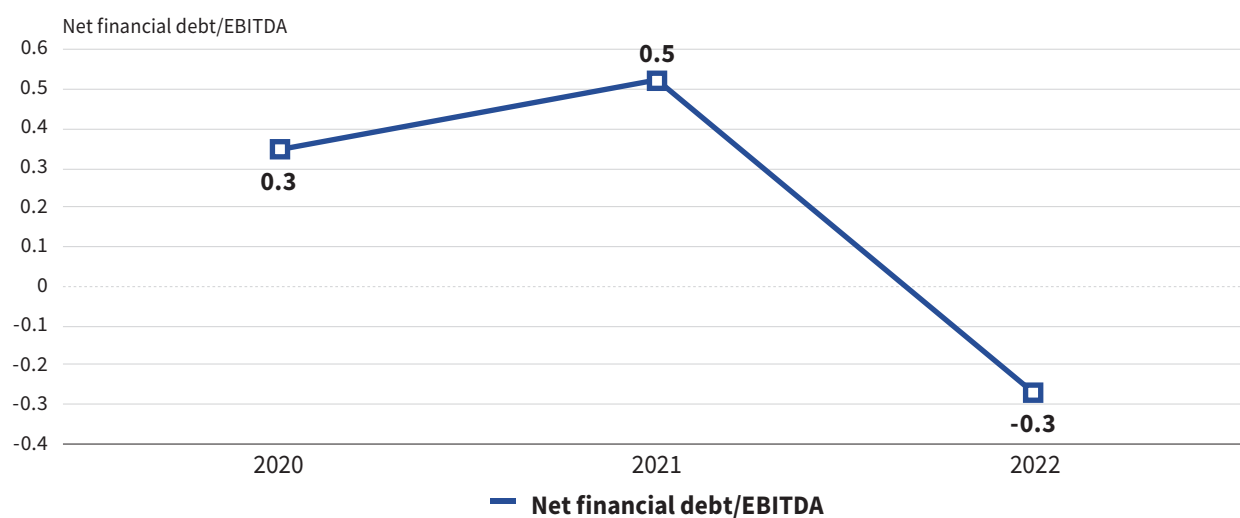
In 2022, the Luka Koper Group allocated the amount of EUR 50.8 million to investments, which was a decrease of 3% or EUR 1.3 million from 2021. In 2022, the Luka Koper Group made major investments mainly with respect to the container terminal and the car terminal – representing a new development cycle for these key strategic commodity groups – and prepared economic viability studies for major investment projects in the 2022–2027 period. The Luka Koper Group used the pandemic year 2020 to continue implementing investments in increasing port capacity, as after the improvement of pandemic-related health and economic situation, throughput was expected to increase again. In 2021, the Luka Koper Group continued the investment cycle mainly by investing in increasing port capacity, the most visible investment being the continued construction of an extension of the container quayside at the head of Pier 1.

## NET FINANCIAL DEBT / EBITDA

**-0.3**

**-0.8** 2022/2021

**-0.2** 2022/PLAN 2022



The low value of the net financial debt/EBITDA indicator in the years 2020 to 2022 demonstrates the financial stability of the Luka Koper Group. At the end of 2022, the cash assets of the Luka Koper Group exceeded its financial liabilities, due to which the value of net financial debt is negative, and, as a result, the value of the net financial debt/EBITDA indicator is also negative. The indicator reflects the extraordinary financial stability of the Luka Koper Group and thus its excellent readiness for future challenges and development.



## Alternative performance measures

The Luka Koper Group used alternative performance measures (APM Guidelines<sup>1</sup>) defined by ESMA to demonstrate business performance<sup>2</sup>.

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 own services + other revenue – costs of goods, material, services – other operating expenses excluding revaluation 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. It is 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.

1 APMs – Alternative Performance Measures

2 ESMA – European Securities and Markets Authority

Price-to-earnings ratio (P/E ratio)	Current share price to earnings per share (P / E) ratio = closing price / earnings per share (EPS).	It shows how many euros investors in the market are willing to pay at a certain moment for each euro of the company's profit. It is used to estimate the value of the company and its shares on the market.
Book value per share as at day (in EUR)	Book value per share = equity / number of shares.	It 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.	It 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.
Average book value per share (in EUR)	The average bookkeeping value of a share is calculated on the basis of average monthly balances of the ratio of equity to the number of ordinary shares.	It shows the average book value of a share calculated from the ratio of the company's monthly capital balances and the number of ordinary shares.
The ratio between the average market price and the average book value of the share	The ratio between the average market price and the average book value of the share = average market price / average book value per share	It shows a comparison of the average market value of a company's capital unit on the stock exchange with its average accounting value during the period. It indicates a possible overestimation or undervaluation of the stock during the period.
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.	It expresses the ratio between the dividend paid and the market value of the stock.

## 1.1 Key performance indicators

*The key financial ratios of Luka Koper, d. d., and the Luka Koper Group in 2022 compared to 2021*

Item	Luka Koper, d. d.			Luka Koper Group		
	2022	2021	Index 2022/2021	2022	2021	Index 2022/2021
Net sales (in EUR)	310,196,680	224,990,379	138	313,462,636	228,444,062	137
Earnings before interest and taxes (EBIT) (in EUR)	81,729,523	30,745,444	266	83,114,534	31,346,268	265
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	112,529,369	59,832,637	188	114,602,528	61,170,729	187
Net profit or loss (in EUR)	73,266,227	29,920,330	245	74,159,799	31,793,527	233
Added value (in EUR)	206,717,589	142,075,730	145	216,463,633	150,251,354	144
Investment expenditure (in EUR)	50,157,229	51,835,252	97	50,784,443	52,096,515	97
Maritime throughput (in tons)	23,248,355	20,821,177	112	23,248,355	20,821,177	112
Number of employees	1,638	1,577	104	1,801	1,738	104

Indicators	2022	2021	Index 2022/2021	2022	2021	Index 2022/2021
Return on sales (ROS)	26.3%	13.7%	192	26.5%	13.7%	193
Return on equity (ROE)	16.1%	7.1%	227	15.1%	7.0%	216
Return on assets (ROA)	11.6%	5.1%	227	11.1%	5.1%	218
EBITDA margin	36.3%	26.6%	136	36.6%	26.8%	137
EBITDA margin from market activity	37.1%	27.4%	135	37.4%	27.6%	136
Financial liabilities/equity	13.3%	16.8%	79	12.3%	15.5%	79
Net financial debt / EBITDA	-0.05	0.9	-	-0.3	0.5	-

Items	31 Dec 2022	31 Dec 2021	Index 2022/2021	31 Dec 2022	31 Dec 2021	Index
Assets (in EUR)	662,680,856	596,417,076	111	701,154,228	634,103,258	111
Equity (in EUR)	480,225,780	432,176,305	111	515,732,169	466,965,328	110
Financial liabilities (in EUR)	63,801,193	72,645,327	88	63,680,089	72,605,452	88

*The key financial ratios of Luka Koper, d. d., and the Luka Koper Group in 2022 compared to the plan for 2022*

Items	Luka Koper, d. d.			Skupina Luka Koper		
	2022	2022 Plan	Index 2022/ 2022 Plan	2022	2022 Plan	Index 2022/ 2022 Plan
Net sales (in EUR)	310.196.680	300.703.591	103	313.462.636	302.449.674	104
Earnings before interest and taxes (EBIT) (in EUR)	81.729.523	68.870.351	119	83.114.534	69.634.233	119
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	112.529.369	99.022.567	114	114.602.528	100.669.784	114
Net profit or loss (in EUR)	73.266.227	62.921.172	116	74.159.799	63.472.863	117
Added value (in EUR)	206.717.589	196.356.366	105	216.463.633	204.273.952	106
Investment expenditure (in EUR)	50.157.229	68.928.091	73	50.784.443	70.365.091	72
Maritime throughput (in tons)	23.248.355	22.870.331	102	23.248.355	22.870.331	102
Number of employees	1.638	1.703	96	1.801	1.864	97

Indicators	2022	2022 Plan	Index 2022/ 2022 Plan	2022	2022 Plan	Index 2022/ 2022 Plan
Return on sales (ROS)	26.3%	22,9%	115	26.5%	23.0%	115
Return on equity (ROE)	16.1%	14.1%	114	15.1%	13.2%	114
Return on assets (ROA)	11.6%	10.1%	115	11.1%	9.8%	113
EBITDA margin	36.3%	32.9%	110	36.6%	33.3%	110
EBITDA margin from market activity	37.1%	34.1%	109	37.4%	34.5%	109
Financial liabilities/equity	13.3%	13.6%	98	12.3%	12.6%	98
Net financial debt / EBITDA	-0.05	0.2	-	-0.3	-0.1	300

Items	31 Dec 2022	Plan 31 Dec 2022	Index 2022/ 2022 Plan	31 Dec 2022	Plan 31 Dec 2022	Index 2022/ 2022 Plan
Assets (in EUR)	662,680,856	641,404,214	103	701,154,228	674,879,968	104
Equity (in EUR)	480,225,780	467,878,081	103	515,732,169	499,683,062	103
Financial liabilities (in EUR)	63,801,193	63,796,044	100	63,680,089	62,767,333	101



## 2 Letter of the President of the Management Board<sup>3</sup>

### Dear shareholders, business partners, and colleagues,

2022 was an exceptional year for the Luka Koper Group in all respects, as we exceeded all planned financial indicators, as well as the indicators achieved in 2021, despite the difficult geopolitical situation we faced right at the beginning of the year. Having successfully managed all risks and taken advantage of the opportunities offered by the changed market conditions, we closed the year with growth in throughput in all commodity groups and higher net sales revenue. These reached a record EUR 313.5 million, which is an increase of 37 percent or EUR 85 million from the previous year. Warehousing revenues were up, mainly due to longer holding times, while higher revenues were also driven by higher prices for services and materials, higher productivity, and increased volumes of handling and additional services in all commodity groups. This had a positive impact on earnings before interest and taxes, which at EUR 83.1 million were 165 percent or EUR 51.8 million ahead of 2021, as well as on net profit, which reached a record EUR 74.2 million, i.e., 133 percent or EUR 42.4 million ahead of the results in 2021.

The year 2022 will surely be remembered for the record volumes of goods handled. The first record, which heralded an above-average year and the Company's outstanding business results, was achieved in March at the container terminal. Two more soon followed, one in May in dry bulk and one in June in general cargo. From August onwards, we recorded monthly surpluses at the car and RO-RO terminals, where we continued our record performance right up to the end of the calendar year, ending it with 801,036 vehicles handled, 22 percent more than the previous year. We also set a new annual record at the container terminal with 1,017,788 TEUs handled and became the first port in the Adriatic to surpass the historic milestone of one million TEUs handled in a single year. This achievement is all the more remarkable given that we have been facing significant pressure on storage space throughout the year due to increased volumes, irregular ship arrivals and changing supply chains. Container throughput was therefore expected to be lower than planned, yet it achieved 2 percent growth compared to 2021. We also handled higher volumes at the general cargo, dry bulk, and liquid cargo terminals. In the dry bulk and bulk cargo segments, we recorded higher throughput of road salt, artificial fertilizer, and soya beans, and in liquid cargoes, of petroleum products, aviation fuel and chemicals. In the general cargo group, there were higher volume of steel products, mainly due to production in the automotive, white goods and building materials industries, while rubber and project/special cargoes were also higher. On an annual basis, we handled a total of 23.2 million tons of goods, an increase of 12 percent or 2.4 million tons compared to the previous year.

### Investment cycle worth EUR 50.8 million

We have actively pursued investments, prioritising those that represent a new development cycle for our strategic commodity groups – containers and cars. In June, we concluded the final stretch of one of the largest investments in recent years, which saw the extension of the container terminal's waterfront by just under 100 metres and the construction of a new berth in 2021. Inland from the berth, an additional 24,830 square metres of container storage space was built last year. We have not stopped there, having already started work on extending the northern part of Pier 1 by 340 metres, which will provide an additional 118,000 square metres of storage space and new container cranes. In addition, we have equipped the new container quay with state-of-the-art cranes: two ship-to-shore super post-panamax and three electric bridge gantry cranes for storage areas (eRTG). A new multi-purpose warehouse was built and handed over at Pier 2, mainly for the storage of heavy bulky materials, and preparatory work was started for the layout and construction of a new external truck terminal at the Sermin entrance. With a capacity of 203 parking spaces, it will cover an area of 5.2 hectares and will completely replace the existing truck terminal on the outskirts of the city, which has to be vacated by the end of 2023. The construction of the car storage areas on the so-called 5A cassette, with a capacity of 3,500 vehicles, is also well underway, and it seems that we will be able to develop parking areas on the adjacent plots in the future as well. The Government of the Republic of Slovenia has included cassettes 6A and 7A inland of Basin III in the concession area of the port, increasing it by some 11.6 ha.

We are also pleased with what lies ahead, as we have taken a number of important investment decisions in 2022, which will lead to investments worth EUR 430 million by 2030. However, we cannot imagine the further development of the port, and in particular the container terminal, without a reliable, stable and, above all, fully operational rail

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link to the hinterland. The construction project of the second track is already in full swing, and if the latest forecasts are to be believed, it will be completed as early as 2026.

The importance, and above all the necessity, of a reliable rail link for Luka Koper and logistics in general 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 54 percent and road freight has increased to 46 percent. The shift of some traffic to road is also reflected in the figures: last year, the port received and dispatched 399,291 trucks, an increase of 8.5 percent compared to the previous year, whereas the number of trains increased by 4 percent to 21,824.

### **EUR 23 million in approved funding**

We have also been active in securing European grants – last year we successfully applied for a number of new projects and investments, which will be co-financed to a record EUR 23 million. Last year, as lead partner, we were granted co-financing for the SOPOREM project, which will see the second largest solar power plant in Slovenia, with a total capacity of 3 megawatts, built on the roofs of two sets of general cargo storage facilities. This will raise the share of energy produced from renewable sources to 10 percent and we plan to double it with future investments. 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, which is our competitive advantage in times of volatile electricity prices.

We will continue to be sustainable in the year ahead. We will spend around EUR 15 million on projects under this heading, with a major share invested in the electrification of work machines and vehicles, which will gradually replace diesel-powered vehicles. In cooperation with Eles, we have started work on a project to build a 110,000-volt transmission line from Dekani to the port and a substation within the port to electrify the quayside and provide ships with uninterrupted electricity.

At the beginning of January this year, we introduced the so-called ESI scheme, which gives ships with lower emissions of air pollutants benefits when paying port dues. This is to attract as many ships as possible to the port with state-of-the-art engines and cleaner propulsion systems and, as a result, reduce emissions into the atmosphere

In Luka Koper, we want and strive to ensure that the further development of the port and its activities are coordinated and closely linked to the development of the local community. At the end of 2019, we signed an agreement with the Municipality of Koper under which we provide the municipality with an annual grant of EUR 200,000 for the implementation of mitigation measures in a specific impact area in order to reduce the impact of emissions from port activities. Over a five-year period, a total of EUR 1,000,000 will be spent for this purpose, benefiting the residents of the Old Town, who are most exposed to the negative impacts of the Port of Koper due to its proximity to the port.

Being aware of our responsibility towards the environment we have been entrusted to manage, as well as towards the people and other living beings with whom we share this precious space, we carefully plan a number of mitigation measures and sustainable solutions during the preparation phase of projects and investments. In addition to regular monitoring of emissions (noise, light, dust particles) and the quality of marine and groundwater, we have modernised and electrified much of our machinery over the years and relocated older and noisier machinery to areas further away from areas of major population. As an example, we have earmarked EUR 1.98 million in 2021 and EUR 6.4 million in 2022 for noise reduction and mitigation as part of the investments we have made.

### **Caring for the environment and good mutual relations**

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 the nearly EUR 1 million allocated to sponsorships and donations annually.

The Company's management and all its employees are committed to acting responsibly and respecting fundamental human rights in our work and operations. We have taken an important step in this area by abolishing our business model with port service providers in 2020 and replacing it with a new three-pillar business model, under which we guarantee the same rights to agency workers as to our regular employees. 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. 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.

Last year, we successfully implemented the principles of the Commitment to Respect Human Rights, which we signed in 2019, and we appointed a Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer, whose duty and responsibility is to monitor and implement the activities defined in the Action Plan. We have started to upgrade and reform the existing policy governing the protection of employees from all forms of harassment and ill-treatment in the workplace and setting out reporting procedures and measures to protect the dignity of employees. There is also focus on training, as we organised an additional training programme on the protection of personal data (GDPR) last year, following a successful series of workshops on human rights protection in 2021, which was attended by 173 employees. We are also active in health protection, providing training on safe work and the use of protective equipment, based on risk assessments, and implementing a number of health promotion measures.

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 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.

**Boštjan Napast**

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



## 3 Report of the Supervisory Board for 2022

### 3.1 Composition of the Supervisory Board

In 2022, the Supervisory Board was composed of Franci Matoz (Chair), Nevenka Črešnar Pergar (Deputy Chair), Božidar Godnjavec (member), Andrej Koprivec (member), Rado Antolovič (member until 27 April 2022, when he tendered his resignation), Tamara Kozlovič (after tendering her resignation member until 13 August 2022), Mladen Jovičić (member), Rok Parovel (member), Mehruđin Vuković (member) and from 7 June 2022, member of the supervisory board Tomaž Benčina, newly appointed at the 35th shareholders' meeting. In terms of professional competences, the Supervisory Board has been a high-level group of experts, its members complementing each other perfectly.

### 3.2 Supervisory Board's work

In 2022, the Supervisory Board met at nine regular and two extraordinary meetings, and two meetings by correspondence. At its January meeting, the Supervisory Board adopted the criteria for remuneration of the Management Board for 2022 and the internal audit work plan for 2022, approved the Corporate Governance Policy, familiarised itself with the report on the work of the Audit Committee, the Annual Management Plan and the expectations of SDH for 2022, as well as the results of the Supervisory Board's self-assessment, and agreed with the Management Board's proposal to regulate the remuneration of members of the Audit Committee who perform the tasks of the Audit Committee at Luka Koper INPO, d. o. o., and with the proposals regarding the implementation of major investment projects.

At its February meeting, the Supervisory Board discussed information on the performance of the Luka Koper Group and Company for 2021, took note of the annual reports on risk and opportunity management, internal audit and corporate integrity and compliance, and, following a report from the Business Operations Committee, took note of the progress of investments.

At its April correspondence meeting on 14 April 2022, the Supervisory Board agreed to the Management Board's proposal to refinance the existing loans. At its regular meeting on 22 April 2022, the Supervisory Board approved the audited Annual Report of the Luka Koper Group and Luka Koper, d. d., for 2021, took note of the audited Report on Remuneration of the Management and Supervisory Bodies in 2021, examined the Management Board's proposal for the use of the distributable profit for 2021, took note of the Management Board's proposal to convene the 35th General Meeting of Shareholders and, on the proposal of the HR Committee, appointed Nevenka Kržan a new member of the Management Board for a term of five years, commencing on 1 July 2022. It also endorsed the Management Board's proposals to increase the allocations to individual investments in the 2022 Investment Plan.

At its meeting in May, the Supervisory Board took note of the resignation of Rado Antolovič from his position as a member of the Supervisory Board and of the unaudited report on the operations of the Luka Koper Group and Luka Koper, d. d. in the period January–March 2022. It agreed to the amendments and additions to the Rules of Procedure on the functioning of the internal audit.

At the 4th extraordinary meeting on 23 August 2022, the Supervisory Board took note of the Company's activities regarding the possession of certain property, the resignation of Tamara Kozlovič from her position as a member of the Supervisory Board, and the appointment of Tomaž Benčina as a new member of the Supervisory Board at the 35th General Meeting of Shareholders, for a four-year term of office commencing on 7 June 2022. He was appointed to the Business Operations Committee and the Strategic Development Committee.

At its regular meeting on 26 August 2022, the Supervisory Board took note of the unaudited report on the operations of the Luka Koper Group and Luka Koper d. d. in the period January–June 2022, approved the proposed payment of bonuses to the members of the Management Board for 2021 and the Head of the Internal Audit Department. It also agreed on the criteria for the remuneration of the Head of Internal Audit for 2022 and gave its consent to the disposition of financial instruments and to the proposals to increase the assets of individual investments in the Investment Plan.

At its September meeting, the Supervisory Board discussed and approved the rebalancing of the company's business plan for 2022.



At its November meeting on 11 November 2022, the Supervisory Board approved the agreement on the early termination of the term of Robert Rožac, a member of the Management Board, with effect from 11 November 2022 due to disagreements on the Company's strategic objectives, adopted amendments to the Guidelines for the selection and assurance of the independence of the auditor of the financial statements, and gave its consent to the Management Board for the transfer of property to the University of Primorska. At the correspondence meeting of 21 November 2022, the Supervisory Board approved the change of the 2022 financial calendar, and at the ordinary meeting of 29 November 2022, it took note of the unaudited report on operations for the period January–September 2022, approved the Company's and the Group's business plan for 2023, discussed and approved the proposals for the inclusion of new investments in the 2022 investment plan, agreed to the amendment of the rules relating to the preparation of economic analyses, and took note of the rules of procedure for the work of the Management Board.

At its last meeting of the year on 15 December 2022, the Supervisory Board, on the proposal of the Works Council, appointed Vojko Rotar as a member of the Management Board - Worker Director for a new five-year term of office starting on 16 February 2023, and approved the remuneration criteria for the Management Board and the Head of Internal Audit for 2023.

The Supervisory Board also monitored measures to achieve the planned operating results for 2022, proposed to the Management Board a review of the Company's Strategic Business Plan and performed a number of other tasks, of which the following are particularly important:

- Discussed the reports on the work of the internal audit for 2022, and the internal audit work programme for 2022;
- Discussed the risk management reports;
- Discussed the compliance of operations and corporate integrity reports for 2022;
- 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. All the 130 resolutions were adopted by the Supervisory Board unanimously.

### 3.3 Work of Supervisory Board committees

In 2022, the following committees worked under the Supervisory Board: Audit Committee, HR Committee, Business Operations Committee, and Strategic Development Committee.

#### 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 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 2022, the Audit Committee was newly constituted to be composed of Andrej Koprivec (Chair, level of education 7, BSc in Economics, CFA), Božidar Godnjavec (member and deputy chair, level of education 8, MSc in Economics), Nevenka Črešnar Pergar, MBA (member, level of education 8, LLB, MBA), Rok Parovel (level of education 6, Graduate in Economics), and Simon Kolenc, CFA (external member, level of education 7, BSc in Economics). In the new composition, the Audit Committee met at 8 regular meetings, 2 extraordinary meetings, and 1 meeting by correspondence.

Within the scope of its competences and mandates, the Committee regularly 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. It proposed to the Supervisory Board for adoption amendments to the Guidelines for the Selection and Assurance of the Independence of the Auditor of the Financial Statements, while supervising the contracts concluded with audit firms as well as the nature and extent of the provision of their services. The Committee discussed the audited annual report of the Luka Koper Group and

Company for 2021, with particular emphasis on the presentation of revenue, formation of provisions for potential legal actions, liabilities from the concession contract and non-financial reporting. It communicated actively with representatives of the external 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.

The Audit Committee monitored in detail the risk management system and the functioning of the internal audit and internal control department, compliance of operations, corporate integrity, and made recommendations for strengthening and upgrading the system. Under the reporting system, it considered, carefully examined and supervised other reports of the Management Board. It agreed to amendments to the Accounting Rules, pursued 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 framework for the Company's engagement with all stakeholders. It monitored the work of the head of internal audit in regular and extraordinary internal auditing, their remuneration and award, and was extremely vigilant as to the respect for the autonomy and personal integrity. The Audit Committee submitted regular reports on its work to the Supervisory Board, and upgraded the reports with demands for higher-quality and more efficient reporting.

### 3.3.2 HR Committee

In 2022, the HR Committee consisted of Franci Matoz (Chair), Tamara Kozlovič (Deputy Chair until 13 August 2022) and members Nevenka Črešnar Pergar, Božidar Godnjavec, and Mehrudin Vuković. The Committee met at six regular and one extraordinary session. It considered the Management Board's reports on recruitments to management positions, the status of pending legal and administrative proceedings and, with external expert support, prepared a shortlist of candidates for a new member of the Management Board and, after analysis and screening, proposed Nevenka Kržan to the Supervisory Board for appointment for a five-year term of office. It discussed the proposed criteria for the remuneration of the Management Board and payment of bonuses and forwarded them to the Supervisory Board for approval.

### 3.3.3 Business Operations Committee

In 2022, the Committee consisted of Božidar Godnjavec (Chair), Nevenka Črešnar Pergar (Deputy Chair), and members Rado Antolovič (until 27 April 2022), Tamara Kozlovič (until 13 August 2022), Mladen Jovičić, and Tomaž Benčina (from 26 August 2022 on). The Committee met at 7 regular and 1 extraordinary session. The Committee participated actively in devising the 2023 business plan, which it proposed to the Supervisory Board for approval at the end of the year. It carefully monitored the implementation of the investment plan, regular and long-term upkeep, acquisition of land around the port, took notice of various studies of economic viability of investments and regularly monitored the business objectives of the company as well as subsidiaries and associates, and other reports of the Management Board.

### 3.3.4 Strategic Development Committee

The Strategic Development Committee was appointed on 12 July 2021, consisting of Nevenka Črešnar Pergar (Chair), Andrej Koprivec (Deputy Chair) and members Rado Antolovič (until 27 April 2022), Tamara Kozlovič (until 13 August 2022), Mladen Jovičić, Rok Parovel and Tomaž Benčina from 26 August 2022 on. The Committee did not meet in 2022.

#### *Meetings of the Supervisory Board and its committees in 2022 and absence of members*

Meeting No	Date of the meeting	Absent members
<b>Supervisory Board meetings</b>		
6th ordinary meeting	21 January 2022	/
7th ordinary meeting	18 February 2022	Mehrudin Vuković
8th ordinary meeting	22 April 2022	/
9th ordinary meeting	27 May 2022	/
10th ordinary meeting	26 August 2022	/
11th ordinary meeting	30 September 2022	/

12th ordinary meeting	11 November 2022	/
13th ordinary meeting	29 November 2022	/
14th ordinary meeting	15 December 2022	/
4th extraordinary meeting	23 August 2022	/
4th meeting by correspondence	14 April 2022	/
5th meeting by correspondence	21 November 2022	/
<b>HR Committee meetings</b>		
4th ordinary meeting	21 January 2022	/
5th ordinary meeting	18 February 2022	Mehrudin Vuković
6th ordinary meeting	14 April 2022	/
7th ordinary meeting	27 May 2022	/
8th ordinary meeting	17 June 2022	/
9th ordinary meeting	15 December 2022	/
4th extraordinary meeting	11 November 2022	/
<b>Business Operations Committee meetings</b>		
6th ordinary meeting	20 January 2022	/
7th ordinary meeting	17 February 2022	/
8th ordinary meeting	14 April 2022	/
9th ordinary meeting	17 June 2022	/
10th ordinary meeting	25 August 2022	/
11th ordinary meeting	29 November 2022	/
12th ordinary meeting	15 December 2022	/
2nd extraordinary meeting	11 November 2022	/
<b>Audit Committee meetings</b>		
6th ordinary meeting	20 January 2022	/
7th ordinary meeting	17 February 2022	/
8th ordinary meeting	24 March 2022	Simon Kolenc
9th ordinary meeting	5 April 2022	/
10th ordinary meeting	26 May 2022	/
11th ordinary meeting	26 August 2022	/
12th ordinary meeting	24 November 2022	/
13th ordinary meeting	15 December 2022	/
1st extraordinary meeting	30 September 2022	/
2nd extraordinary meeting	11 November 2022	/
1st meeting by correspondence	12 January 2022	/
2nd meeting by correspondence	12 July 2022	/
<b>Strategic Development Committee meetings</b>		
/	/	/

### 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 33: Related party transactions. In 2022, education costs for the members of the Supervisory Board totalled EUR 573.

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

The 2022 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 3<sup>rd</sup> regular meeting on 13 April 2023, 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 2022 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 2022 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 2022 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 2022 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 2022 Annual Report of the Luka Koper Company and the Group at its 2<sup>nd</sup> meeting on 13 April 2023.

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 2022 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 2022.

**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 2022 to 31 December 2022.

### 4.1 Codes and Management Practice<sup>4</sup>

In the period from 1 January to 31 December 2022, 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 Slovenian Directors' Association website <https://www.zdruzenje-ns.si/knjiznica/1852>.

In the period from 1 January to 30 June 2022, the company also observed The Corporate Governance Code for State-Owned Enterprises (adopted in March 2021) which is available on the Slovenian Sovereign Holding (SSH) website **SSH - Document Centre**. In the period from 1 July to 31 December 2022, the company 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, which are available on the website <https://www.luka-kp.si/slo/pomembni-dokumenti-208>, and based on which it adopted its own Corporate Integrity Strategy of the Luka Koper Group companies and the Code of Ethics of the Luka Koper Group, which are available on the company's website <https://luka-kp.si/eng/corporate-documents>. The Code of Ethics of the Luka Koper Group companies was updated on 1 October 2019 and is available on the Company's website at <https://luka-kp.si/eng/corporate-documents>. 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, and on 11 July 2022 it also adopted Code of Conduct for business partners of the Luka Koper Group.

#### 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.

- 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 aspects, 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 Slovenian Corporate Governance Code for Listed Companies, Item 11, and from the Corporate Governance Code for State-Owned Enterprises, Item 6.5.)
- The 35th General Meeting of Shareholders was held only with the physical presence of the shareholders, as the conditions allowed it, 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.)
- At the 35th General Meeting of Shareholders, the agenda was extended at the request of a shareholder who failed to disclose an assessment of a candidate's potential conflict of interest and information on whether the candidate is independent in relation to the company and the procedure for the search, nomination and evaluation of candidates. (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Items 10.10 and 10.11, and from the Corporate Governance Code for State-Owned Enterprises, Item 6.9.)

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- The Supervisory Board did not appoint a nomination committee for the process of selecting candidates for the Supervisory Board. (Partial deviation from the Corporate Governance Code for State-Owned Enterprises, Items 6.9.1 and 6.9.2.)
- 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.)
- Once a year, members of the Supervisory Board complete and sign a declaration of independence which they have not made known to each other at one of the Supervisory Board meetings (Partial derogation from the Slovenian Corporate Governance Code for Listed Companies, Item 13.1).
- 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 Supervisory Board does not have a specific training scheme because 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 given the bonus for the liability insurance of company bodies and executives, which is the only bonus 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. (Derogation from the Corporate Governance Code for State-Owned Enterprises, Item 6.10.6.)
- The Supervisory Board did not pre-determine the competency model for each member of the Management Board, which is specific to the company and the company's industry. (Derogation from the Corporate Governance Code for State-Owned Enterprises, Item 22.2, and from the Slovenian Corporate Governance Code for Listed Companies, Item 6.1.2.)
- 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. The Code of Ethics discusses various 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 19: Corporate integrity, human rights, corruption prevention, and operations compliance.

### **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 2022 was as follows:

- the Republic of Slovenia held 7,140,000 shares issued by Luka Koper, d. d., which accounted for 51.00% 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% 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 bodies**

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.

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.

In 2020, 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 Public Limited Companies. The Company has thus pursued the objective of diversity with respect to representation in management and control bodies.

#### **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. 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.

#### **4.2.12 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 system<sup>5</sup>**

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, the 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 33. 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>.

The Supervisory Board has not predetermined a competency model for each member of the Management Board that is specific to the Company and the Company's industry. The members of the Management Board have to meet the statutory and regulatory requirements for appointment.

### **4.4 General Meeting of Shareholders**

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.

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5 GRI 2-9, 2-10, 2-16

#### 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

On 6 June 2022, the shareholders of Company Luka Koper, d. d., gathered for the 35st General Meeting. At the meeting, the shareholders:

- Approved the report on the remuneration of the members of the Company's management and supervisory bodies in 2021,
- Adopted a decision on the proposal for the appropriation of the accumulated profit for 2021, which amounted to EUR 29,592,319.96:
  - A portion in the amount of EUR 15,960,000.00 is to be used for dividend payout in the gross value of EUR 1.14 per ordinary share,
  - the residual amount of accumulated profit in the amount of EUR 13,632,319.96 is to remain unappropriated.
- Granted discharge for the year 2021 to the Management Board and Members of the Supervisory Board,
- Took note of the resignation of Rado Antolovič, member of the Supervisory Board, dated 27 April 2022,
- Elected Tomaž Benčina as a new member of the Supervisory Board of Luka Koper, d.d. for a term of four years commencing on 7 June 2022,
- Took note of the written report on the legal proceedings against the former members of the Management Board and Supervisory Board in the TTI case.

### 4.5 Supervisory Board of Luka Koper, d. d.<sup>6</sup>

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

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6 GRI 2-9, 2-10, 405-1

#### 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.

#### 4.5.2 Composition of the Supervisory Board of Luka Koper, d. d. as at 31 December 2022:

##### 4.5.2.1 Representatives of shareholders:

**Franci Matoz**, Chair of the Supervisory Board

Beginning of a 4-year term of office: 2 July 2021 (34th General Meeting)

Employed: Odvetniška družba Matoz, o. p., d. o. o.

Membership in other supervisory or management bodies: Deputy Chair of the Supervisory Board of Slovenske železnice, d. o. o.

**Nevenka Črešnar Pergar**, Deputy Chair of the Supervisory Board

Beginning of a 4-year term of office: 2 July 2021 (34th General Meeting)

Employed: NP Consulting, d. o. o.

**Andrej Koprivec**, Member of the Supervisory Board

Beginning of a 4-year term of office: 2 July 2021 (34th General Meeting)

Employed: Koprigo, d.o.o.

**Božidar Godnjavec**, Member of the Supervisory Board

Beginning of a 4-year term of office: 2 July 2021 (34th General Meeting)

Employed: Ministry of Infrastructure

**Tomaž Benčina**, Member of the Supervisory Board

Beginning of a 4-year term of office: 2 July 2021 (34th 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

##### 4.5.2.2 Representatives of employees:

**Mladen Jovičić**, Member of the Supervisory Board

Beginning of a 4-year term of office: 8 April 2021 (34th General Meeting – informing the shareholders)

**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)

##### 4.5.2.3 External members of the Supervisory Board committees:

**Simon Kolenc**, external member of the Audit Committee of the Supervisory Board

Appointed for the period from 12 July 2021 to 23 February 2023.

#### *Diversity of members of the Supervisory Board by gender*

31 Dec 2022	Men	Women	TOTAL
Number of members	7	1	8
<b>Share</b>	<b>88%</b>	<b>12%</b>	<b>100%</b>

#### *Diversity of members of the Supervisory Board by age*

31 Dec 2022	Under 30	30 to 50	Over 50	TOTAL
Number of members	0	2	6	8
<b>Share</b>	<b>0%</b>	<b>25%</b>	<b>75%</b>	<b>100%</b>

### **4.5.3 Audit Committee of the Supervisory Board**

In 2022, the Audit Committee of the Supervisory Board was composed of Andrej Koprivec as Chair, Božidar Godnjavec as Deputy Chair, Nevenka Črešnar Pergar as a member, Rok Parovel as a member, and Simon Kolenc as an external member.

### **4.5.4 Changes in the composition of the Supervisory Board HR Committee**

In 2022, the HR Committee of the Supervisory Board was composed of Franci Matoz as Chair, Nevenka Črešnar Pergar as a member, Božidar Godnjavec as an member, Mehrudin Vuković as a member, and Tamara Kozlovič as a member until 13 August 2022 as she submitted her resignation as a member of the Supervisory Board on 13 May 2022.

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

In 2022, the Business Operations Committee of the Supervisory Board was composed of Božidar Godnjavec as Chair, Nevenka Črešnar Pergar as Deputy Chair, and Mladen Jovičić as a member. Rado Antolovič was a member of the Committee until 27 April 2022 when he submitted his resignation as a member of the Supervisory Board, and Tamara Kozlovič was a member until 13 August 2022, since she submitted her resignation from the Supervisory Board on 13 May 2022. Tomaž Benčina, a newly elected member of the Supervisory Board who took up a four-year term of office as of 7 June 2022, was appointed a member of the Business Operations Committee at the General Meeting as of 23 August 2022.

### **4.5.6 Strategic Development Committee**

In 2022, the Strategic Development Committee was composed of Nevenka Črešnar Pergar as Chair, Andrej Koprivec as Deputy Chair, Rok Parovel as a member, Mladen Jovičić as a member, Rado Antolovič as a member until 27 April 2022, Tamara Kozlovič as a member until 13 August 2022, and as of 23 August 2022, Tomaž Benčina, the newly elected member of the Supervisory Board.

### **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 2022, which are an integral part of this Corporate Governance Statement.

#### 4.5.9 Supervisory Board's work<sup>7</sup>

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.

In 2022, the Supervisory Board was composed as described above, with Rado Antolovič having been a member of the Supervisory Board until 27 April 2022 when he submitted his resignation, and Tamara Kozlovič until 13 August 2022 as she submitted her resignation on 13 May 2022. Tomaž Benčina was appointed as a member of the Supervisory Board with effect from 7 June 2022 for a four-year term of office. Work, decisions, and viewpoints of the Supervisory Board and the Committees of the Supervisory Board are reported in detail in Chapter 3: Report of the Supervisory Board for 2022.

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 2022 stating that in the year 2022 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;
- 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 Jovičič 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>.

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 33. Related party transactions.

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7 GRI 2-15



#### 4.5.10 Supervisory Board committees

Four committees operate on a regular basis under the Supervisory Board:

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

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

In 2022, the HR Committee was composed of Franci Matoz as Chair, Nevenka Črešnar Pergar as a member, Božidar Godnjavec as an member, Mehrudin Vuković as a member, and Tamara Kozlovič as a member until 13 August 2022 as she submitted her resignation on 13 May 2022.

In 2022, the Audit Committee was composed of Andrej Koprivec as Chair, Božidar Godnjavec as Deputy Chair, Nevenka Črešnar Pergar as a member, Rok Parovel as a member, and Simon Kolenc as an external member.

In 2022, the Business Operations Committee was composed of Božidar Godnjavec as Chair, Nevenka Črešnar Pergar as Deputy Chair, Mladen Jovičić as a member, Rado Antolovič as a member until 27 April 2022, and Tamara Kozlovič as a member until 13 August 2022. Tomaž Benčina, a newly elected member of the Supervisory Board who took up a four-year term of office as of 7 June 2022, was a member of the committee as of 23 August 2022.

In 2022, the Strategic Development Committee was composed of Nevenka Črešnar Pergar as Chair, Andrej Koprivec as Deputy Chair, Rok Parovel as a member, Mladen Jovičić as a member, Rado Antolovič as a member until 27 April 2022, Tomaž Benčina, the newly elected member of the Supervisory Board, as of 23 August 2022, and Tamara Kozlovič as a member until 13 August 2022.

#### 4.5.11 Remuneration of the Supervisory Board<sup>8</sup>

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 shall be determined by the General Meeting of Shareholders. 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 33 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 2022, in 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.<sup>9</sup>

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.

8 GRI 2-19, 2-20

9 GRI 2-9, 2-10, 2-11, 405-1

#### 4.6.1 Composition of the Management Board

As at 31 December 2022, the Management Board of Luka Koper, d. d. consisted of:

- **Boštjan Napast**, President of the Management Board, appointed for a five-year term on 3 December 2021, took office on the day of his appointment,
- **Nevenka Kržan**, Member of the Management Board, appointed for a five-year term on 22 April 2022, took office on 1 July 2022,
- **Vojko Rotar**, Worker Director, appointed for a five-year term on 16 February 2018, took office on the day of his appointment.

#### 4.6.2 Presentation of members of the Management Board of Luka Koper, d. d. as at 31 December 2022<sup>10</sup> :

**Boštjan Napast**  
*President of the Management Board*



Boštjan Napast has a university degree in mechanical engineering. He began his career in 1995 in the company Projekta inženiring, d. o. o., in Ptuj as a designer of machine installations. As a leading designer, he continued his career in the Maribor-based company Menerga Energie-Technologie, d. o. o. In 1998, he joined Petrol, d. d., where he held various management positions. He was the director of Petrol's Maribor regional wholesale unit; in 2004, he took over the management of the petroleum products sales department; and from 2005 to 2009, he was in charge of energy, investment, technical development and quality as a member of Petrol's Management Board. After the expiration of his term of office, he worked for Petrol as a management consultant for two more years. In 2011, he took over the management of Geoplin, d. o. o., which he successfully transformed from a local to a regional company over a ten-year period.

He commenced his five-year term of office as President of the Management Board of Luka Koper, d. d. following the decision of the company's Supervisory Board of 3 December 2021.

10 GRI 2-15, 405-1

**Nevenka Kržan**  
*Member 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.

**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 where international trade flows are being transferred. 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. In the last 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 five-year term of office in Luka Koper, d. d. as Member of the Management Board - Worker Director on 16 February 2018, following the decision of the company's Supervisory Board.

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. Details of related party transactions are presented in the consolidated financial statements in Note 33. Related party transactions.

### *Diversity of members of the Management Board by gender*

31 Dec 2022	Men	Women	TOTAL
Number of members	2	1	3
<b>Share</b>	<b>67%</b>	<b>33%</b>	<b>100%</b>

### *Diversity of members of the Management Board by age*

31 Dec 2022	Under 30	30 to 50	Over 50	TOTAL
Number of members	0	1	2	3
<b>Share</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>	<b>100%</b>

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 2022, 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 Board<sup>11</sup>**

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. 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 33 Related party transactions, and in the table entitled Composition of the management board in the financial year 2022, 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 assessment<sup>12</sup>**

According to the remuneration policy for members of the Management Board and the applicable legislation, the variable component of the remuneration of members of the Management Board is capped at 30% or 3.6 times the annual base salary for the financial year. The Supervisory Board sets quantitative and qualitative criteria, with quantitative criteria having a weighting of 70% in relation to business performance and qualitative criteria having a weighting of 30%, i.e.:

- the achievement of corporate social responsibility objectives, the implementation of internal audit recommendations and risk management measures,

11 GRI 2-19, 2-20

12 GRI 2-18, 2-19



- the implementation of projects,
- injuries (accidents at work).

The assessments are independent and are carried out annually.

## 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 5 other companies. Luka Koper has business shares, i.e., is a shareholder in the subsidiaries of the Luka Koper Group, as well as in 12 other companies. Objectives in the field of financial investment management are defined in the Strategic Business Plan of the Company and the Group for the period 2020-2025. The Investment Management Strategy was adopted in 2018, under which financial investments are divided into two categories 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.

As the Investment Management Strategy has been adopted, 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 2022*

Company	Managing Director	Share of the controlling company in ownership (in %)
Luka Koper INPO, d. o. o.	Roberto Levanič	100.00
Adria Terminali, d. o. o.	Bojan Babič	100.00
Adria Investicije, d. o. o.	Boris Jerman	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.

The Internal Audit function operates as an independent unit of 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 fundamental charter, i.e., the Internal Audit Charter which is based on International Standards for the Professional Practice of Internal Auditing, the Code of Internal Audit Principles, and Code of Ethics for Internal Auditors.

In 2022, the internal audit carried out internal audit engagements and other activities based on the adopted annual plan of work. Thirteen internal audit engagements were planned and sixteen were carried out. In implementing the planned 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.

In addition to the internal audit engagements, post-audit activities were carried out on a monthly basis in 2022 to report on an ongoing basis on the activities carried out to better manage risks.

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.

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.

In 2022, all values of ratios for measuring the performance of internal audit were achieved as planned.

## 4.10 External audit

At the 33rd meeting of 26 August 2020, 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 2020, 2021 and 2022.

The costs of audit services performed for Luka Koper, d. d. and its subsidiaries are presented in the consolidated accounting report, Note 35: Transactions with the audit firm.

**Boštjan Napast**

*President of the Management Board*



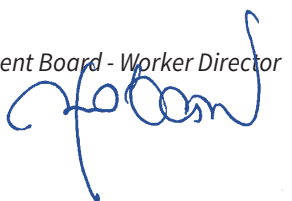
**Nevenka Kržan**

*Member of the Management Board*



**Vojko Rotar**

*Member of the Management Board - Worker Director*



## 4.11 Statement on external assessment of the corporate governance statement



### STATEMENT ON EXTERNAL ASSESSMENT OF THE CORPORATE GOVERNANCE STATEMENT

Slovenian Directors' Association declares to have carried out external assessment of the Corporate Governance Statement of Luka Koper, d. d., for the year 2022 in accordance with Article 5.6. of the Slovenian Corporate Governance Code for Listed Companies in the period from 9 March to 28 March 2023. An external audit is not considered to be an assurance service performed by accounting professionals with public authority (auditors) or accounting professionals without public authority (e.g., internal auditors). As an external independent reference institution that is not a provider of audit services to the Company and is not affiliated with it, we have reviewed all the components of the Corporate Governance Statement, their adequacy in relation to Article 70 (5) of the Companies Act and assessed whether they adequately described the management of the company as reflected in the relevant company documents. This review also included a review of the selection of reference codes and declarations of compliance with the reference codes that the Company pursues. An external audit report was drawn up with regard to the external assessment of the Corporate Governance Statement, which was forwarded to the Company's Management Board and the Supervisory Board for information.

*Slovenian Directors' Association declares that the Corporate Governance Statement in the Annual Report of Luka Koper d. d., for 2022 contains all the required legal components and that its content adequately describes the management of the Company as evidenced by the obtained Company documents.*

28 March 2023

Gorazd Podbevšek

Chairman

Slovenian Directors' Association

## 4.12 Appendix to the Corporate Governance Statement

### 3.1 Composition of the Management Board for the Financial Year 2022

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 unrelated companies
Boštjan Napast	Chair	03/12/2021	ongoing	Man	Slovenian	1971	Level of education 7	University Graduate in Mechanical Engineering	Member of the Supervisory Board in Plinovod d. o. o. and Unior, d. d. until 8 Dec 2022
Nevenka Kržan	Member	22/04/2022	ongoing	Woman	Slovenian	1962	Level of education 7	University Graduate in Economics	none
Robert Rožac	Member	16/11/2021	11/12/2022	Man	Slovenian	1965	Level of education 7	University Graduate in Architecture	none
Vojko Rotar	Member - Worker Director	16/02/2018	ongoing	Man	Slovenian	1976	Level of education 7	University Graduate in Economics	none

### 3.2: Composition of the Supervisory Board and Committees in the Financial Year 2022

Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at Supervisory Board meetings proportional to the total number of Supervisory Board 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
Franci Matoz	Chair	02/07/2021	06/02/2023	Representative of shareholders	12/12	Man	Slovenian	1963	Level of education 7	University Graduate in Law	Yes	No	Deputy Chair of the Supervisory Board of Slovenske železnice, d. o. o.
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR COMMITTEE			CHAIR	7/7								

Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at Supervisory Board meetings proportional to the total number of Supervisory Board 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
Nevenka Črešnar Pergar	Deputy Chair	02/07/2021	06/02/2023	Representative of shareholders	12/12	Woman	Slovenian	1962	Level of education 7	University Graduate in Law	Yes	No	no
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			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	7/7, 12/12, 8/8, 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 Supervisory Board meetings proportional to the total number of Supervisory Board 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
Andrej Koprivec	Member	02/07/2021	06/02/2023	Representative of shareholders	12/12	Man	Slovenian	1980	Level of education 7	University Graduate in Economics	Yes	No	no
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	AUDIT COMMITTEE, STRATEGIC DEVELOPMENT COMMITTEE			CHAIR / DEPUTY CHAIR	12/12,0/0								
Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at Supervisory Board meetings proportional to the total number of Supervisory Board 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
Božidar Godnjavec	Member	02/07/2021	06/02/2023	Representative of shareholders	12/12	Man	Slovenian	1972	Level of education 8	Master's Degree in Economics	Yes	No	Chair of the Supervisory Board of Elektro Ljubljana d. d. until 16 Dec 2022
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			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	7/7, 12/12, 8/8,								
Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at Supervisory Board meetings proportional to the total number of Supervisory Board 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
Tamara Kozlovič	Member	22/08/2019	13/08/2022	Representative of shareholders	5/5	Woman	Slovenian	1978	Level of education 8	Master's Degree in Business Policy and Organisation	Yes	No	no
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR COMMITTEE / BUSINESS OPERATIONS COMMITTEE / STRATEGIC DEVELOPMENT COMMITTEE			DEPUTY CHAIR / MEMBER / MEMBER	5/5,4/4,0/0								
Name and surname	Function (Chair, Deputy, SB Member)	First appointment to office	End of office / term of office	Representative of shareholders / employees	Attendance at Supervisory Board meetings proportional to the total number of Supervisory Board 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
Rado Antolovič	Member	07/10/2013	27/04/2022	Representative of shareholders	4/4	Man	Slovenian	1959	Level of education 9	Doctor of Economic Sciences	Yes	No	no
	Committee member (Audit, HR, Remuneration Committee, etc.)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	BUSINESS OPERATIONS COMMITTEE / STRATEGIC DEVELOPMENT COMMITTEE			MEMBER / MEMBER	3/3, 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 Supervisory Board meetings proportional to the total number of Supervisory Board 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
Tomaž Benčina	Member	07/06/2022	ongoing	Representative of shareholders	7/7	Man	Slovenian	1965	Level of education 7	B. Eng. in Metallurgical Technologies; University Graduate in Economics	Yes	No	Member of the Supervisory Board of Zavarovalnica Triglav d. d.
	Committee member (Audit, HR, Remuneration Committee, etc.)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	BUSINESS OPERATIONS COMMITTEE / STRATEGIC DEVELOPMENT COMMITTEE			MEMBER / MEMBER	4/4, 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 Supervisory Board meetings proportional to the total number of Supervisory Board 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
Mladen Jovičič	Member	8.4.2009	ongoing	Representative of employees	12/12	Man	Slovenian	1969	Level of education 5	Electrical technician	Yes	No	no
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	BUSINESS OPERATIONS COMMITTEE / STRATEGIC DEVELOPMENT COMMITTEE			MEMBER / MEMBER	8/8, 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 Supervisory Board meetings proportional to the total number of Supervisory Board 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
Rok Parovel	Member	12.9.2016	ongoing	Representative of employees	12/12	Man	Slovenian	1987	Level of education 6	Graduate in Economics	Yes	No	Municipality of Koper / Member of the Supervisory Committee until
	Committee member (Audit, HR, Business Operations Committee, Strategic Development Committee)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	AUDIT COMMITTEE / STRATEGIC DEVELOPMENT COMMITTEE			MEMBER / MEMBER	12/12, 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 Supervisory Board meetings proportional to the total number of Supervisory Board 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
Mehrudin Vuković	Member	19.1.2020	ongoing	Representative of employees	11/12	Man	Slovenian	1972	Level 6/1	Logistics Engineer	Yes	No	No
	Committee member (Audit, HR, Remuneration Committee, etc.)			Chair / Member	Attendance at committee meetings proportional to the total number of committee meetings								
	HR COMMITTEE			MEMBER	4/5								

Zunanji član v komisijah (revizijska, kadrovska, komisija za prejemke,...)													
Ime in priimek	KOMISIJA			Udeležba na sejah komisij glede na skupno število sej komisij		Spol	Državljanstvo	Izobrazba	Letnica rojstva	Strokovni profil		Članstvo v organih nadzora z družbo nepovezanih družb	
Simon Kolenc	revizijska komisija			11/12		moški	slovensko	VII. stopnja	1977	Univerzitetni diplomirani ekonomist		ne	

#### 4.1 Composition and Amount of Remuneration\* of Management Board Members in the Financial Year 2022

(in EUR)

Name and surname	Function (Chair, Member)	Fixed income - gross (1)	Variable income - gross			Deferred 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)					
Dimitrij Zadel	President of the Management Board from 29 Dec 2017 to 15 Nov 2021	0,00	25.017,63	5.837,45	30.855,08	0,00	0,00	0,00	0,00	30.855,08
Metod Podkrižnik	Member of the Management Board from 29 Dec 2017 to 15 Nov 2021	0,00	22.506,46	5.251,51	27.757,97	0,00	0,00	0,00	0,00	27.757,97
Irma Gubanec	Member of the Management Board from 29 Dec 2017 to 15 Nov 2021	0,00	22.081,63	5.152,38	27.234,01	0,00	0,00	0,00	0,00	27.234,01
Vojko Rotar	Member of the Management Board - Worker Director since 16 Feb 2018	165.139,68	17.855,65	9.759,80	27.615,45	29.654,17	0,00	2.652,68	0,00	225.061,98
Robert Rožac	Member of the Management Board from 16 Nov 2021 to 31 Dec 2022	163.293,62	1.611,76	376,08	1.987,84	0,00	0,00	5.053,14	0,00	170.334,60
Boštjan Napast	President of the Management Board since 3 Dec 2021	182.957,95	0,00	0,00	0,00	0,00	0,00	314,98	0,00	183.272,93
Nevenka Kržan	Member of the Management Board since 1 Jul 2022	69.991,84	0,00	0,00	0,00	0,00	0,00	131,14	0,00	70.122,98

\*\* 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 on 18 July 2021 or at the end of the term, if the latter lasted more than two years

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

#### 4.2 Composition and Amount of Remuneration\* of Members of the Supervisory Board and its Committees in the Financial Year 2022

(in EUR)

Name and surname	"Function (Chair, Deputy, Member, External Member of the Committee)"	Performance fee and allowances - gross annual (1)				Supervisory Board and Committee attendance fees - gross annually (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 since 2 Jul 2021	15.000,00	12.656,28	0,00	27.656,28	5.225,00	32.881,28	51,36
Nevenka Črešnar Pergar	Deputy Chair since 2 July 2021	15.000,00	9.000,00	0,00	24.000,00	9.757,00	33.757,00	1.058,13
Andrej Koprivec	Member since 2 Jul 2021	15.000,00	7.500,00	0,00	22.500,00	6.017,00	28.517,00	883,23
Božidar Godnjavec	Member since 2 Jul 2021	15.000,00	7.500,00	0,00	22.500,00	9.757,00	32.257,00	1.217,89
Rado Antolovič	Member from 10 Oct 2013 to 27 Apr 2022	6.083,33	3.041,67	0,00	9.125,00	2.695,00	11.820,00	0,00
Tamara Kozlovič	Member from 22 Aug 2019 to 12 Aug 2022	10.483,87	5.241,94	0,00	15.725,81	4.730,00	20.455,81	0,00
Tomaž Benčina	Member since 7 Jun 2022	7.000,00	2.036,29	0,00	9.036,29	2.475,00	11.511,29	637,53
Mladen Jovičič	Member since 8 Apr 2009	15.000,00	7.500,00	0,00	22.500,00	5.445,00	27.945,00	0,00
Mehrudin Vuković	Member since 19 Jan 2020	15.000,00	3.750,00	0,00	18.750,00	4.730,00	23.480,00	0,00
Rok Parovel	Member since 12 Sep 2016	15.000,00	7.500,00	0,00	22.500,00	6.017,00	28.517,00	0,00
Simon Kolenc	External Member since 12 Jul 2021		6.600,00	0,00	6.600,00	2.332,00	8.932,00	151,79

\* gross amount

## 5 Survey of relevant events, novelties and achievements in 2022

### JANUARY

- Luka Koper, as the investor, started preparatory work for the development of a new external truck terminal, which will be located next to the Sermin cargo entrance and will cover an area of 5.2 hectares.
- On 21 January 2022, Luka Koper, d. d. concluded a long-term loan agreement in the amount of EUR 60 million with a banking syndicate consisting of Nova Ljubljanska banka, d. d., and Banka Intesa Sanpaolo, d. d. The purpose of the loan is to finance the company's investment activities. It was granted at a fixed interest rate with quarterly repayment instalments, which the company will repay from mid-2023 to the end of 2031.

### FEBRUARY

- The Russian-Ukrainian conflict began. In analysing the consequences for their operations, the Luka Koper Group finds that its direct exposure to Russia and Ukraine is relatively small, as the volume of transshipment through the Port of Koper, which is intended for the Ukrainian and Russian markets, is negligible. The Luka Koper Group has no direct financial exposure linked to Russia, Ukraine and Belarus, but it can expect indirect effects on its investment portfolio due to developments in the financial markets.

### MARCH

- Luka Koper started the construction of a new 2,800 m<sup>2</sup> multi-purpose warehouse on Pier II. It will be used for storing heavy bulky materials, mainly rolled sheet in coils.
- At the end of March 2022, the Government of the Republic of Slovenia extended the port's concession area to the so-called 6A and 7A cassette plots in the hinterland of Basin III. This increased the concession area by 11.6 ha to a total area of 353 ha. The area will be developed in the future into warehousing space, mainly for the car segment.
- The Luka Koper container terminal set a new monthly record for container throughput (TEU) in March 2022.

## APRIL

- On 22 April 2022, the Supervisory Board of Luka Koper, d. d. appointed Nevenka Kržan as a member of the Management Board with a five-year term of office starting on 1 July 2022.
- At its meeting on 22 April 2022, the Supervisory Board also discussed and adopted several important resolutions relating to the expansion and construction of additional transshipment and storage capacities. The most important ones refer to investments in the container terminal area, which represent a new development cycle for this most important strategic commodity group. It approved a project study which foresees investments of EUR 248 million to increase the capacity of the container terminal to 1.75 million TEU/year by 2030.
- On 25 April 2022, Luka Koper, d. d., concluded a long-term credit agreement of EUR 36.1 million with a banking syndicate consisting of Nova Ljubljanska banka, d. d. and Banka Intesa Sanpaolo, d. d. The loan is intended to refinance part of the existing long-term loans, thereby reducing the interest margin and extending the final repayment period. It is based on a variable interest rate with quarterly repayment instalments and has a final repayment date in April 2032.
- On 27 April 2022, the Company received a letter of resignation from Rado Antolovič, a member of the Supervisory Board, who resigned as a member of the Supervisory Board of Luka Koper, d. d. with effect from that date.
- The first of two new container cranes arrived in the port. The two cranes are of the super post-panamax type and are identical in dimensions and technical characteristics to the two existing cranes purchased in 2017.

## MAY

- The second new super post-panamax container crane arrived in the port.
- On 13 May 2022, the Company received a letter of resignation from Tamara Kozlovič, a member of the Supervisory Board, with a three months' notice, starting on 13 May 2022 and lasting until the date of appointment of a new (replacement) member of the Supervisory Board or until the expiration of three months from the date of resignation.
- By obtaining a use permit for the final section of the newly built extension of Pier I, the Port of Koper had completed one of the largest single investments in recent decades.

## JUNE

- On 6 June 2022, the 35th General Meeting of Shareholders of Luka Koper, d. d. At the General Meeting, the shareholders:
  - Voted in favour of the resolution that part of the distributable profit of EUR 15,960,000.00 shall be allocated to the payment of dividends with a gross value of EUR 1.14 per ordinary share, while the remainder of the distributable profit of EUR 13,632,319.96 shall remain undistributed,
  - Approved the report on the remuneration of the members of the Company's management and supervisory bodies in 2021,
  - Granted discharge for the year 2021 to the Management Board and the Supervisory Board,
  - Took note of the resignation of Rado Antolovič, member of the Supervisory Board,
  - Elected Tomaž Benčina as a member of the Supervisory Board of Luka Koper, d.d. for a term of four years,
  - Took note of the written report on the legal proceedings against the former members of the Management Board and Supervisory Board.

## SEPTEMBER

- At the end of September, the Company published a summary of the rebalancing of the business plan for 2022. The rebalancing of the business plan for 2022 of the Port of Koper was motivated by the excellent business results achieved by the Company in the period January-August 2022, by the tight economic situation due to the current situation in Ukraine and by the developments in the energy markets, reflected in the increase in energy prices and high inflation.

## OCTOBER

- A contract was signed with the contractor for the landscaping of the area in the 5a cassette at the back of Basin III. Suitable for storing an additional 3,500 vehicles, the new area is expected to be completed by the end of October 2023. Luka Koper d. d. will invest EUR 5.1 million in the construction and layout of the new warehouse.
- The new enclosed multi-purpose general cargo warehouse, located on Pier II, was put into operation.
- Three eRTG cranes for the needs of the container terminal arrived in the port at the beginning of October.

## NOVEMBER

- On 11 November 2022, the Supervisory Board of Luka Koper, d. d. recalled Robert Rožac from the position of Member of the Management Board and concluded an agreement on termination of the employment contract with him. The areas of work of the recalled member were taken over by the other members of the Management Board of the Company.

## DECEMBER

- In December, Luka Koper surpassed two important milestones in cargo throughput. For the first time in the history of the port, throughput exceeded one million container units (TEU) and 800 thousand cars in one year. The company also achieved records in other commodity groups or segments.
- On 14 December 2022, the District Court of Koper removed Luka Koper Pristan, gostinstvo, d. o. o., Koper from the Court Register due to the completion of the liquidation procedure.
- On 15 December 2022, the Supervisory Board of Luka Koper, d. d., on the proposal of the Works Council, reappointed Vojko Rotar as a member of the Management Board - Worker Director of the Company. Vojko Rotar's new term of office as Member of the Management Board - Worker Director commenced on 16 February 2023.

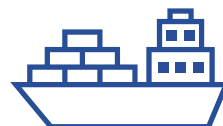


## 6 Relevant events after the end of the financial year

### FEBRUARY 2023

- 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.

## 7 Presentation of the Luka Koper Group and a description of the business model<sup>13</sup>



*With its activity, the port of Koper affects the appearance of Koper, as well as the development of the region, Slovenian economy, and logistics in this part of Europe. Set in an integrated marine and coastal area, it accommodates port operations related to cargo and passenger transport.*

The main activity of the port is to provide transshipment and warehousing services for all types of goods, which are complemented by a series of additional services on goods and a series of supplementary services. The company's goal is to provide its customers with comprehensive logistics support. The company also manages the economic zone and ensures the development and maintenance of port infrastructure. Its goals are ambitious and are largely being achieved. By pursuing the port's development objectives, Luka Koper is strengthening its competitive advantage. There were no changes in implementing port activities in 2022.

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

The operations in 2022 and the impact of the war in Ukraine are reported in individual chapters further on in this document.

In addition to the controlling company Luka Koper, d. d., the Luka Koper Group also includes subsidiaries and associates. On 14 December 2022, the subsidiary Luka Koper Pristan, d. o. o. was removed from the court register due to the completion of the liquidation procedure. 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.

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## 7.1 Company profile of Luka Koper, d. d. as at 28 March 2023<sup>14</sup>

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

## 7.2 Organisation of the Luka Koper Group and associates<sup>15</sup>

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

### The Luka Koper Group as at 31 December 2022

- Controlling company Luka Koper, d. d.
- Subsidiaries
  - Luka Koper INPO, d. o. o., 100%
  - Adria Terminali, d. o. o., 100%
  - Logis-Nova, d. o. o., 100%
  - Adria Investicije, 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%
- Adriaфин, d. o. o., 50%
- Avtoservis, d. o. o., 49%

The sustainability report includes 6 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 Section 28.1 Bases for the preparation of financial statements.

## 7.3 Inclusion into consolidated financial statements<sup>16</sup>

The consolidated financial statements of the Luka Koper Group for the year ended 31 December 2022 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%
- Adriaфин, d. o. o., 50%
- Avtoservis, d. o. o., 49%

Companies excluded from the consolidated financial statements as at 31 December 2022:

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

15 GRI 2-2

16 GRI 2-2

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 Membership and initiatives<sup>17</sup>

**Luka Koper, d. d. is a member 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,
- Association 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,
- 6G Smart Networks and Services Industry Association (6G-IA),
- ZRSZV – Slovenian Chamber for Private Security,
- ICS – Institute of Corporate Security Studies,
- IGP – Institute of Commercial Law,
- 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,
- Slovenian Workers Council Association
- ŠCID – Study Centre for Industrial Democracy,
- ZPFS – Slovenian Corporate Treasurers Association,
- Bilans Tax Counselling,
- AmCham – American Chamber of Commerce,
- AXMARINE,
- Slovenian-Japanese Business Council,
- Slovenian Business Club Belgrade,
- Slovenian Maintenance Society,
- Magyar Szállítványozók Szövetsége (MSZSZ) – Hungarian Freight Forwarders Association,
- Svaz spedice a logistiky Česka – Forwarding and Logistics Association, Czech Republic,
- Association of Citizens and Businesses, Slovakia,
- 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 Disabled People of Slovenia,
- EBA (European Boatmen's Association),
- IBLA (International Boatmen's Linesmen's Association),
- Fire Fighting Association of Slovenia,
- Slovenian Maintenance Society,
- Slovenian Chamber of Engineers,
- Workers Council Association.

## 7.5 Activities of the Luka Koper Group<sup>18</sup>

Luka Koper as the only Slovenian multipurpose port is set in an integrated marine and coastal area, which accommodates port operations related to cargo and passenger transport services.

The port's core business comprises transshipment and storage services for all kinds of goods. 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.

### 7.5.1 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% 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.

### 7.5.2 Port and logistics operations

The core port business of throughput and warehousing is carried out at twelve specialised port terminals. The terminals 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. They are described in detail on the website [Services & terminals – Luka Koper d. d. \(luka-kp.si\)](https://www.luka-kp.si). The main port activity is carried out at one location, i.e., in the port area.

The concession area consists of 300 ha of land, with 63.1 ha of warehouses and 111.7 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.

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18 GRI 2-6, 413-1

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.

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.

### **7.5.3 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 in container traffic. The terminal is well-connected to the railway and road infrastructure.

### **7.5.4 Other activities**

In addition to the core port activities, the Group's operations are rounded off by 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 property 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.

In May 2021, Luka Koper, d. d., made a decision to start the orderly liquidation procedure of the subsidiary Luka Koper Pristan, d. o. o. Orderly liquidation was initiated on 15 September 2021. On 14 December 2022, the District Court of Koper removed Luka Koper Pristan, gostinstvo, d. o. o., Koper from the Court Register due to the completion of the liquidation procedure.

## 8 Business development strategy

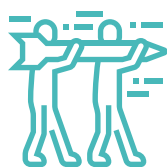
### MISSION

*To provide efficient and reliable first-class services for our partners while meeting the highest standards of sustainable development and using innovative approaches.*

### VISION

*Luka Koper is a leading port and logistics system, and a global logistics solutions provider for the countries of Central and Eastern Europe.*

### VALUES



**COOPERATION**



**RESPONSIBILITY**



**RESPECT**



**LOYALTY**



**CREATIVITY**

### 8.1 Strategic objectives

In 2022, Luka Koper continued to implement the activities aimed at achieving the objectives set out in the 2020-2025 Strategic Business Plan, which, in addition to increasing business revenues and total transshipment, are also aimed at increasing the port's capacity and throughput, digital transformation, human resource development and sustainable development, and raising levels of social responsibility. The strategic activities that the company will implement to achieve these objectives are focused on expanding capacity in strategic commodity groups, digitising key processes, increasing port throughput and developing the entire logistics chain.

As part of the intense infrastructure development, the project to extend Pier I with storage and handling areas in the southern part was completed in 2022, and the development of cassette 5A and the construction of a new state-of-the-art truck terminal are scheduled to be completed in 2023. Most of these investments are co-financed by European funds.

The 2021-2025 Port Development Programme, which outlines the spatial and infrastructural development of the port at conceptual level and the dynamics of the implementation of the planned infrastructural developments, provides for a further increase in the capacity of the Koper cargo port by increasing the number of berths and the volume of storage space, as well as by further developing the road and rail infrastructure in the port.

In the context of increasing the level of social responsibility, a tripartite agreement was signed between the Municipality of Ankaran, the Ministry of Infrastructure and Luka Koper, d. d., on the regulation of mutual relations in the project for the development of the Ankaran peripheral canal and Železniška cesta. The agreement allows for the regulation of the Ankaran peripheral canal, which will improve the flood safety of the area, which at the same time is a condition to start the expansion of the port to the area of the so-called Ankaran Bonifika.

Luka Koper will continue to invest heavily in increasing the port's capacity. By increasing the number of berths, storage areas, road and railway infrastructure in the port and its hinterland, and by means of digital transformation

projects, Luka Koper will await the renovated twin track line ready, while ensuring the highest standards of sustainable development.

The strategy is also being implemented in the technology area, where the company has used the co-financing to test 5G technology in the logistics industry vertical, laying the groundwork for further technological development of work processes.

The possibility of relocating marine sludge, which is created while dredging and deepening basins in the port, as well as navigation channels in the Slovenian sea, has been included in the national Maritime Spatial Plan (MSP). The company is obtaining the necessary permits for the test movement of marine sludge using new technologies.

After the pandemic subsided in 2022, the company, through a careful commercial approach, exploiting synergies in the logistics chain and efficient service delivery, achieved record container and car throughput, thus maintaining its primacy among ports in the northern Adriatic and the Mediterranean.

In its strategic business plan, the company has outlined the development of the port until 2030. Luka Koper will significantly expand the container terminal to a capacity of approximately 1.75 million container units (TEU) per year and develop the port infrastructure into a modern and digitally developed port system that will ensure long-term and stable growth.

The development of the port of Koper relies on the construction of a second railway track between Divača and Koper, which, according to the company 2TDK (concession-holder for construction and management of the second Divača–Koper railway track), will be operational in 2027. In the period leading up to the construction of the second track, the company and its stakeholders will be increasing the capacity of the existing railway line through organisational measures, infrastructural adjustments and information technology measures.

*The company has set itself the following objectives until 2025:*

Target	Target value in 2025
<b>Net sales</b>	EUR 279.4 million
<b>Total throughput</b>	23.2 million tons
<b>Container throughput</b>	1.227 million TEU
<b>Car throughput</b>	0.886 million units
<b>Return on equity (ROE)</b>	8.1%
<b>Earnings before interest and taxes (EBIT)</b>	EUR 47.8 million
<b>EBITDA margin</b>	32.1%
<b>Added value per employee</b>	EUR 93,353
<b>Container terminal operability</b>	700 m of quayside: southern part and inland of the northern part of Pier I
<b>Car terminal operability</b>	2a parking garage, parking spaces inland of Basin III (5A, 6A, 7A), 3 new berths
<b>Timber terminal operability</b>	Unified and organised inland of Pier II (berth, storage facilities, tracks)
<b>General cargo operability</b>	New automated storage facility, increase by 166 m of quayside and 10,800 m <sup>2</sup> of storage areas
<b>Number of berths</b>	32 berths
<b>Operational coast</b>	3.2 km of built-up coastline
<b>Investments</b>	2020-2025: EUR 576.5 million, of which EUR 213.5 million for port infrastructure for public transport

## 8.2 Stability and business performance<sup>19</sup>



The following topics were identified and assessed in terms of their impact on stakeholders:

- Indirectly created and distributed economic value (score 3): actual positive impact,
- Directly distributed economic value (purchase of materials and services from suppliers, staff remuneration, payment of duties, taxes, dividend payments, etc.) (score 3): actual positive impact,
- Quality of service delivery (score 3): actual positive impact,
- Constraints on the expansion of the port area (score 3): potential negative impact,
- Socially responsible activities (score 2): actual positive impact.

The potential negative impact of future port expansion is recognised. Measures to manage this impact are recognised under the Risk and Opportunity Management System.

These topics are identified in the organisation's policies, defined in internal quality management system documents and already recorded in the report under managerial approaches.

Measures to manage impacts are taken and monitored by the Company within the framework 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, complaint mechanisms, complaints, etc.

Being a socially responsible company, Luka Koper, d. d creates the conditions and the environment to ensure the satisfaction of its customers, 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 introducing measures that will not only meet legal requirements, but also reduce adverse effects with the best available technology.

To achieve its goals, it also requires suitable infrastructure, which is ensured with corresponding investments and maintenance. 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 ambitious 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, planning conferences, 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

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GRI 3-3

forms of control, measures will be taken at the system level in accordance with the regulation on the implementation of improvement measures.

The Port of Koper was among the first European ports to organise its entire operations in accordance with international quality standards. This resulted from the decision to take a systematic approach to increasing added value and customer satisfaction. Controlled systems are presented on the company's website [Quality – Luka Koper, d. d. \(luka-kp.si/en\)](https://luka-kp.si/en). In 2022, the unified management system of Luka Koper was again verified and certified by a professional and independent institution.

With its numerous direct and indirect effects, port operations<sup>20</sup> play an extremely important role in the competitiveness of the wider economic area, creating added value in port activity and support port activities. 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. The Port of Koper 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. The municipalities also receive a part of the concession fee that the company pays to the grantor, i.e., the state. Luka Koper regularly pays salaries to employees, corporate tax, taxes and contributions from employee benefits, purchases to suppliers, dividends to owners. Since 2019, Luka Koper has been paying a transshipment fee to the state for the construction of the second track. The company demonstrates its sustainable orientation through the adopted strategic directions of development in the environmental field and the adopted policy of a safe and healthy port environment and energy efficiency.

The stakeholders are informed about the actions through annual reports, participation in the actions themselves (surveys), articles in the organisation's internal newsletter, complaint handling, meetings, etc.

### 8.3 Indirect impacts of operations of Luka Koper<sup>21</sup>



Port operations have a major impact on the competitiveness of the wider economic area, making an important contribution to the creation of jobs and provision of services and goods in the regional and national economy. Luka Koper 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, 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 Port of Koper 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. The municipalities also receive a part of the concession fee that the company pays to the grantor, i.e. the state. The passenger transport of the Port of Koper is also conducive to the development of the city, the region and tourism.

In 2020, the Port of Koper 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.

<sup>20</sup> Source: Study on the impact of port activity on the Slovenian economy from 2009 to 2018.

<sup>21</sup> GRI 203-2, 413-1



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



## 9 Economic environment and market position

### 9.1 Analysis of the wider and sectoral environment

Maritime commodity flows are the most important segment of international trade; most goods are transported by sea. Ports are points of contact between land and sea transport and thus an important link in global supply chains.

Stratfor Worldview<sup>22</sup> Forecasts by 2030 envision a disordered world with multiple centres of power on all continents. They predict the biggest changes in the areas of political alliances, declining economic globalisation or protectionism in international trade, security issues, the reshaping of global norms by technological influences, climate change and population growth. Relations between the EU, USA, China, and Russia will be extremely important. In the Far East, China's economic growth is expected to slow down and India's economy to grow. Most brands will move their low-cost production from China to countries on the periphery of the Indian Ocean, which will see high economic growth around 2025, as was happening in China years ago.

### 9.2 Characteristics of the economic environment in 2022

In 2022, the world economy faced a number of challenges: the continuation of the COVID-19 pandemic, Russia's invasion of Ukraine, the change in global commodity flows of cereals, fertilisers and energy products due to international sanctions against Russia. Inflation weighed heavily on the international economy and households, and tightened monetary policy and financial conditions.

The container logistics market continued to be disrupted in the first half of 2022 due to the impact of the COVID-19 pandemic, reflected in irregular and delayed ship arrivals, high shipping rates due to a lack of shipping space, shortages of labour and storage capacity at transshipment terminals, and difficulties for rail carriers. Towards the end of the year, sea container freight rates fell dramatically, indicating a marked drop in demand due to the general 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.

In 2022, the demand for sea freight of new vehicles increased sharply. The shortage of microchips and other components in 2021 led to a backlog of orders in the automotive industry, which manufacturers then accelerated in 2022 as the component supply situation improved. Some of Europe's most important vehicle transshipment ports experienced significant problems and delays due to a lack of manpower and storage capacity, and cargo was diverted to other ports, including Koper. The lack of space on board vehicle carriers resulted in a significant increase in fares. At the end of the year, lower fares in the container shipping market led to an increase in demand for the transport of vehicles in containers.

The shortage of energy products in Europe as a result of the European Union's sanctions against Russia and the consequent interruption of supplies from the latter increased the demand for coal and gas supplies from overseas. The high gas prices in Europe caused many fertiliser factories to halt production, so these goods also had to be brought in by ship. Cargo to and from Ukraine was diverted to other ports, including Adriatic ports, because of the war. There was a great demand for the transport and transshipment of cereals from Ukraine.

#### 9.2.1 Market position<sup>23</sup>

Due to its favourable strategic location, wide range of transshipment services, good overseas and hinterland connections, and good cooperation with the port community, Luka Koper is increasing its global visibility from year to year. It performs its core port operations of throughput and warehousing for its hinterland. The most important hinterland markets of the Port of Koper are Central and South-Eastern European countries without access to the sea and own ports. The most important hinterland market for the port of Koper is Austria; cargo from this market is being

<sup>22</sup> Source: <https://worldview.stratfor.com/article/stratfor-decade-forecast-2020-2030-risk-opportunity>.  
<sup>23</sup> GRI 2-6

transhipped at all Luka Koper terminals. The second most important hinterland market is Hungary, where containers predominate, whereas cars, general cargo and dry bulk cargoes are also important. The remaining major hinterland markets are Slovakia, the Czech Republic and Poland, which are especially important for transshipment of vehicles, general cargo and containers. In these three markets, the port of Koper still has great potential to increase its market share. Germany is of great interest to Luka Koper as it still has a lot of potential for container and vehicle handling. Luka Koper also offers its services to overseas markets, where the port is promoted as the ideal entry and exit point for the mentioned hinterland markets. Last but not least, Slovenia is also noteworthy: as the domestic market, it reaches between 25 and 30 percent of the total throughput of the port of Koper. There were no major changes in the markets of Luka Koper in 2022.

Despite the challenging conditions container logistics, which were also felt at the container terminal of Luka Koper, many challenges due to disruptions in global supply chains and the increasingly fierce competition from neighbouring ports, the Port of Koper managed to maintain its position as the leading container terminal in the Adriatic, maintain high market shares in key hinterland markets, increase its throughput by 2% and surpass the figure of one million containers handled.

Record volume was also achieved in vehicle throughput. With more than 800 thousand units handled, the Port of Koper 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.

The extensive renovation and improvement of some of the worn and unsuitable sections of the Slovenian railway network in terms of safety and increased traffic led to occasional and permanent traffic closures, causing severe disruption to rail freight traffic, including to and from the port of Koper. Train delays or extended journey times, low speeds, train cancellations and the lack of routes for new trains had a significant impact on the transshipment of all commodity groups at the Port of Koper, which could have been significantly higher under normal conditions without such constraints.

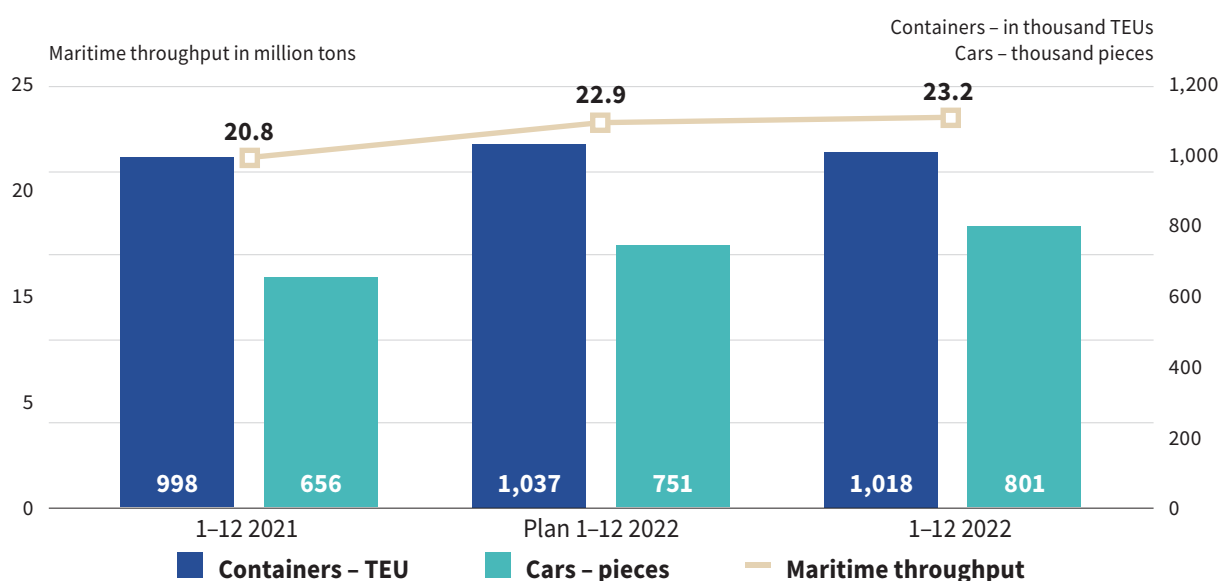
In the record year 2022, Luka Koper achieved its highest ever transshipment in liquid cargo, bulk cargo and general cargo commodity groups. With the resumption of consumption and the release of commercial air transport after the COVID-19 pandemic, diesel and aviation fuel throughput increased significantly. Increased transshipment was also recorded for dry bulk and bulk cargoes; the energy crisis in Europe led to a sharp increase in demand for coal transshipment. There was also an increase in the transshipment of fertilisers from overseas as a result of reduced production of fertilisers in the hinterland markets. The transshipment of industrial salt also increased, while the transshipment of soy bean pomace remained at the level of previous years.

## 10 Performance of the Luka Koper Group in 2022

Despite the difficult economic conditions on the global markets in 2022, which were mainly due to the war in Ukraine and partly also due to the past pandemic, the Luka Koper Group achieved record results in 2022. Maritime throughput exceeded that of 2021, and both the container and car terminals achieved new annual throughput records. In 2022, all financial indicators also exceeded those of the previous year.

### 10.1 Maritime throughput

#### Maritime throughput



Total maritime throughput reached 23.2 million tons of goods and exceeded the planned 2022 volumes in by 378 thousand tons, or by 2 percent, and the 2021 throughput by 2.4 million tons, or by 12 percent. Transshipment was higher than planned in all commodity groups, with the exception of general cargo and containers, whereas compared to 2021, growth in transshipment was recorded in all commodity groups.

#### Throughput in metric tons per cargo group in 2022 compared to the 2022 plan and 2021

Cargo groups (in metric tons)	2021	Plan 2022	2022	Index 2022/Plan 2022	Index 2022/2021
General cargoes	1,126,786	1,345,351	1,311,121	97	116
Containers	9,703,415	9,892,375	9,659,007	98	100
Cars	1,094,326	1,312,563	1,394,106	106	127
Liquid cargoes	3,331,065	4,278,620	4,644,337	109	139
Dry bulk and bulk cargoes	5,565,585	6,041,421	6,239,783	103	112
<b>TOTAL</b>	<b>20,821,177</b>	<b>22,870,331</b>	<b>23,248,355</b>	<b>102</b>	<b>112</b>

In the **general cargo** commodity group, 1.3 million tons of goods were handled in 2022, 3% below plan and 16% more than in 2021. Rising container freight rates and a shortage of available equipment and shipping space resulted in a decline in container loading and unloading and a shift of commodity flows to shipping. There was an increase in the handling of steel products, driven by production in the automotive, white goods and building materials industries, and in the handling of rubber and project/special cargoes.

In the **liquid cargo** commodity group, 4.6 million tons of goods were handled in 2022, 9% above plan and 39% above the 2021 level. The transshipment of diesel and aviation fuel increased mainly due to the resumed consumption and the release of commercial air transport.

In the **dry bulk and bulk cargoes** commodity group, 6.2 million tons of goods were handled in 2022, 3% above plan and 12% more than in 2021. The increased demand and handling of coal are the result of the energy crisis in the European Union. Soy bean, industrial salt and fertilisers have seen higher transshipment due to reduced domestic production and associated higher imports.

### *Throughput of containers (TEU) and cars (pieces) in 2022 compared to the 2022 plan and 2021*

Cargo groups	2021	Plan 2022	2022	Index 2022/Plan 2022	Index 2022/2021
Containers – TEU	997,566	1,036,898	1,017,788	98	102
Cars – pieces	656,477	751,457	801,036	107	122

At the end of 2022, a new annual historical record for container handling was achieved at the **container terminal** with 1,017,788 TEUs handled, while at the same time surpassing the historical mark of one million TEUs handled in a single year. Container handling was slightly lower than planned and by 2 percent higher than in 2021.

Container throughput in 2022 was significantly affected by the recovery of the world economy, which continued from the second half of 2021. Container flows were also significantly affected by the outbreak of war in Ukraine, which further shook the world economy. These factors led to further disruptions in transport chains, most notably in terms of ship delays on almost all transport routes. This caused considerable problems both at individual container terminals and in other parts of the transport chain. The container terminal experienced ship delays throughout 2022 and arrivals outside the agreed “time windows”, which put additional strain on its occupancy. Despite this, the container terminal, being an increasingly important entry point for cargo from Asia, especially for the emerging economies of Central Europe, managed to increase container throughput, in contrast to some ports in Northern Europe.

The **car terminal** also achieved a new annual transshipment record in 2022, with 801,036 vehicles handled, which is 7% above plan and 22% more than in 2021. The increase was mainly in the high-end and electric car segments. This achievement is particularly significant in the light of the uncertain situation in the automotive market, which continues to face intermittent supply chain disruptions, congested transport and storage capacities and the impact of the unpredictable war situation in Ukraine.

Recovery of the **cruise industry** was gradual after the complete cessation of activities in 2020. In 2022, the cruise terminal thus recorded 65 cruise ship arrivals with a total of 72,753 passengers. The results achieved are far from being comparable to the traffic of the pre-epidemic period, but based on forecasts and announcements by shipowners, this could possibly be achieved again as early as 2023.

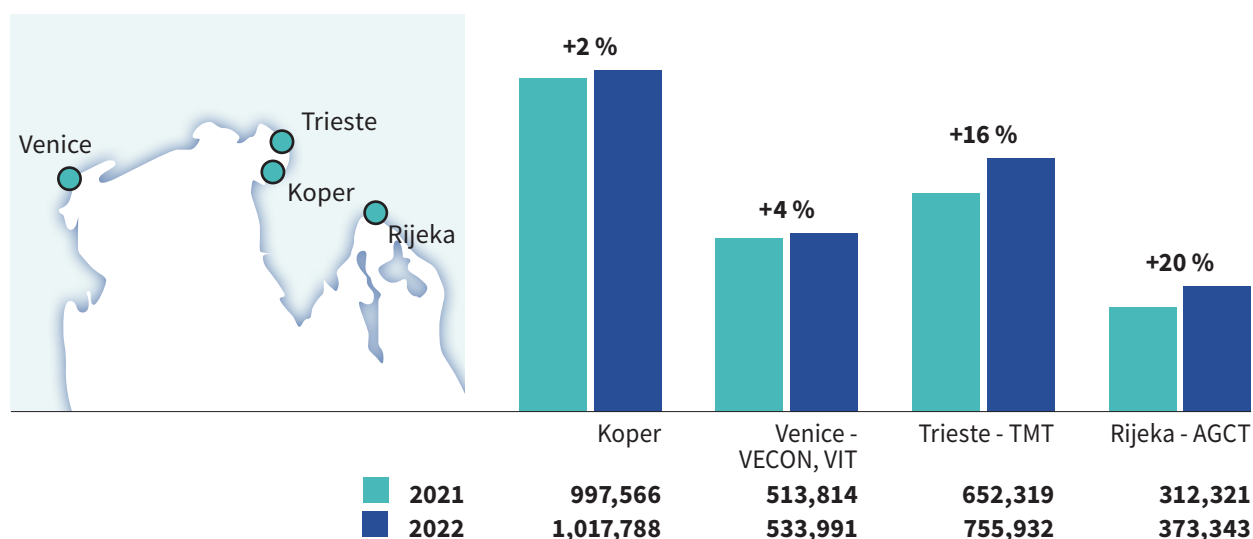
Containers dominate the total throughput structure, yet their share decreased by 5 percentage points from 2021. Liquid cargoes increased by 4 percentage points, while the share of the car commodity group increased by 1 percentage point. The shares of dry bulk and bulk cargoes and general cargo remained unchanged.

### 10.1.1 Comparative analysis with the competition

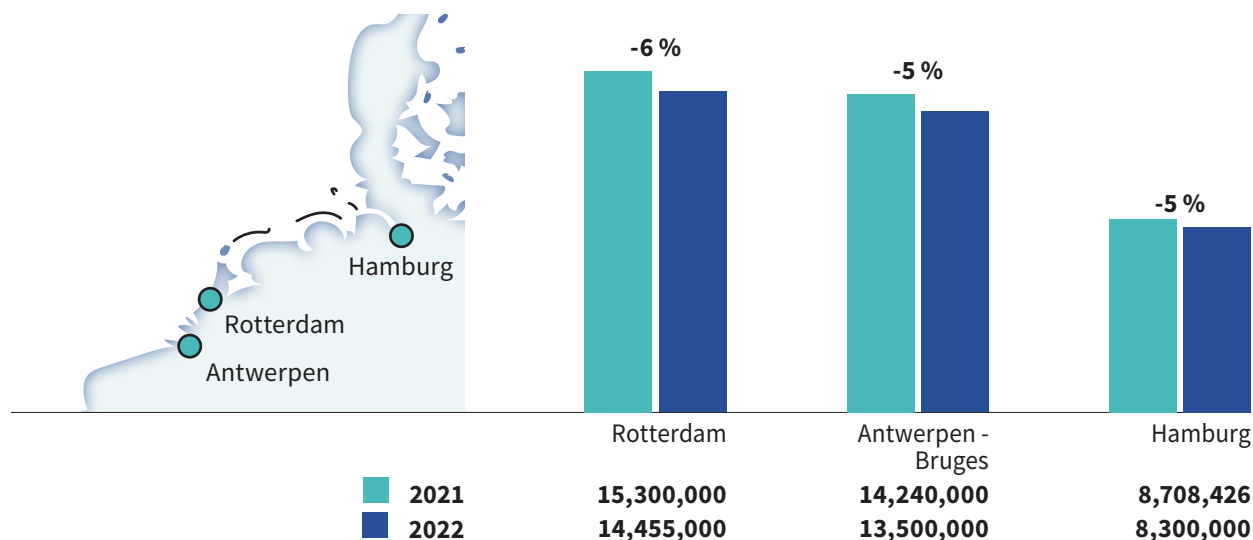
In 2022, the maritime throughput of Luka Koper exceeded that of 2021; both the container and car terminals achieved new annual throughput records.

In 2022, all ports in the North Adriatic region achieved growth in container throughput compared to 2021. The absolute highest throughput was achieved by the Port of Koper with 1,017,788 TEUs, up 2% compared to the previous year. However, the port of Rijeka achieved the highest growth in container throughput in 2022, up 20%. In 2022, all Northern European ports recorded a drop in container throughput compared to 2021, with Rotterdam recording a 6% drop and Hamburg and Antwerp-Bruges a 5% drop compared to 2021.

#### Throughput of containers in Northern Adriatic ports in TEU<sup>24</sup>



#### Throughput of containers in three major Northern European ports, in TEU<sup>25</sup>



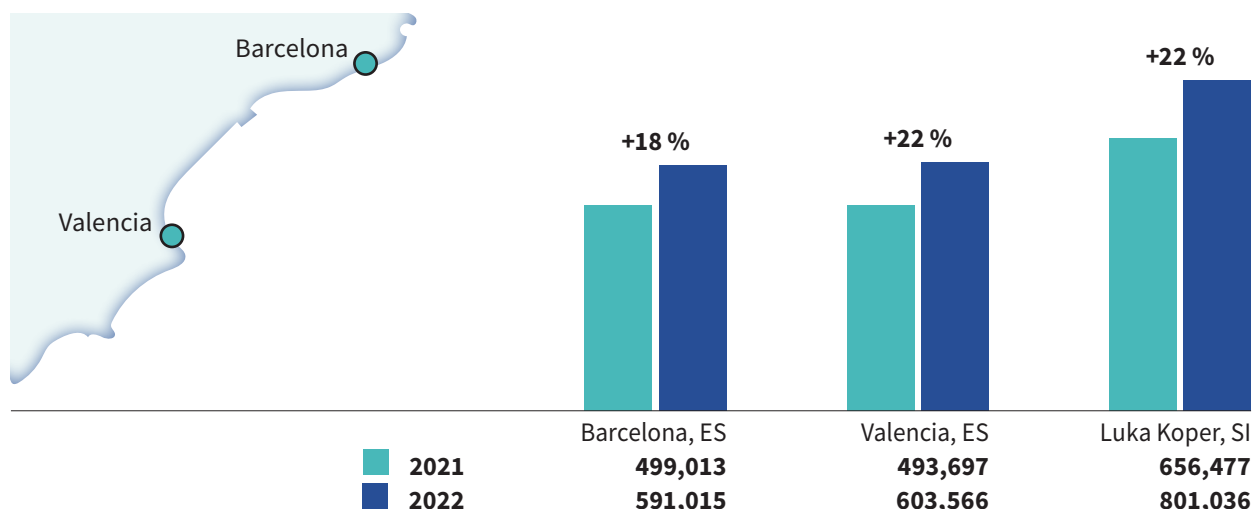
24 Source: Websites of the ports in question, and NAPA.

25 Source: Websites of the ports in question, and NAPA.



All three ports recorded growth in car throughput in 2022 compared to 2021, with Luka Koper and the port of Valencia recording 22% growth in car throughput and the port of Barcelona 18% growth. In absolute terms, the Luka Koper handled the most cars in 2022, with 801,036 vehicles.

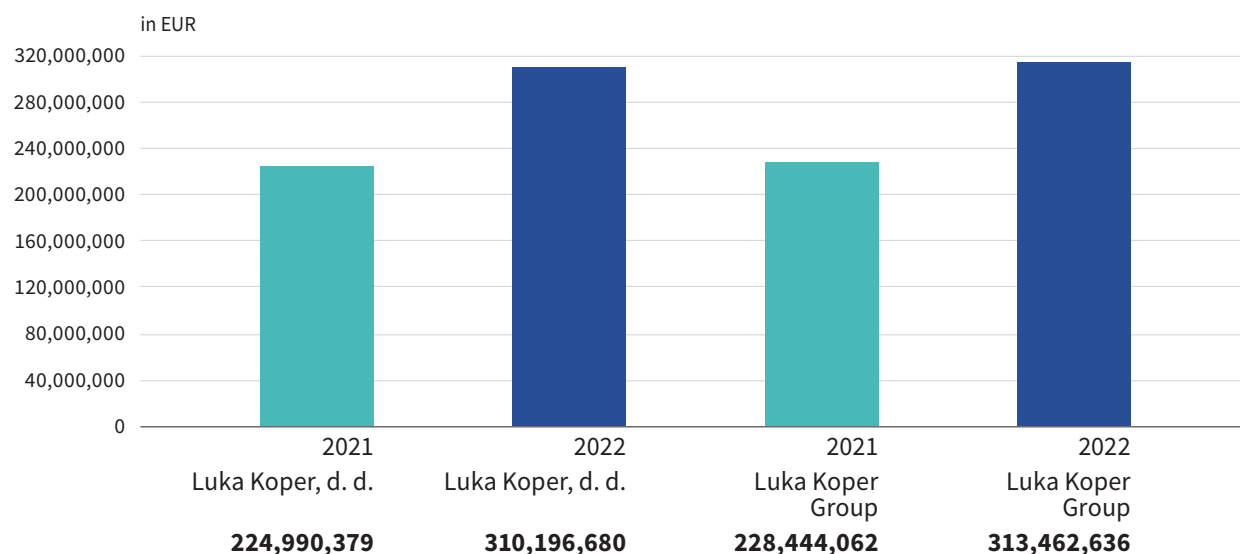
### Throughput of cars in three major ports in the Mediterranean



## 10.2 Financial analysis of the performance of the Luka Koper Group

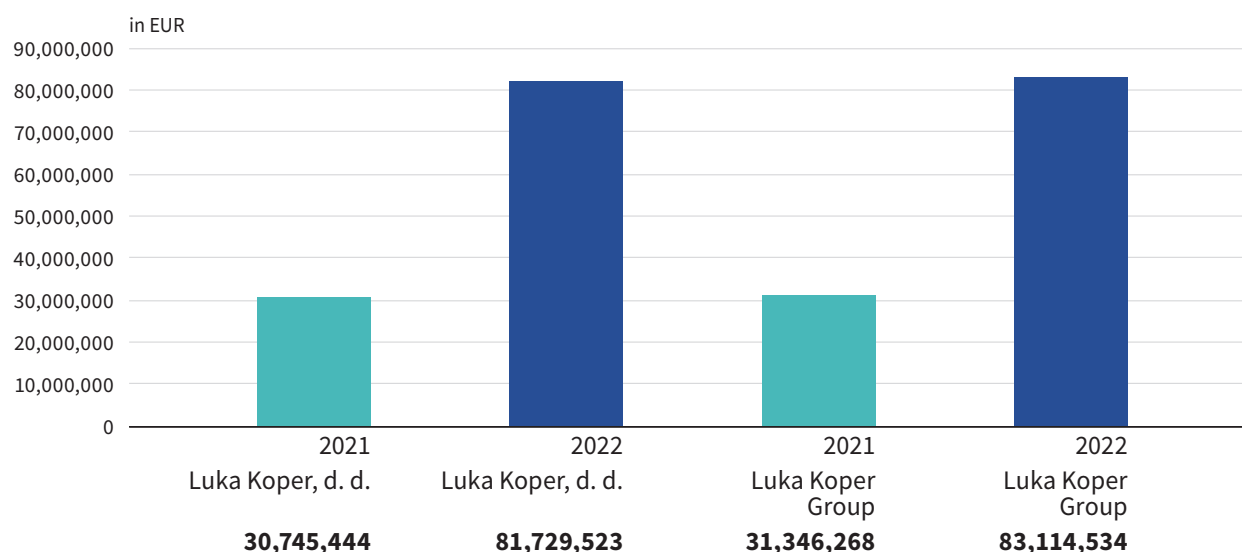
Rising service prices, increased volumes of cargo throughput and additional services and, above all, higher warehousing revenues contributed to the record high net sales revenue of the Luka Koper Group in 2022, which amounted to EUR 313.5 million, exceeding last year's figure by 37%, or EUR 85 million. Towards the end of 2022, the situation normalised and, as a consequence, so did revenues, and this continues in 2023.

### Net sales



The higher net sales revenue had a positive impact on the achieved earnings before interest and taxes (EBIT), which amounted to EUR 83.1 million in 2022, thus exceeding the 2021 figure in by 165 percent or EUR 51.8 million.

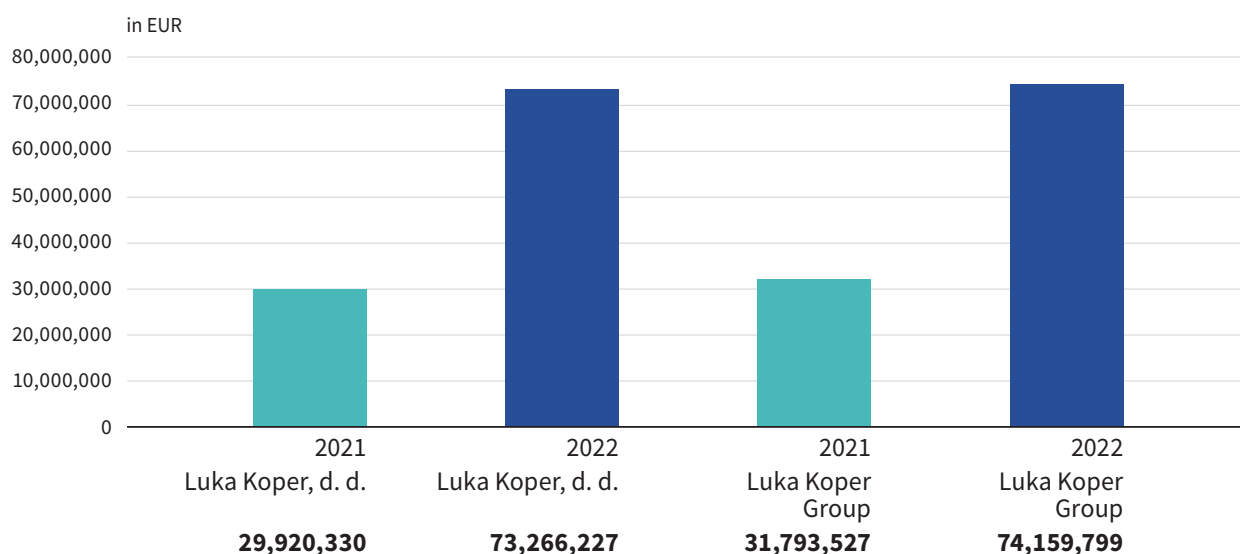
## Earnings before interest and taxes (EBIT) of Luka Koper, d. d. and the Luka Koper Group



Operating expenses in 2022 amounted to EUR 234.7 million, an increase of 16% or EUR 32.8 million compared to 2021. All types of expenses increased, with the exception of other operating expenses. Within material costs, energy costs increased significantly by EUR 4.6 million due to higher fuel consumption and higher electricity and fuel prices, while spare parts costs also increased due to higher maintenance volumes and growing prices; within the cost of services, the main increase was in port services, which increased by EUR 5.4 million as a result of increased maritime throughput and higher net sales revenue, as well as in transshipment fee and concession fee expenses, with IT support costs and security and deratisation costs also having increased. Labour costs are higher due to the greater number of employees, higher payouts due to business performance, more overtime work and the adjustment of salaries to inflation. At 31 December 2022, Luka Koper Group had 63 more employees than at 31 December 2021. Depreciation and amortisation expenses are higher due to new asset acquisitions, while other operating expenses are lower than last year due to lower costs of revaluation adjustments for trade receivables.

In 2022, the share of operating expenses in net sales was 74.9%, a decrease of 13.5 percentage points compared to 2021, mainly due to significantly higher net sales. Compared to 2021, the share of all types of costs in net sales decreased, whereas the share of material costs remained stable.

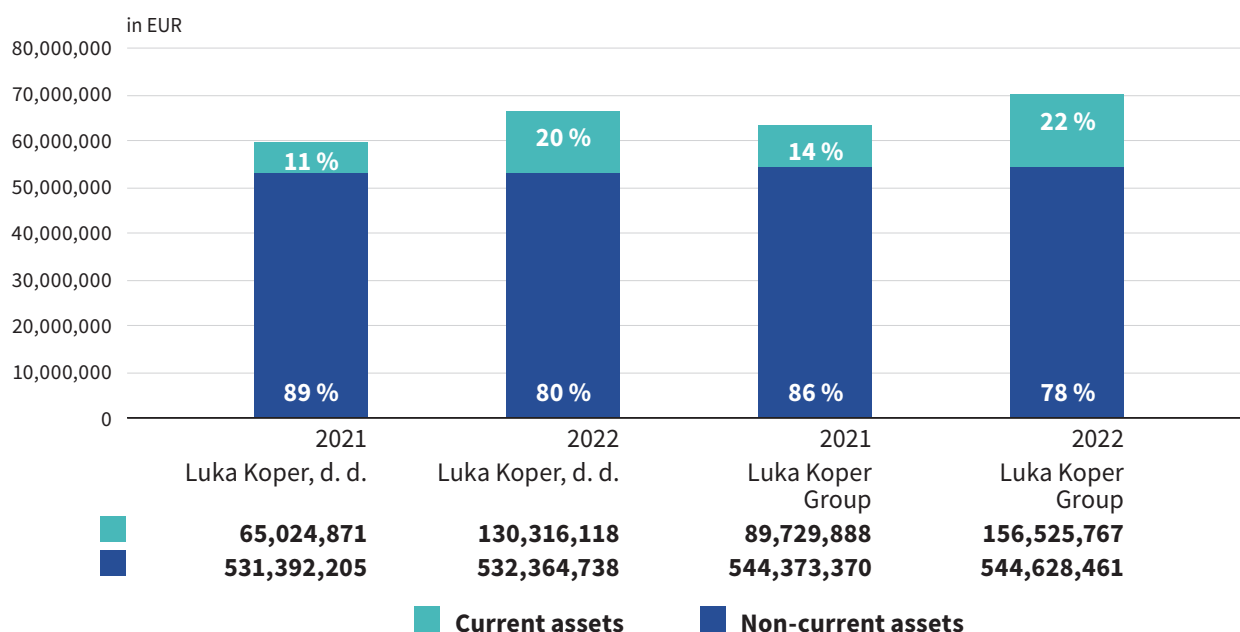
### Net profit or loss of Luka Koper, d. d. and the Luka Koper Group



In 2022, Luka Koper Group achieved a record net profit of EUR 74.2 million, which was 133% or EUR 42.4 million higher than in 2021. The higher net profit in 2022 compared to 2021 was driven by the factors explained above, which contributed to the higher earnings before interest and taxes (EBIT), while the net profit was also positively impacted by higher financial income.

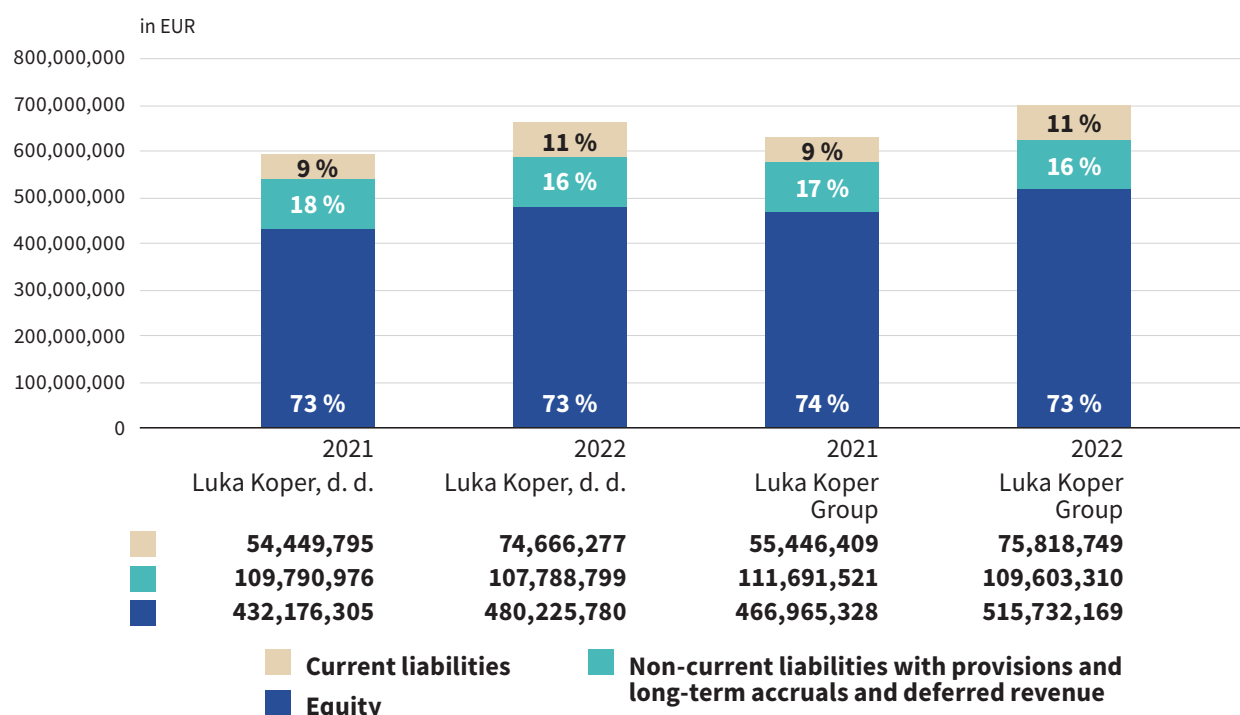
The balance sheet total of the Luka Koper Group as at 31 December 2022 amounted to EUR 701.2 million, an increase of 11% or EUR 67.1 million compared to 31 December 2021.

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



In 2022, the non-current assets of the Luka Koper Group maintained their 2021 value, with an increase in property, plant and equipment due to investments in excess of the depreciation of these assets, and a decrease in advances and in shares valued at fair value. Current assets increased due to an increase in cash and cash equivalents. Operating receivables from customers increased, following the increase in revenue.

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



The increase in the equity of the Luka Koper Group in 2022 is the net effect of the transfer of part of the profit of EUR 16 million to the payment of dividends by the controlling company, the entry of the net profit for the period of EUR 37.5 million, the increase in the revenue reserves of EUR 36.6 million, and the negative change in the revaluation surplus on financial investments of EUR 9.4 million. Non-current liabilities with long-term provisions and long-term accrued costs and deferred revenue of the Luka Koper Group were lower as at 31 December 2022 than at the previous year-end, as non-current loans with commercial banks decreased due to regular transfer of principals from contractually agreed amortisation schedules under current liabilities. Further contributing to the decrease in non-current loans was the early repayment of the entire outstanding principal to EIB. As at 31 December 2022, current liabilities of the Luka Koper Group were higher by 37% than the previous year-end. There was an increase in income tax payable and in trade and other payables.

As at 31 December 2022, the financial liabilities of the Luka Koper Group amounted to EUR 63.7 million, and had decreased by 12% or EUR 8.9 million from the previous year-end.

As at 31 December 2022, the Luka Koper Group's cash and cash equivalents exceeded its financial liabilities by EUR 21.1 million, which is why the net financial debt/EBITDA ratio is negative at -0.2.

The liquidity position of the Luka Koper Group is very good, as demonstrated by the high cash and cash equivalents position, in addition to which the controlling company had a credit agreement in place as at 31 December 2022, under which the funds are not yet drawn down. The undrawn credit funds totalling EUR 60 million are intended to finance investments in fixed asset.

## Comparison of the results achieved by the Luka Koper Group in 2022 in relation to the plan

Due to the very good business results in the period January-August 2022 and the intensified economic trends, the Luka Koper Group prepared a rebalancing of its 2022 business plan in September 2022. All comparisons below are made on the basis of the adopted rebalanced business plan. In 2022, Luka Koper Group exceeded its planned performance indicators, with the exception of investments in non-financial assets. The latter were lower than planned mainly due to the surface areas being occupied, which caused delays in implementation and repeated procurement procedures. Maritime throughput exceeded the planned level by 2%, while net sales, at a record € 313.5 million, were 4% or EUR 11 million higher than planned.

Higher net sales and higher other revenues than the amounts planned had a positive effect on the earnings before interest and taxes (EBIT) of the Luka Koper Group, which in 2022 were at EUR 83.1 million, i.e., 19 percent or 13.5 million higher than planned. The operating costs of the Luka Koper Group were at the level of planned costs.

In 2022, net profit or loss of the Luka Koper Group amounted to the record EUR 74.2 million, which was an increase of 17% or EUR 10.7 million when compared to the plan.

## 10.3 Direct economic value generated and distributed<sup>26</sup>

### *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			
	2022	Share in 2022 revenue	2021	Share in 2021 revenue	2022	Share in 2022 revenue	2021	Share in 2021 revenue
<b>A REVENUES</b>								
- from sales	310,196,680		224,990,379		313,462,636		228,444,062	
- financing	6,349,703		4,898,610		5,601,753		6,263,822	
- other revenue	2,338,538		2,941,895		4,265,615		4,691,557	
<b>Total A</b>	<b>318,884,921</b>		<b>232,830,884</b>		<b>323,330,004</b>		<b>239,399,441</b>	
<b>B OPERATING COSTS</b>								
Costs (excluding categories C, E, F and depreciation)	56,591,808	18%	52,013,416	22%	50,984,287	16%	48,166,674	20%
<b>Total B</b>	<b>56,591,808</b>	<b>18%</b>	<b>52,013,416</b>	<b>22%</b>	<b>50,984,287</b>	<b>16%</b>	<b>48,166,674</b>	<b>20%</b>
<b>C LABOUR COSTS</b>								
Labour costs (excluding employer's contributions from employee remuneration)	81,999,906	26%	70,252,664	30%	88,761,854	27%	76,266,495	32%
<b>Total C</b>	<b>81,999,906</b>	<b>26%</b>	<b>70,252,664</b>	<b>30%</b>	<b>88,761,854</b>	<b>27%</b>	<b>76,266,495</b>	<b>32%</b>
<b>D PAYMENTS TO EQUITY HOLDERS AND OTHER SUPPLIERS OF FUNDS</b>								
Dividends	15,960,000	5%	15,960,000	7%	15,960,000	5%	15,960,000	7%
- government (Republic of Slovenia, SDH, KAD)	10,709,657	3%	10,709,657	5%	10,709,657	3%	10,709,657	4%
- other providers	5,250,343	2%	5,250,343	2%	5,250,343	2%	5,250,343	2%
Interest	405,344	0%	254,312	0%	404,967	0%	254,529	0%
<b>Total D</b>	<b>16,365,344</b>	<b>5%</b>	<b>16,214,312</b>	<b>7%</b>	<b>16,364,967</b>	<b>5%</b>	<b>16,214,529</b>	<b>7%</b>
<b>E INVESTMENTS IN THE SOCIAL ENVIRONMENT</b>								
Sponsorships and donations	1,170,259	0%	1,039,432	0%	1,175,358	0%	1,043,011	0%
<b>Total E</b>	<b>1,170,259</b>	<b>0%</b>	<b>1,039,432</b>	<b>0%</b>	<b>1,175,358</b>	<b>0%</b>	<b>1,043,011</b>	<b>0%</b>
<b>F CONTRIBUTIONS TO THE STATE</b>								
Concession	10,682,667	3%	7,729,718	3%	10,682,667	3%	7,729,718	3%
Corporate income tax	13,568,209	4%	5,450,466	2%	13,725,541	4%	5,541,067	2%
Taxes and social contributions from employee remuneration	11,577,922	4%	9,901,759	4%	12,479,435	4%	10,703,751	4%
Fee for the use of building land	6,830,441	2%	6,621,321	3%	6,830,441	2%	6,621,321	3%
Transshipment fee	6,084,315	2%	5,265,145	2%	6,084,315	2%	5,265,145	2%
<b>Total F</b>	<b>48,743,554</b>	<b>15%</b>	<b>34,968,408</b>	<b>15%</b>	<b>49,802,399</b>	<b>15%</b>	<b>35,861,001</b>	<b>15%</b>
<b>Retained economic value (A-B-C-D-E-F)</b>	<b>114,014,050</b>	<b>36%</b>	<b>58,342,652</b>	<b>25%</b>	<b>116,241,138</b>	<b>36%</b>	<b>61,847,731</b>	<b>26%</b>

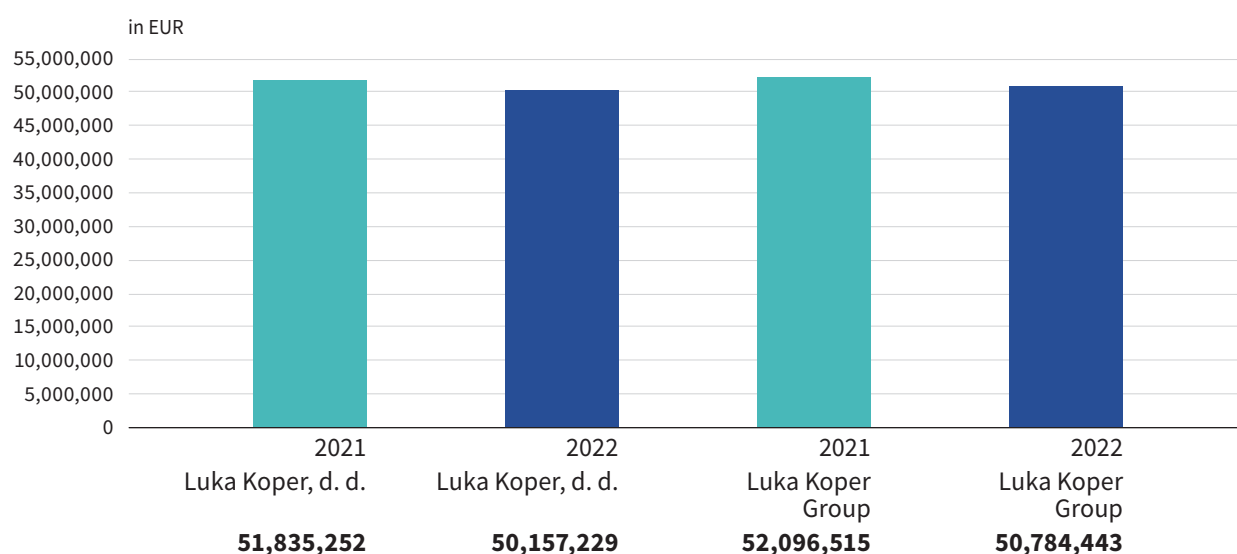
<sup>26</sup> GRI 201-1

<sup>27</sup> Transshipment fee – special-purpose funds contributed by Luka Koper to the construction of the Divača–Koper second railway track.

## 11 Investments in non-financial assets<sup>28</sup>

In 2022, the Luka Koper Group made major investments, mainly with respect to the container terminal and the car terminal; they represent a new development cycle for these key strategic commodity groups. The Luka Koper Group thus allocated EUR 50.8 million to investments in property, plant and equipment, investment property and intangible fixed assets,<sup>29</sup> which is 3% or EUR 1.3 million less than in 2021. In the same year, Luka Koper, d. d. allocated the amount of EUR 50.2 million to investments, which accounted for 98.8% 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 made:

- Purchase of two SPPX cranes for the needs of the container terminal,
- Purchase of three E-RTG cranes for the needs of the container terminal,
- Continued extension of Pier I – the construction of 7D berth was completed, storage areas were constructed,
- An upgrade of the anti-dust system is being implemented at the bulk cargo terminal,
- Renovation of external handling surfaces between warehouses 50f and 51A,
- Continued construction of a new external truck terminal at the Sermin entrance,
- Purchase of 5 new multi-purpose vehicles for the needs of the container terminal,
- Purchase of an OCR portal installed above two railway tracks,
- Purchase of a new 8-ton forklift for the needs of the general cargo terminal,
- Installation of several new plugs for reefer containers,
- Completed construction of the 50G warehouse for the needs of the general cargo terminal,
- Set-up of premises for the needs of the container terminal, the car terminal and for the needs of internal rail transport,
- Construction of a new tank for the needs of the liquid cargo terminal.

<sup>28</sup> GRI 203-1

<sup>29</sup> Without taking into account advances paid for the equipment.



In 2022, investment expenditures of the Luka Koper Group were lower than planned due to the repetition of public procurement procedures, because the bids exceeded the guaranteed funds or no bid was submitted. Due to exceeding the value, it was necessary to change the Port Development Program and obtain new approvals for the Infrastructure Management Programs. Delays in the implementation of investments also occurred due to problems in the supply of materials, requests for an increase in uniform contract prices and high utilization of infrastructure and equipment due to high throughput, which affected the lower availability for the implementation of investment interventions.

All investments foreseen for the year 2022 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 2022, the Luka Koper Group allocated 27 percent of the value of all investments to environmentally sustainable investments, i.e., the current environmental and energy challenges and occupational safety challenges. The following investments were made in the area of environment, energy and occupational safety:

- Due to the additional storage space at the southern end of Pier I, three additional E-RTG cranes were procured for the container terminal: the use of additional E-RTG cranes will result in an increase in the share of electricity consumption compared to diesel; the reduction of the share of diesel in the operation of the terminal has favourable financial effects (lower cost of the energy needed to operate the cranes) and ensures a lower impact of the terminal on the surrounding area (lower noise and fume emissions),
- Upgrade of the dust protection system at the dry bulk terminal to comply with the Explosion Protection Regulation,
- Renovation of floorboards at the vegetable oil terminal,
- Renewed corrosion protection of tanks and pipelines at the liquid cargo terminal,
- Introduction of activities for ensuring fire safety in the car parking garage; construction of fire detectors was executed,
- Renewal of electrical installations in storage facilities 31 A, B, C and 32 A, B, C, D due to obsolescence.



SPPX cranes



OCR portal



Sermin truck terminal



50G warehouse



Pier I

## 12 European projects

In 2022, activities were carried out on projects under the Connecting Europe Facility (CEF), Horizon Europe and Territorial Cooperation (Interreg) programmes, the European Economic Area Financial Mechanism and the Recovery and Resilience Plan.

A number of territorial cooperation, research and other projects have been completed. In 2022, the Company received a total of EUR 8 million in co-financing inflows, of which EUR 2.3 million for ongoing and completed projects, the rest being advances for newly approved projects.

With the new financial perspective, a total of EUR 23 million has been secured from various programmes, which can be drawn on over the next four years.



In order to address the port's development challenges and infrastructure needs and to implement the European Union's Trans-European Transport Network (TEN-T) corridor policy, the company has secured funding from the CEF programme for:

- ACCESS2KOPERPORT project for the construction of the 12<sup>th</sup> berth and the Ro-Ro ramp for an amount of EUR 16 million,
- ERIK-PARKING project for the construction of an external truck terminal for an amount of EUR 4.9 million.

The SOPOREM project, co-financed by the European Economic Area Financial Mechanism, was approved, within the framework of which a larger solar power plant (3MW) will be installed in the port, and Luka Koper will be able to draw up to EUR 1.2 million of funding.

The Luka.DT - Digital Transformation of Processes at the Port of Koper project has also been approved for co-financing under the Recovery and Resilience Plan, where the consortium partners will provide new IT solutions worth around EUR 2 million, and EUR 0.5 million will be made available for Luka Koper's own activities.

In addition to the above, two other R&D projects were approved: ATLANTIS (Critical Infrastructure Security) and NEPHELE (Container Delivery Optimisation Solutions), which will provide the company with up to EUR 0.4 million.

For two submitted projects, the results of the evaluation and the co-financing decision are still pending, while for the approved ACCESSMILE project, the coordination on the signing of the contract is still ongoing.

## 13 A look ahead

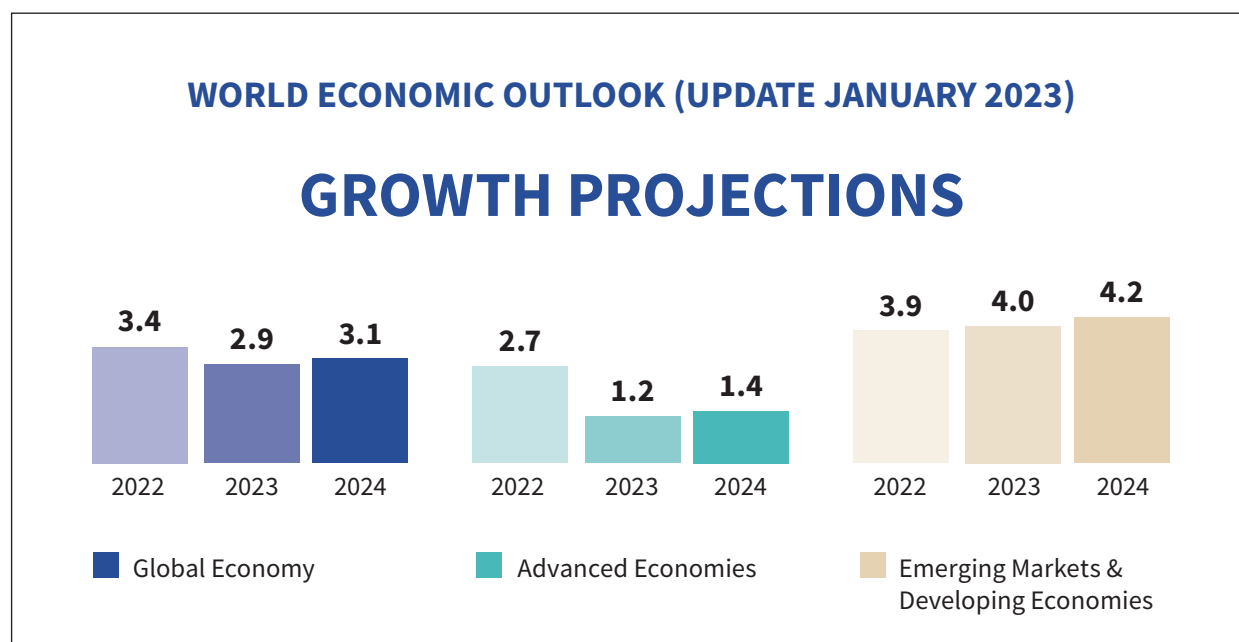
### 13.1 Forecasts of the economic environment in 2023

In 2022, global economic activity was shaped by the global fight against inflation, Russia's war in Ukraine and the renewed outbreak of COVID-19 in China (International Monetary Fund, IMF)<sup>30</sup>. The first two factors will continue to influence global economic activity in 2023.

In its forecast published in January 2023, the IMF projects global GDP growth to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, before rising to 3.1 percent in 2024. The 2023 forecast is 0.2 percentage points higher than the forecast published in October 2022, but growth is still below the average growth rate of the 2000–2019 period, when it was 3.8 percent. Global economic activity is mostly held back by central bank interest rate hikes to fight inflation and the Russian war in Ukraine. The rapid expansion of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. The global inflation rate is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above the pre-pandemic (2017–2019) level of around 3.5 percent.

The GDP growth rate in the Euro area is projected to fall from 3.5 percent in 2022 to 0.7 percent in 2023, and the projected growth in 2024 is 1.6 percent. In the United Kingdom, GDP growth is forecast to fall from 4.1 percent in 2022 to -0.6 percent in 2023, with growth of 0.9 percent in 2024. In the US, GDP growth is set at 2 percent in 2022, falling to 1.4 percent in 2023 and 1 percent in 2024. China's GDP growth rate is projected to reach 3 percent in 2022, rising to 5.2 percent in 2023 and falling to 4.5 percent in 2024.

For Slovenia<sup>31</sup>, the OECD has forecast a slowdown in economic growth from 5 percent in 2022 to 0.5 percent in 2023, reflecting higher inflation, weaker external demand and the negative impact of Russia's war against Ukraine. Despite the slowdown in activity, the labour market is expected to remain robust, boosting stronger wage growth and contributing to inflationary pressures. Nevertheless, real wages will fall, which will dampen private consumption. As inflation decelerates, economic growth will pick up to 2 percent in 2024.



<sup>30</sup> Source: IMF: [Inflation Peaking amid Low Growth \(imf.org\)](https://www.imf.org).

<sup>31</sup> Source: [Slovenia | OECD Economic Outlook, Volume 2022 Issue 2 | OECD iLibrary \(oecd-ilibrary.org\)](https://www.oecd-ilibrary.org).

## Impact of the Russian-Ukrainian conflict on the performance of the Luka Koper Group

The year 2022 was marked by the war in Ukraine, which changed the geopolitical situation at the beginning of the second quarter and affected economic trends in 2022. The international economic outlook deteriorated, uncertainty and inflationary pressures increased, and the situation in the energy markets tightened. Direct exposure of the Luka Koper Group to Russia and Ukraine is relatively small, as the volume of cargo handled through Luka Koper destined for the Ukrainian and Russian markets is insignificant. Nevertheless, the management regularly monitors the market situation and reacts to ensure the smooth operation of the Luka Koper Group.

## 13.2 Performance of the Luka Koper Group in 2023

The significant drop in freight rates in the container shipping market in the last months of 2022 pointed to a cooling of global trade and a lower demand for shipping space for the transport of containers by sea. In 2023, the supply of shipping space will increase due to the large number of new container ships on the market. Some shipowners are already limiting the available capacity of their fleet by introducing so-called 'blank sailings' – cancelling a ship's scheduled departure. This approach is so far only used on sea links between the Far East and Northern European ports, while ships bound for the Mediterranean and the Adriatic are still full. It is not clear when, if ever, and by how much the number of containers arriving at ports in this region will be reduced. Forecasts for developments in this market vary widely.

Refrigerated cargoes are expected to increase, especially car batteries, which are transported in special refrigerated containers.

In the hinterland markets, especially Hungary and Serbia, large-scale investments in the automotive industry, especially in the production of automotive batteries, are expected to continue, which is why a steady flow of cargoes, both production equipment and raw materials and semi-finished products in containers, on conventional ships and on special ships handling wheeled and trailer cargoes, can also be expected in the port of Koper.

New vehicle transshipment is expected to decline after the period of fulfilment of old orders, due to reduced demand for new vehicles on the market as a consequence of the volatile economic situation, general price increases and more conservative consumer purchasing behaviour due to the effects of the war in Ukraine on the price of energy products.

The handling of dry bulk, bulk and liquid cargoes is expected to remain at around the same level as in 2022. The price of energy products, in particular gas, is expected to affect the share of cargo coming to Europe from overseas.

If there is less demand for new vehicles, this will also have an impact on the volume of handled steel and steel products used in the automotive industry.

In order to for the Port of Koper to remain competitive and improve its market position in the transshipment of individual product groups in all markets, it will be necessary to invest in expanding port capacity, improve services and pursue appropriate sales and pricing policies. In cooperation with partners in the logistics chain, efforts should be made to establish new land and sea connections that are crucial for further development of port operations. The construction of the new rail link to Divača within the planned timeframe and the timely completion of the renewal works on the Slovenian rail network will be essential to maintain competitiveness.

### 13.2.1 Business objectives for 2023

Luka Koper, d. d. and the Luka Koper Group are planning a throughput of 23.3 million tons in 2023, which is at the level of the volumes achieved in 2022.

Container throughput is expected to reach 1,089,000 TEU in 2023, an increase of 7 percent compared to 2022, which will allow the Port of Koper to maintain its primacy among ports in the Adriatic.

Vehicle throughput is expected to reach 760,000 vehicles in 2023, down 5 percent on 2022, as the automotive market faces intermittent supply chain disruptions, congestion in shipping and storage capacity and unpredictable global socio-political developments in the current uncertain times.

In 2023, higher net sales will be achieved from higher volumes of basic cargo handling, additional services and price growth, while total net sales will be 7 percent lower due to lower projected warehousing revenues. Higher ware-

housing revenues in 2022 were impacted by the increased dwell time of goods in warehouses due to the situation in the global logistics market. These revenues were already slightly lower in the third quarter compared to the second quarter of 2022 due to the gradual normalisation of the situation, and this trend is expected to continue in 2023.

In 2023, Luka Koper, d. d. and the Luka Koper Group will achieve a 59 percent and 58 percent lower earnings before interest and taxes (EBIT), respectively, and a 57 percent and 56 percent lower operating results, respectively, than in 2022, mainly due to lower projected net sales, lower warehousing income and lower other revenue. Higher inflationary pressures will also be reflected in cost increases, but despite this, earnings before interest and taxes (EBIT) of Luka Koper d.d. in 2023 are projected at EUR 33.4 million, which is comparable to 2022 excluding the impact of higher warehousing income.

For the year 2023, Luka Koper, d. d., and the Luka Koper Group have devised an investment plan to follow the goals from the strategic plan. Key investment projects in 2023 will be related to: increasing 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 truck terminal, and purchase of equipment. In 2023, the Luka Koper Group will allocate EUR 14.5 million for sustainable development projects, which is 24.7 percent of all planned investments.



*Key operating ratios of Luka Koper, d. d., and the Luka Koper Group in 2023*

Items	Luka Koper, d. d.			Luka Koper Group		
	2022	Plan 2023	Index 2022/ Plan 2023	2022	Plan 2023	Index 2022/ Plan 2023
Net sales (in EUR)	310,196,680	287,440,777	93	313,462,636	290,071,036	93
Earnings before interest and taxes (EBIT) (in EUR)	81,729,523	33,439,720	41	83,114,534	34,543,649	42
Earnings before interest, taxes, depreciation and amortisation (EBITDA) (in EUR)	112,529,369	66,283,553	59	114,602,528	68,204,522	60
Net profit or loss (in EUR)	73,266,227	31,296,435	43	74,159,799	32,312,492	44
Added value (in EUR)	206,717,589	171,971,638	83	216,463,633	181,876,073	84
Investment expenditure (in EUR)	50,157,229	57,390,573	114	50,784,443	58,853,168	116
Maritime throughput (in tons)	23,248,355	23,333,878	100	23,248,355	23,333,878	100
Number of employees	1,638	1,754	107	1,801	1,917	106

Kazalniki	2022	Plan 2023	Index 2022/ Plan 2023	2022	Plan 2023	Index 2022/ Plan 2023
Return on sales (ROS)	26.3%	11.6%	44	26.5%	11.9%	45
Return on equity (ROE)	16.1%	6.7%	42	15.1%	6.4%	42
Return on assets (ROA)	11.6%	4.7%	41	11.1%	4.6%	41
EBITDA margin	36.3%	23.1%	64	36.6%	23.5%	64
EBITDA margin from market activity	37.1%	24.1%	65	37.4%	24.6%	66
Financial liabilities/equity	13.3%	23.4%	176	12.3%	21.7%	176
Net financial debt / EBITDA	-0.05	1.4	-	-0.3	1.0	-

Items	31 Dec 2022	Plan 31 Dec 2023	Index 2022/ Plan 2023	31. 12. 2022	Načrt 31. 12. 2023	Index 2022/ Plan 2023
Assets (in EUR)	662,680,856	687,353,233	104	701,154,228	726,942,645	104
Equity (in EUR)	480,225,780	471,426,149	98	515,732,169	508,896,695	99
Financial liabilities (in EUR)	63,801,193	110,317,094	173	63,680,089	110,291,679	173

## 14 Managing risks and opportunities<sup>32</sup>

### 14.1 Risk and opportunity management system in the Luka Koper Group

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.

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 regularly. 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)

32 GRI 2-16, 2-23, 2-25

In the context of the risk and opportunity management system, the Luka Koper Group regularly monitors exposure to all the perceived risks and opportunities, and determines and implements the necessary measures to ensure an acceptable level of operational risk and opportunities. The average risk score at 31 December 2022 was 7.0 (moderate risk). 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.

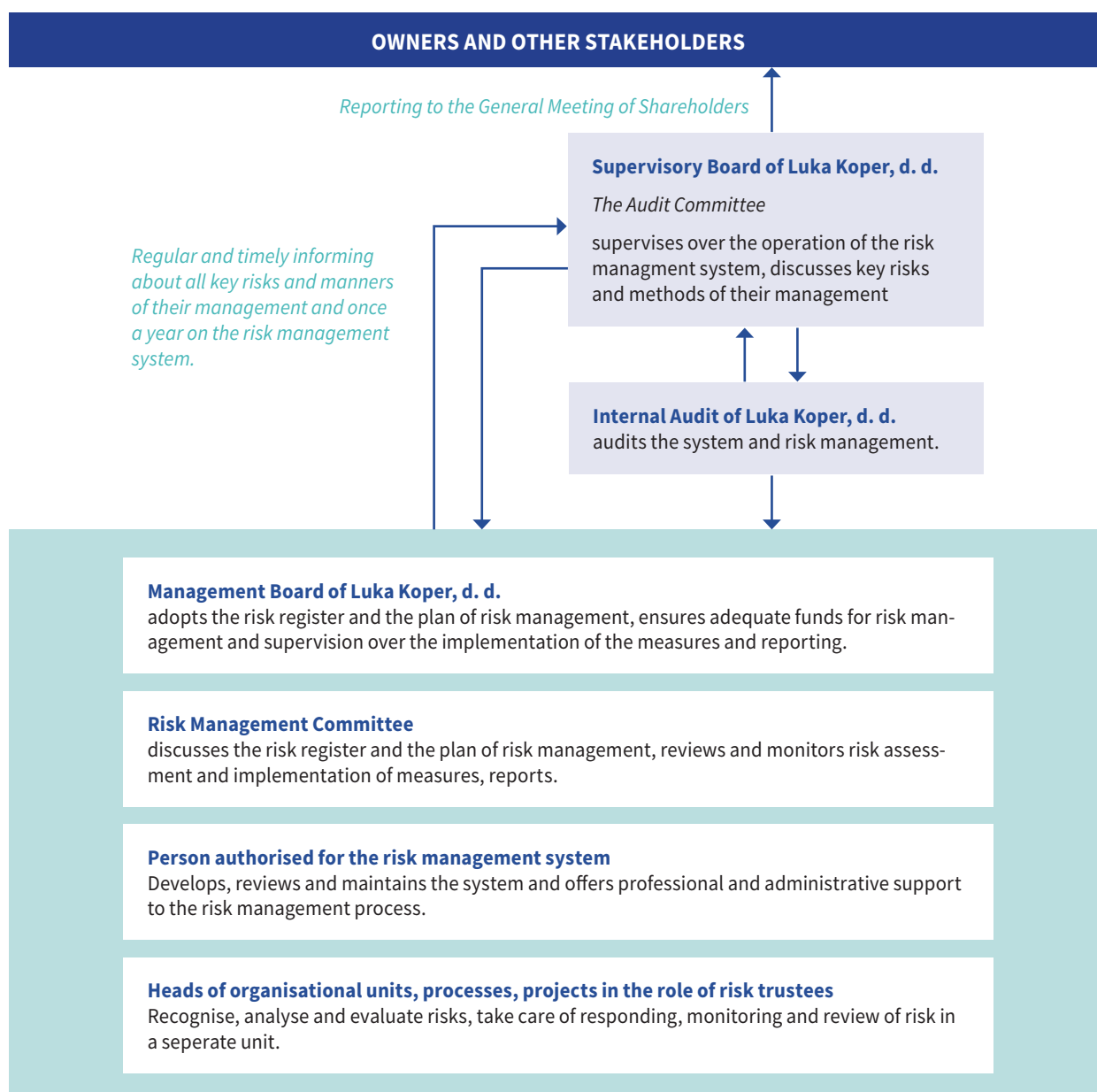
The company has adopted a Risk Appetite Statement. The risk appetite of the Luka Koper Group means the total level of risks that the Luka Koper Group is willing to assume within its risk-taking capacity in order to achieve its strategic goals and fulfil its business plan. In order to take advantage of 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 after taking appropriate measures, however:

- 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 Opportunities 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.

## 14.2 Key roles and responsibilities in the risk and opportunity management system

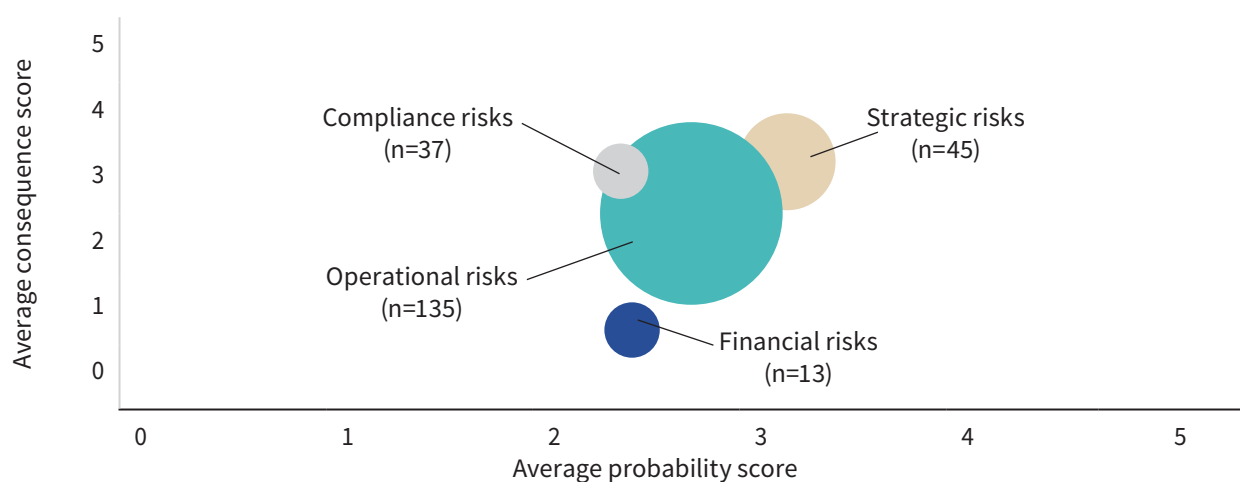
The key roles and responsibilities in the risk and opportunity management system have not changed in relation to the preceding year. Risk administrators assess risk and opportunities on a quarterly basis and monitor the implementation of risk reduction methods. Based on their findings, the risk management administrator reports to the Risk Management Committee, which meets quarterly, and additionally if necessary. Risks are also reported quarterly to the Management Board and the Audit Committee of the Supervisory Board.



## 14.3 General risk assessment

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, five risks remain identified as material. The average risk assessment is the highest in the case of strategic risks (9.2) 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 6.2 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 score of 7.8 and represent a smaller set of risks, mainly related to environmental and labour legislation. Financial risks are currently evaluated as posing the smallest threat (4.1), as the company has low indebtedness, a small share of defaulters, secured receivables, and low exposure to foreign currencies. Financial impacts and other risks and opportunities for the Company's activities related to climate change are mostly strategic risks and are presented separately in the sustainability report in Chapter 22.7.7: Climate change and opportunities.

### Risk chart of the Luka Koper Group, shown on a residual risk basis



#### 14.3.1 Strategic risks

According to their content, strategic risks are those types of risks 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.

Macroeconomic conditions in the global economy deteriorated in the last quarter of 2022 as demand cooled rapidly in the face of high prices. As geopolitical tensions increased, commodity prices on international markets rose sharply. The deterioration in geopolitical relations could dampen the strong year-on-year growth in international trade. Since the Russian invasion of Ukraine, the biggest risks to the outlook are related to the course of the war, in particular the impact on energy prices. The situation in the domestic economy and the external environment is reflected in the inflation outlook, which was 9.2 percent for the Euro area in 2022 whereas the EU outlook for 2023 ranges between 3 percent and 6 percent. As a result of rising energy prices, companies in energy-intensive industries in particular face a rise in operating costs. High prices may lead to plant closures and consequently to a drop in throughput in some commodity groups. The forecast shows that GDP in major trading partners will be below the long-term average in 2023 and 2024. As a result, market risk assessments have increased for 2023. Non-energy industrial goods are also becoming more expensive due to rising global prices of raw materials (steel, iron) and bottlenecks in supply chains. Inflationary pressures will be reflected in the company mainly by an increase of:

- Labour costs (adjustment to the inflation rate in line with the collective agreement),
- Material costs,
- Prices of services, in particular maintenance and external port service providers,
- Value of planned investments, both for equipment and infrastructure.

The Group 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<sup>33</sup>. These can turn out to be our competitors, especially in the segment of loading and unloading containers. On 7 January 2021, Hafen und Logistik AG (HHLA) finalised the process of purchasing a 50.01% 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 2023, the implementation of some investment projects will

<sup>33</sup> CFS - container loading/unloading services

continue, aimed primarily at increasing the capacity of the container 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 is on obtaining approvals in due course for the next set of strategic investments. Estimated value of investments poses a risk of delays, as it could happen that the value of secured funds will be exceeded due to rising prices of certain raw materials, which will lead to the repetition of procedures.

The main strategic risks arising from the external environment remain the uncertainty with regard to the timeline of completion of the Divača-Koper second railway line, and the obsolete, insufficient capacity of the existing track, which might threaten the further growth of throughput also before the construction of the second track. In 2023, 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 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 rated risk is transit risk – the risk of tightening environmental policy requirements at EU and Slovenian level. Adapting to these requirements may place additional financial burdens on the Company related to investments in the replacement of equipment and the construction of additional infrastructure. The tightening of legislation may also lead to a reduction in the throughput of certain commodity groups, with terminal coal and alumina being the most exposed. Among the physical climate risks, the risk of storms and extreme weather events is assessed to be the highest, as their frequency and intensity are increasing.

### **Impact of the Russian-Ukrainian conflict on the performance of the Luka Koper Group**

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 will not have a material impact on the result. The Group has not applied for any state support measures. There has been no impact on the Group's employees as the Group has no representatives in the affected regions.

The Luka Koper Group estimates that the war in Ukraine might indirectly affect its operations in 2023. The invasion of Ukraine has already had an impact on the loss of project cargo throughput due to the Russian ownership in the customer's production. A negative impact may result from restrictions on exports of certain product groups from Europe to ensure self-sufficiency. The exact impact of the war on operating results cannot be predicted at this point in time, but based on the information currently available, no long-term impact on the company's operations is expected.

Developments in the energy, commodity and food markets, which are affected by the war in Ukraine, point to additional inflationary pressures which have had an impact on the higher operating costs of the Luka Koper Group. The assessment of the future impact of the Russian invasion of Ukraine was made on the basis of assumptions that the conflict would not spread to other areas and that it would not last long. In the event of a more protracted conflict, this would be reflected in even more pronounced increases in energy and food commodity prices and high inflation in the long term. The Group is taking the following measures to manage the risks:

- Luka Koper, d. d. has a contract for the supply of petroleum products until mid-2023. Under the contract, the price of petroleum products is determined on the basis of market price quotations and a fixed margin.
- Luka Koper, d. d. includes in its contracts provisions on the adjustment of sales prices to inflation.
- For the supply of electricity, a contract has been signed with a supplier, whereby the Company has leased volumes and fixed prices for the period until the end of 2024. A contract has also been signed for the supply of electricity for the period in 2025 and 2026, which will allow the Company to manage this risk to an acceptable level.
- Due to the longer delivery times, stocks of critical materials have been increased accordingly.

Since the crisis, those responsible and accountable for information security have paid additional attention to monitoring the state and situation of the Company's information environment and have implemented measures to ensure the availability, confidentiality and integrity of information assets, namely:

- Regular review and updating of server and communication infrastructure,
- Regular review and updating of application solutions,
- Regular review of access rights,



- Use of multi-factor authentication,
- Protection against DDOS attacks,
- Control of privileged users,
- Regular user awareness.

### 14.3.2 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.

This group of risks is 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, regular medical examinations, and appropriate property and liability insurance. 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. We assess that risks are managed to an acceptable level through appropriate control activities and regulations. Through regular maintenance and the timely supply of spare parts, the Company reduces the risks for the smooth operation of the processes related to the handling of goods.

In 2023, we intend to 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.

### 14.3.3 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 currently does not recognize financial risks as key risks, but the risk of changes in fair value is the highest among all financial risks. At the end of 2022, 6.3 percent of the Group's assets were invested in financial investments measured at fair value. Given the unchanged structure of these investments, their fair value at the end of 2021 was 18.8 percent lower than at the previous year-end. 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.

The procedures for borrowing and thus obtaining resources for financing investments in 2022 have been completed. On 21 January 2022, Luka Koper, d. d. concluded a long-term loan agreement in the amount of EUR 60 million with a banking syndicate consisting of Nova Ljubljanska banka, d. d., and Banka Intesa Sanpaolo, d. d. In 2023, Luka Koper, d. d. will fully utilise this loan.

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. 34: Financial instruments and financial risk management.

### 14.3.4 Compliance risks

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 port or that lower limit values will be set, which may result in an inability to comply with the legislative requirements. The Group is managing the risks associated with excessive noise by gradually switching to electrically powered technological equipment and is also actively involved in the Neptunes project, which is seeking solutions to reduce ship noise.

The Environmental Ship Index (ESI) scheme has been implemented since 1 January 2023, which is a voluntary scheme used by ports to encourage and reward cleaner and more environmentally friendly ships, as cleaner ships

will pay lower port dues. By introducing the ESI scheme, we aim to attract to port ships with state-of-the-art engines and cleaner propulsion systems, thus reducing emissions into the atmosphere.

The draft Regulation of the European Parliament and of the Council on the establishment of an alternative fuels infrastructure, which is being coordinated, foresees the need to provide shore-side electricity to ships by 2030. The Port of Koper and ELES are carrying out procedures to obtain spatial-environmental and project documentation for the elaboration of a national spatial plan for the Luka Koper RTP (substation) and the connecting line to the port, which are necessary for the supply of electricity to ships.

In 2023, activities will 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.

### **14.3.5 Fraud and corruption risks<sup>34</sup>**

Luka Koper, d. d. manages fraud and corruption risks by having clearly defined rules for preparing and concluding transactions, for delegating powers and for approving invoices, and by applying the four-eyes principle and other controls integrated into processes.

The Luka Koper Group has rules that apply to the controlling company and five subsidiaries, and are defined in management system documents, in the Luka Koper Group Strategy of Corporate Integrity, Luka Koper Group Code of Ethics, and Luka Koper Group Rules on Accepting Gifts, and in the Rules of Procedure of the Corporate Integrity Officer and the Corporate Integrity Violations Committee of the Luka Koper Group.

In 2022, the Company had a Corporate Integrity Officer to further manage compliance risks and risks of fraud and corruption. Among other things, the implementation of the Corruption Prevention Management System in accordance with ISO 37001:2016 is underway.

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34 GRI 205-1, 3-3

## 15 The LKPG Share<sup>35</sup>

The share of Luka Koper, d. d., is listed on the Ljubljana Stock Exchange, Prime market, under the symbol LKPG. At the end of 2022, it closed trading at 1.64 percent higher than the previous year-end. On the last trading day of 2022, the price per LKPG share was EUR 24.80. The ownership structure of Luka Koper, d. d. experienced no major changes in 2022. As at 31 December 2022, 8,801 shareholders were entered in the shareholder register, which was 204 fewer than in 2021. The Republic of Slovenia remains the largest shareholder.

### *Ten major shareholders as at 31 December*

Shareholder	Number of shares as at 31 Dec 2022	Ownership interest as at 31 Dec 2022	Number of shares as at 31 Dec 2021	Ownership interest as at 31 Dec 2021
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%
Citibank N.A. – fiduciary account	309,274	2.21%	382,208	2.73%
OTP Banka, d.d. – fiduciary account	289,966	2.07%	32,778	0.23%
Hrvatska poštanska banka, d.d. – fiduciary account	150,182	1.07%	150,232	1.07%
Raiffaisen Bank International AG	133,236	0.95%	157,199	1.12%
Zagrebačka banka, d. d. – fiduciary account	131,374	0.94%	114,464	0.82%
NLB Funds – Multi-Asset Slovenia	105,729	0.76%	114,890	0.82%
<b>Total</b>	<b>10,953,628</b>	<b>78.24%</b>	<b>10,785,638</b>	<b>77.04%</b>

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

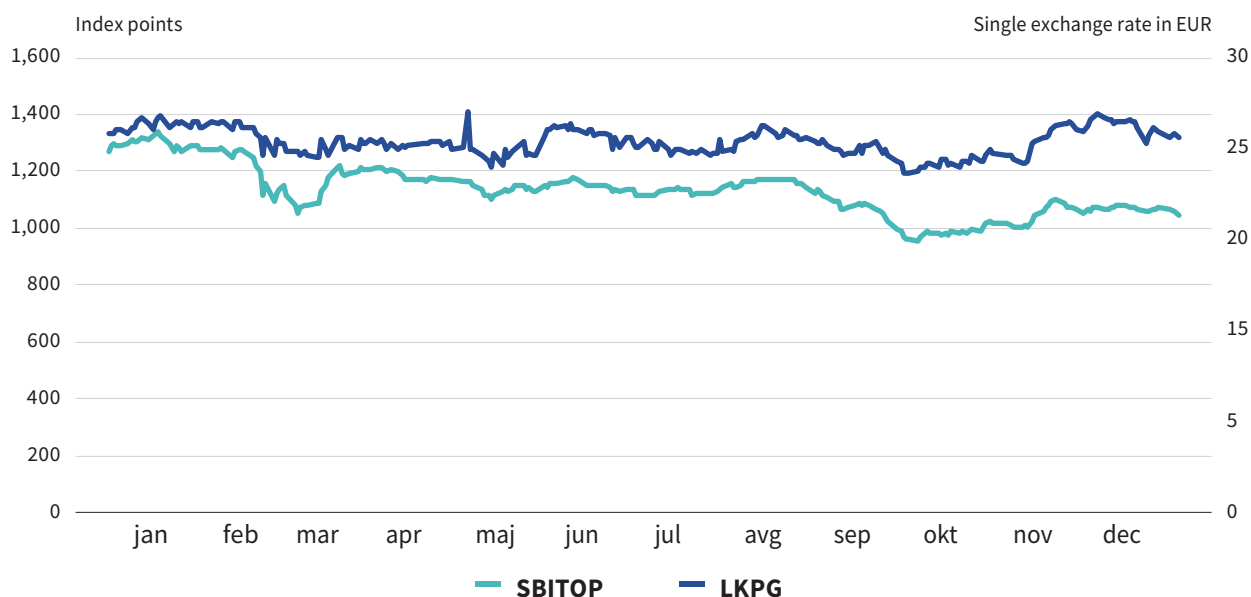
Shareholder	Number of shares as at 31 Dec 2022	Ownership interest as at 31 Dec 2022	Number of shares as at 31 Dec 2021	Ownership interest as at 31 Dec 2021
Republic of Slovenia	7,140,000	51.00%	7,140,000	51.00%
Individuals	2,389,601	17.07%	2,335,236	16.68%
Slovenian Sovereign Holding	1,557,857	11.13%	1,557,857	11.13%
Fiduciary accounts with banks	1,008,891	7.21%	789,776	5.64%
Kapitalska družba	702,568	5.02%	696,579	4.98%
Legal entities	447,664	3.20%	611,370	4.37%
Municipality of Koper	439,431	3.14%	439,431	3.14%
Foreign banks	147,238	1.05%	175,070	1.25%
Mutual funds	136,004	0.97%	188,594	1.35%
Banks	15,939	0.11%	20,668	0.15%
Brokerage companies	10,462	0.07%	10,462	0.07%
Foreign legal entities	4,345	0.03%	34,957	0.25%
<b>Total</b>	<b>14,000,000</b>	<b>100.00%</b>	<b>14,000,000</b>	<b>100.00%</b>

## 15.1 Share trading

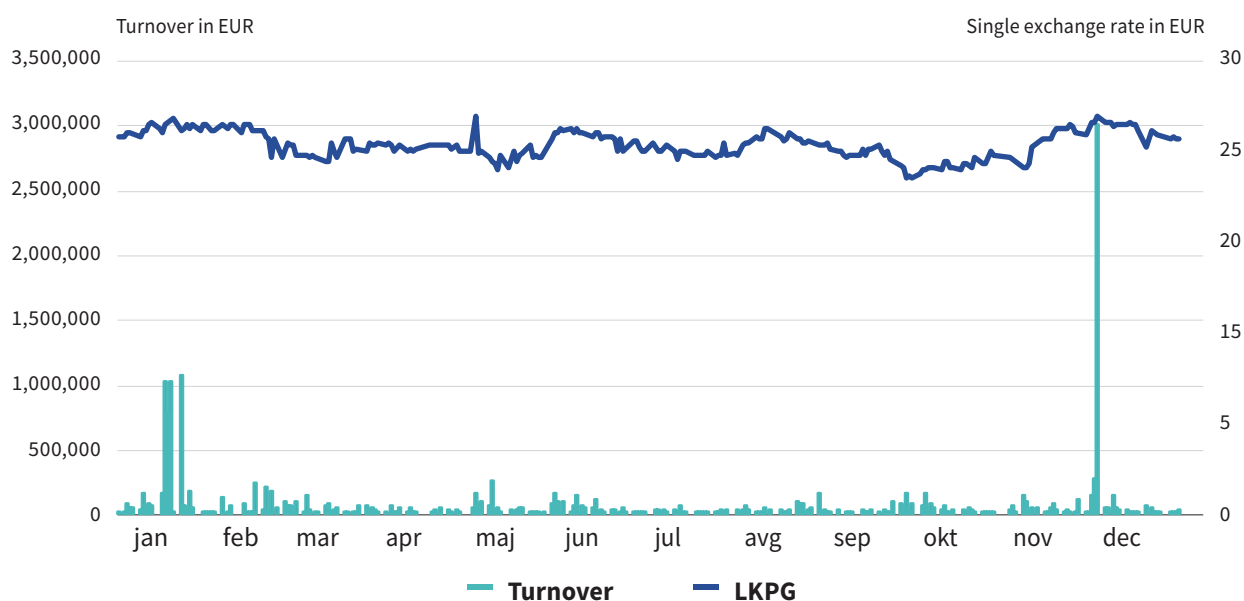
The average daily price of the Luka Koper, d. d. share amounted to EUR 24.47 in 2022. During the year, its value fluctuated between EUR 22.30 and EUR 26.40. The highest market price of the share was EUR 26.40 and the lowest EUR 22.10. Market cap of Luka Koper, d. d., shares as at 31 December 2022 was EUR 347,200,000.

In 2022, the total number of stock-exchange transactions and deals with lots for the LKPG share was 2,542. Total turnover in the period amounted to EUR 17,933,593, whereby 720,095 shares changed owners.

### *Changes in the SBI TOP index and the daily LKPG price in 2022*



### *Changes in the daily LKPG share and daily turnover in 2022*



## Key data on the LKPG share

	2022	2021
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)	24.80	24.40
Book value per share as at 31 Dec (in EUR) <sup>36</sup>	34.30	30.87
Price-To-Book (P/B Ratio) <sup>37</sup>	0.72	0.79
Average market price (in EUR) <sup>38</sup>	24.90	22.09
Average book value per share (in EUR) <sup>39</sup>	32.54	30.15
Average market price / average book value per share	0.77	0.73
Earnings per share (EPS) (in EUR) <sup>40</sup>	5.23	2.14
Price-to-earnings ratio (P/E ratio) <sup>41</sup>	4.74	11.42
Market cap as at 31 Dec (in EUR million) <sup>42</sup>	347.20	341.60
Total share turnover (in EUR million)	17.93	14.72
Dividend per share (in EUR) <sup>43</sup>	1.14	1.14
Dividend yield (in %) <sup>44</sup>	4.60	4.67

## 15.2 Dividend policy

Defined in the 2020–2025 Strategic Business Plan of Luka Koper, d. d., the aim of the dividend policy of Luka Koper, d. d. is to reconcile the stakeholders' tendency towards dividend earnings and the tendency towards using the net profit for the period in order to finance investment projects.

## 15.3 Cross-linkages with other companies

As at 31 December 2022, Luka Koper, d. d. did not hold an interest of at least 5% in any company which owns shares of Luka Koper, d. d. The shareholders holding at least 5% 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.

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

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

38 The average market price is calculated as a ratio of total turnover from ordinary (stock exchange) transactions to quantity of LKPG trading shares in ordinary (stock exchange) transactions.

39 The average bookkeeping value of a share is calculated on the basis of average monthly balances of the ratio of equity to the number of ordinary shares.

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

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

42 Market capitalization = closing price \* number of shares.

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

44 Dividend yield = dividend per share / closing price

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

Shareholder		Ownership 31 Dec 2022
Supervisory Board	Nevenka Črešnar Pergar, Deputy Chair of the Supervisory Board	570
	Rok Parovel, Member of the Supervisory Board	8

As at 31 December 2022, 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 2022, 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 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 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 our 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 general developments in the port.



■ **PORT SHAREHOLDER**

Once a year, in the period prior to the General Meeting of Shareholders, Luka Koper 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


Email: [rok.stemberger@luka-kp.si](mailto:rok.stemberger@luka-kp.si)

## 15.8 Calendar of relevant publications in 2023

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](http://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 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.

## 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 an unconsolidated 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 2022 takes into account the requirement to publish a statement on non-financial operations as set out in the provisions of the twelfth paragraph of Article 56 of ZGD-1 and Article 70c of ZGD-1. 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'.

### 16.2 Sustainability report according to GRI Sustainability Reporting Standards<sup>45</sup>

The 2022 report has been prepared in accordance with the Global Reporting Initiative Standards for sustainability reporting, revised standards (Foundation 2021), effective from 1 January 2023. In devising the report and defining the essential content, we used the following:

- UNIVERSAL STANDARDS
  - GRI 1: Foundation 2021: Requirements and principles for the use of GRI standards.
  - GRI 2: General disclosures: Disclosures about the organization.
  - GRI 3: Material Topics: Disclosures about the organization's material topics.
- TOPIC STANDARDS
  - GRI 201 to 418: selected standards according to the organisation's defined material topics.

Reporting refers to the Luka Koper Group. For certain issues 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. Changes with regard to previous periods relate to the revised GRI standards.

### 16.3 Principles of sustainable reporting

In collecting data and writing the 2022 Sustainability Report, the following reporting principles were taken into account:

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

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45 GRI 2-4

## 16.4 Reporting periods<sup>46</sup>

The Luka Koper Group has been reporting on sustainability on an annual basis since 2000. 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 2021 and made public on 22 April 2022. The report for 2022 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 2022 sustainability report, and will continue to do so in the future. The GRI organisation will also be informed about the public publication of the Sustainability Report for 2022.

### Contact point

The Sustainability Report is part of the 2022 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](http://www.zivetispristaniscem.si)

Contact person for information on the Sustainability Report: T: +386 5 665 61 00  
E: [zsp@luka-kp.si](mailto:zsp@luka-kp.si)

## 16.5 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 sections, the Luka Koper Group reports on its operations in important areas of sustainable development in 2022 on the basis of the previously identified material aspects. The GRI indicator number in the footer connects GRI indicators with the text.

## 16.6 External verification of sustainability report<sup>47</sup>

In March 2021, Luka Koper concluded a three-year contract for the external verification of the sustainability report with SIQ Ljubljana, an independent institution that is not connected to the Port of Koper. The sustainability report for the year 2022 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 2022 were taken into account in preparing the 2022 report. The management was not involved in the external verification of the sustainability report.

<sup>46</sup> GRI 2-3

<sup>47</sup> GRI 2-5





## Sustainability Report Assurance Statement

### Objective and scope of assurance

Based on the 2016 GRI Sustainability Reporting Standards, and later supplements, SIQ was commissioned by **Luka Koper, d. d.**, Vojkovo nabrežje 38, 6000 Koper, Slovenia to perform independent external assurance of the Annual Report of the Luka Koper Group and Luka Koper, d. d., for 2022. The company voluntarily submitted to the external assurance of its report. The objective of assurance was to assess whether the facts and data stated in the report are credible and reflect the current state of sustainable development at the company and the Group.

### Limitations

The Annual Report relates to the Luka Koper Group and the parent company Luka Koper, d. d., to the extent and limitations set out in Chapter 16.2 of the Annual Report and in individual disclosures. Although it is a joint report, certain disclosures relate solely to the parent company Luka Koper, d. d., or to the Luka Koper Group. The stakeholders participated in the materiality analysis through a survey. Based on the results of 36 questionnaires, Luka Koper d. d. performed a materiality analysis and drew up a Materiality Matrix and made a review of the material content highlighted by the stakeholders (Chapter 17.5.). The methodology of determining material content in four steps is described in Chapter 17. 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 in the GRI Table of Contents (Chapter 26).

### Assurance methodology

The stakeholders did not participate in the assurance process, as this was not requested by the contracting authority. The assurance process, therefore, involved a review of the Annual Report of the company and the Group, interviews with the responsible company representatives, and assurance with respect to the documentation and other data of the company. The data in the financial statements were not audited.

### Responsibility

The 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 the processing and presentation of the reported data. The SIQ representatives are responsible for the independent assurance of the Report's compliance with the GRI Standards and the actual state, and for drawing up an opinion regarding the Sustainability Report included in the Annual Report.

### Independence

SIQ is a professional, independent, and impartial institution that provides comprehensive solutions in the areas of product testing and certification, management systems assessment, metrology, and training. Numerous accreditations and memberships in international certification schemes and associations are evidence of the international recognition and high professional level of the SIQ's work. The assessors who performed the assurance process are registered auditors of quality management systems, environmental management systems or EMAS, occupational health and safety management systems, energy management systems, and information security management systems.

### Findings

The assessors carefully examined compliance with the requirements of standards and reporting principles and the mandatory disclosures. Sustainable development is an integral part of the strategy set out in the Luka Koper Group's Strategic Guidelines. The Report states guidelines in the area of sustainable development and the sustainable development strategy. In its Report, the company presented 55 disclosures in 18 specific standard areas. Disclosures in the areas of management approaches and results of performance indicators confirm the sustainability-oriented nature of the parent company and the Luka Koper Group. Based on our findings, we hereby declare that the facts and data stated in the Annual Report are reliable and reflect the current state of the management systems and the sustainable operations of Luka Koper, d. d., and the Luka Koper Group. Taking into account the above limitations and the assurance methodology, we hereby find that the Annual Report of the Luka Koper Group and Luka Koper, d. d., for 2022 meets the requirements of the 2016 GRI Sustainability Reporting Standards, and later supplements (GRI 303 and GRI 403 standards are considered in the 2018 version, GRI 306 in the 2020 version, and GRI 1, GRI2 and GRI 3 in the 2021 version). With its decision to have the independent external assurance of the Sustainability Report performed for the parent company and the Luka Koper Group, the management of Luka Koper, d. d. raises the awareness of the importance of sustainable development, and thus contributes to the establishment of internationally comparable best practices relating to sustainable development reporting.

### Recommendations

Several opportunities were identified during the assurance process to improve operations and reporting in the area of sustainable development. These are recorded in the Assurance Report.

In the name and on behalf of SIQ

Igor Bizjak



Ljubljana, 16 March 2023

Miloš Seražin  
Management Systems Assessment

## 17 The process of determining the material topics<sup>48</sup>

When determining the material topics of the reporting, Luka Koper considered the four steps of the process:

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

Luka Koper documented the process of determining the material topics of the reporting. In this process of determining the material topics of reporting and the selection of identified impacts and material topics for reporting, the company's management also participated, as it approved the process and the selection at its meeting on 7 February 2022.

### 17.1 Step 1: Understand the organization's context

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

- Overview of the organization's activities,
- Review of business relationships,
- Overview of the sustainability context,
- Review of stakeholder.

#### 17.1.1 Stakeholders of Luka Koper<sup>49</sup>

*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. \(luka-kp.si\)](https://www.luka-kp.si/corporate-documents), and in the framework of individual business processes of the Company.

48 GRI 2-12, 2-13, 2-14, 2-29, 3-1, 3-2  
49 GRI 2-29, 3-1, 3-2



From the wide range of stakeholders with whom Luka Koper, d. d. 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.

Key stakeholders	Communication tools	Frequency of engagement
SHAREHOLDERS	<ul style="list-style-type: none"> <li>■ Website</li> <li>■ SEOnet</li> <li>■ Gatherings</li> <li>■ General Meeting</li> <li>■ Annual report</li> <li>■ Investor conferences</li> <li>■ Port Bulletin</li> <li>■ Port Shareholder</li> <li>■ Press conferences</li> </ul>	Upon publishing business reports and, if necessary, upon meetings with the investor audience
CUSTOMERS AND PORT COMMUNITY	<ul style="list-style-type: none"> <li>■ Website</li> <li>■ TinO business information system</li> <li>■ Notifications and other service messages</li> <li>■ Telephone contacts</li> <li>■ Personal contacts</li> <li>■ Fairs and conferences</li> <li>■ Organisation of target business events</li> <li>■ Customer satisfaction survey</li> <li>■ Port Bulletin</li> <li>■ LinkedIn</li> <li>■ Port Days</li> <li>■ Gatherings</li> </ul>	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"> <li>■ Web portals</li> <li>■ Reports</li> </ul>	Regularly
SUPPLIERS	<ul style="list-style-type: none"> <li>■ Best Supplier' event</li> <li>■ PSP portal</li> </ul>	Daily
EMPLOYEES	<ul style="list-style-type: none"> <li>■ Survey on employee satisfaction</li> <li>■ Port Bulletin</li> <li>■ Quality teams</li> <li>■ Chat room</li> <li>■ Intranet</li> <li>■ Meetings</li> <li>■ Gatherings</li> <li>■ Evaluation of managers</li> <li>■ Annual interviews</li> <li>■ Assessment of mutual cooperation between units</li> </ul>	Daily
SOCIAL ENVIRONMENT	<ul style="list-style-type: none"> <li>■ Port Day</li> <li>■ "Living with the Port" portal</li> <li>■ Meetings with representatives of local communities</li> <li>■ Facebook</li> <li>■ Port Bulletin</li> </ul>	Occasionally, as needed
NATURAL ENVIRONMENT	<ul style="list-style-type: none"> <li>■ "Living with the Port" portal</li> <li>■ Environmental reports</li> <li>■ Expert councils</li> </ul>	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"> <li>■ Carrying out cargo handling port operations</li> <li>■ Carrying out maritime passenger traffic</li> <li>■ Port management and administration</li> <li>■ Management and development of port infrastructure not intended for public transport</li> <li>■ Carrying out public utility service of regular maintenance of the port infrastructure intended for public transport</li> <li>■ Collection of waste from vessels</li> <li>■ Logistics services and distribution</li> <li>■ Mooring/unmooring of ships</li> <li>■ Technological and ecological research</li> </ul>	<ul style="list-style-type: none"> <li>■ Employees</li> <li>■ Public authorities</li> <li>■ Customers, port community</li> <li>■ Suppliers</li> <li>■ Natural environment</li> <li>■ Social environment</li> <li>■ Shareholders</li> </ul>

## 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.

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: Prioritize 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 January 2023 and sent it to just over 150 addresses of its recognised stakeholders. 36 stakeholders responded (approx. 24 percent response).

Key stakeholders	Participation in preparation of sustainability report - survey	Number of completed questionnaires
SHAREHOLDERS	YES	3 questionnaires completed
CUSTOMERS AND PORT COMMUNITY	YES	13 questionnaires completed
PUBLIC AUTHORITIES	YES	3 questionnaires completed
SUPPLIERS	YES	4 questionnaires completed
EMPLOYEES	YES	5 questionnaires completed
SOCIAL ENVIRONMENT	YES	5 questionnaires completed
NATURAL ENVIRONMENT	YES	3 questionnaires completed

## Impacts highlighted by stakeholders

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

	Share-holders	Suppliers	Social Environ-ment	Public Authori-ties	Customers and Other Members of the Port Commu-nity	Environ-ment-Re-lated Organisa-tions	Employ-ees
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...)							
Procurement of materials and services from suppliers							
Wages and salaries							
Payment of dividends to owners							
Payment of income tax, taxes and contributions from employee remuneration							
Payment of the concession tax							
Payment of fee for the use of building land							
Payment of transhipment fee							
Reliability and quality of Luka Koper's service (focus on the customer, partnership relationship, resolution of complaints)							
Human rights, discrimination and diversity							
Occupational safety and health							
Risk of serious injuries at work							
Business compliance and corporate integrity, compliance with laws							
Recruitment in the Luka Koper Group							
Noise emissions							
Dust emissions into the atmosphere							
Training and education of employees							
Waste management							
Inability to expand the port area							
Minor injuries at work							
Sea pollution							
Socially responsible activities (sponsorships, donations, mitigation measures)							
Motivating employees with minor benefits							
Employee commitment							
Energy consumption							
Impact on biotic diversity							
Fire, explosion							
Drinking water consumption							
Generation of waste water							
Membership fees to associations							
Light pollution							
Dispersal of material outside the port							
Spills of hazardous substances							
Radioactive and electromagnetic radiation							
Impossibility of (timely) provision of services to customers (non-functioning of the IT system, delays in the provision of services, limitations of operation due to weather effects, strike...)							
Occupational diseases							
Cooperation with educational institutions							

## 17.5 Materiality matrix and identified impacts<sup>50</sup>

*Materiality matrix - identified impacts assessed by the Company and stakeholders*

	Important for stakeholders	Important for Luka Koper, d. d.
Occupational safety and health	2,9	3,0
Spills of hazardous substances	2,9	1,0
Sea pollution	2,9	2,0
Fire, explosion	2,9	2,0
Radioactive and electromagnetic radiation	2,8	1,0
Dust emissions into the atmosphere	2,8	3,0
Waste management	2,8	3,0
Human rights, discrimination and diversity	2,8	3,0
Business compliance and corporate integrity, compliance with laws	2,8	3,0
Employee commitment	2,7	2,0
Reliability and quality of Luka Koper's service (focus on the customer, partnership relationship, resolution of complaints)	2,7	3,0
Noise emissions	2,7	3,0
Generation of waste water	2,7	2,0
Impact on biotic diversity	2,7	2,0
Drinking water consumption	2,7	2,0
Energy consumption	2,7	2,0
Light pollution	2,7	1,0
Dispersal of material outside the port	2,7	1,0
Inability to expand the port area	2,7	3,0
Risk of serious injuries at work	2,7	3,0
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...)	2,6	3,0
Occupational diseases	2,6	1,0
Impossibility of (timely) provision of services to customers (non-functioning of the IT system, delays in the provision of services, limitations of operation due to weather effects, strike...)	2,6	1,0
Cooperation with educational institutions	2,6	1,0
Training and education of employees	2,6	3,0
Minor injuries at work	2,5	2,0
Socially responsible activities (sponsorships, donations, mitigation measures)	2,5	2,0
Procurement of materials and services from suppliers	2,4	3,0
Payment of the concession tax	2,3	3,0
Payment of income tax, taxes and contributions from employee remuneration	2,3	3,0
Wages and salaries	2,3	3,0
Motivating employees with minor benefits	2,3	2,0
Payment of transshipment fee	2,3	3,0
Recruitment in the Luka Koper Group	2,2	3,0
Payment of fee for the use of building land	2,2	3,0
Payment of dividends to owners	1,9	3,0
Membership fees to associations	1,8	1,0

50

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 identified the following material topics for reporting in the Sustainability Report for 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 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 (GRI 306 Waste)
- 11 Restrictions on the expansion of the port area (GRI 203 Indirect Economic Impacts)
- 12 Socially responsible activities (GRI 201 Economic Performance, GRI 413 Local Communities)
- 13 Benefits for employees (GRI 401 Employment)
- 14 Employee engagement (GRI 401 Employment)
- 15 Energy consumption (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)

According to previous reporting, the following changes in the reporting of material topics occurred in 2022:

- Due to the revised standards, the reporting of GRI 307 Environmental Compliance, GRI 412 Human Rights Assessment and GRI 419 Socioeconomic Compliance has been abandoned.
- Additionally, disclosure 305-3 Other indirect (Scope 3) GHG emissions will be reported in 2022.

## 18 Luka Koper and sustainable development guidelines<sup>51</sup>

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

- Management policy of Luka Koper, d. d.,
- Code of Ethics of the Luka Koper Group,
- 2020–2025 Strategic Business Plan of Luka Koper, d. d.,
- Strategic orientations of development in the environmental field,
- Sustainable development and social responsibility strategy of Luka Koper, d. d.,
- Business continuity policy of Luka Koper, d. d.,
- Sales policy of Luka Koper, d. d.,
- Corporate integrity strategy of the Luka Koper Group companies,
- Managing conflicts of interest policy of the Luka Koper Group,
- Policy on health and safety in the port and energy efficiency,
- Security policy of Luka Koper, d. d.,
- Quality policy,
- Procurement policy,
- Diversity Policy of the Management Board and the Supervisory Board of Luka Koper, d. d.
- Remuneration Policy of the members of the Management Board and the Supervisory Board of Luka Koper, d. d.,
- Human resource management strategy,
- 2020–2025 IT strategy,
- Rules of Procedure of the Corporate Integrity Officer and the Corporate Integrity Violations Committee of the Luka Koper Group,
- Rules of Procedure of the Operations Compliance Officer,
- Risk appetite statement,
- Sponsorships and donations strategy,
- Rules on acceptance of gifts in the Luka Koper Group companies,
- Remuneration Policy of directors of subsidiaries.

With its policies, Luka Koper 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. The policies are based on its 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 the internal and external environment.

The Management Board of the Company controls the management of sustainable development by adopting and updating 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://www.zivetispristaniscem.si).

Technical support to the Management Board of the Company and Profit Centres in the area of sustainable development is provided by specialised departments organised by the area of expertise, from fundamental management functions to specialist knowledge required to carry out specific activities. Luka Koper has also adopted an internal

51 GRI 2-12, 2-13, 2-14, 2-17, 2-23, 2-24



act that regulates the transfer of powers to a lower level. In addition, individual authorisations 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 Officer and the Corporate Integrity Violations Committee. A Risk and Opportunity Management Officer has been appointed to manage risks and opportunities, 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 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 2022, a member of the Management Board - Worker Director - completed 30 hours of sustainability training.

The Company is also committed to complying with applicable legislation, codes of reference and adopted policies. It pursues 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, which also including respect for human rights. The topic of human rights is presented in more detail in Chapter 19.2: Human rights and discrimination and in Chapter 19.2.1: Human rights identified as most relevant for Luka Koper, d.d.

## 18.1 Sustainable development strategy<sup>52</sup>

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 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 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*)

## 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 2030<sup>53</sup>.

52 GRI 2-12, 2-13, 3-3

53 [Implementation of the Development Strategy of Slovenia 2030 GOV.SI](#)

## Sustainable Development Goals<sup>54</sup>



### 18.2.1 With its efforts, the Luka Koper Group addresses 14 sustainable development goals

Development policy of the Republic of Slovenia 2030	Sustainable Development Goals	Sustainable guidelines of the Luka Koper Group
 <p><b>Inclusive, healthy, safe and responsible society</b></p>	   	<ul style="list-style-type: none"> <li>■ 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.</li> <li>■ Respect for human rights.</li> <li>■ Healthy and safe working environment.</li> <li>■ Decent pay for work.</li> <li>■ Healthy and active life of employees and the wider community.</li> <li>■ Doing business in accordance with the law and high ethical standards.</li> </ul>

 <p><b>Highly productive economy creates added value for all</b></p>	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div>	<ul style="list-style-type: none"> <li>■ Achieving good business results.</li> <li>■ Providing competitive services with advanced technologies.</li> <li>■ Promoting knowledge and skills for quality work.</li> <li>■ Rational use of resources.</li> <li>■ Achieving beneficial effects on the economy.</li> </ul>
 <p><b>Learning for and through life</b></p>	<div>4 QUALITY EDUCATION</div>	<ul style="list-style-type: none"> <li>■ Educating and training of employees.</li> <li>■ Supporting the education and employability of young people (scholarships, work placements) and people with disabilities, and providing quality jobs.</li> <li>■ Promoting lifelong learning for the general public.</li> </ul>
 <p><b>Well-preserved natural environment</b></p>	<div>7 AFFORDABLE AND CLEAN ENERGY</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div> <div>13 CLIMATE ACTION</div> <div>14 LIFE BELOW WATER</div> <div>15 LIFE ON LAND</div>	<ul style="list-style-type: none"> <li>■ Care for the natural environment.</li> <li>■ Sustainable management of natural resources.</li> <li>■ Employee health promotion.</li> <li>■ Low-carbon circular economy.</li> <li>■ Sustainable development of the wider community.</li> </ul>
 <p><b>High level of cooperation, competence and governance efficiency</b></p>	<div>10 REDUCED INEQUALITIES</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div>17 PARTNERSHIP FOR THE GOALS</div>	<ul style="list-style-type: none"> <li>■ Multi-stakeholder dialogue and cooperation.</li> <li>■ Socially responsible projects and partnerships.</li> <li>■ Transparency and business efficiency.</li> </ul>

At the beginning of 2021, Luka Koper adopted the Strategy of Social Responsibility and Sustainable Development which is published on the website [Živeti s pristaniščem - Poročila in dokumenti \(zivetispristaniscem.si\)](https://www.zivetispristaniscem.si). 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.

## 19 Corporate integrity, human rights, prevention of corruption and compliance<sup>55</sup>



It is a welcome business practice of recent years that in their operations, companies have been oriented increasingly towards the respect and strengthening of corporate integrity and compliance of operations. Such an approach ensures for business operation to be compliant with legislation, good business practices and ethical principles.

Compliance with legislation and ethical conduct in its broadest sense are ensured by following the concept of social responsibility, which has been increasingly prominent and becoming an indispensable part of companies' day-to-day operation. The aim of companies of the Luka Koper Group is long-term successful performance, which refers to long-term development of the Luka Koper Company and Group, 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 2022, the Luka Koper Group again organised training in the field of corporate integrity, human rights, compliance and personal data protection.

- Internally organised training programmes:
  - Confidential information: 3 workshops, a total of 40 participants
- External training programmes:
  - RISK conference: 2 participants
  - Public Information Access Act: 1 participant
  - Corporate governance: 1 participant
  - Cyber security: 4 participants
  - Corruption risks: 1 participant
  - Days of Corporate Security: 3 participants
  - Confidential information: 1 participant
  - GDPR: 7 participants

### 19.1 Corporate integrity<sup>56</sup>

The Luka Koper Group acceded to the Slovenian corporate integrity guidelines in 2014. In Luka Koper, the area of corporate integrity is overseen by the Corporate Integrity Officer and the Corporate Integrity Violations Committee, who based on observed violations make reports with recommendations or proposed measures.

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 has established the professional position Corporate Integrity and Operations Compliance Officer, who is autonomous in terms of organisation and reports directly to the Company management bodies as well as the Supervisory Board. It is the role of this Officer to provide advice and warn against the existence of compliance risk with regard to the legislation, internal rules and other current Company's acts within all business processes, and particularly against the risk of insider dealing and disclosure of protected data.

<sup>55</sup> GRI 2-23, 2-25, 2-26

<sup>56</sup> GRI 2-23, 2-25, 2-26

This is intended to ensure the performance of the corporate integrity and compliance programme; managing risk with regard to corporate compliance and integrity; establishing a relevant procedure and methodology for assessing compliance and corporate integrity risk; managing risk to do with conflict of interests, lobbying, corruption and breaches of ethics and integrity based on the Code of Ethics; record-keeping; due care for the corporate integrity system to be rooted in the internal management system, and strengthening the culture of compliance and integrity.

Corporate Integrity Officer made sure that all the necessary declarations of the members of the Management and Supervisory Boards were collected regarding conflict of interests, autonomy and protection of inside information as provided for and required by positive law.

Each natural or legal person may address to the Corporate Integrity Officer a report of corporate integrity violations for which the Officer is responsible. The Officer and the Committee process all the reports and notifications, even if submitted anonymously. Any violation of corporate integrity may be reported through the Company website <https://www.luka-kp.si/slo/prijava-nepravilnosti> or directly with the Corporate Integrity Officer. The Officer and the Committee have to protect the identity of bona-fide notifiers and handle their data confidentially. In the event of illicit retaliatory measures against the notifier, 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 notifier should not be established. The report can be submitted in writing, orally on the record, using the form of the Luka Koper website, or other electronic means. 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.

Serving to the Company as a guide, and providing it with guidelines and rules, the Code of Ethics is based on the values and objectives of Luka Koper. It summarises potential ethical dilemmas and situations in which an employee might find themselves as part of the expected or required conduct of employees working in the Luka Koper Group.

The electronic Code of Ethics is available to all employees on the Luka Koper online portal, and to business partners and other interested parties on the Luka Koper website. All new employees receive a printed copy of the Code upon being recruited, and commit to respecting it 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.

Leaders have the role to direct the employees in their involvement towards achieving the Company's shared goals by setting an example, assuming responsibility for the results and staff development, translating organisational objectives into individual ones, providing employees with regular feedback on work efficiency, i.e., being able to define the employees' disadvantages and advantages.

In making decisions, the Company is guided by responsibility, commitment, respect, cooperation and creativity.

Companies of the Luka Koper Group seek to protect its property against fraud and corrupt practices by establishing a relevant internal control system. Employees at positions exposed to such risks have been asked to sign statements on related parties and avoidance of conflicts of interests. The Luka Koper Group is also subject to the Rules on Acceptance of Gifts in Luka Koper Group Companies and, in relation to business partners, the Code of Conduct for Business Partners of the Luka Koper Group, to which a business partner subscribes by signing a declaration of compliance with the Code.

Employees may obtain advice by contacting the Corporate Integrity Officer directly. In 2022, the Corporate Integrity Officer of the Luka Koper Group dealt with 14 reports of alleged violations of corporate integrity filed by both external and internal players. Of the fourteen applications, nine were anonymous and five had a known applicant. When considering applications, the Officer checked their validity, finding one anonymous application partially justified. When the applications were reviewed, internal processes were also checked and 8 recommendations were issued, which the management implemented in 2022. Also, in 2022, the Company adopted additional measures regarding information security and due diligence of new business partners, thereby additionally strengthening internal controls in this area.

## 19.2 Human rights and discrimination<sup>57</sup>



In November 2018, the Government of the Republic of Slovenia adopted the National Action Plan on Business and Human Rights, the purpose and aim of which is to ensure the implementation of the UN Guiding Principles on Business and Human Rights and to help ensure respect for human rights in economic activities along the entire value-chain, and further develop cooperation between the state, companies and economic associations, trade unions, non-governmental organizations and other stakeholders. Since 2019, Luka Koper, d. d. has been a signatory to the Commitment to Respect Human Rights, which includes a commitment to adopt the action plan no later than three years after signing. In 2022, it adopted an action plan for the implementation of the Commitment to Respect Human Rights in business. With the 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.

A Corporate Integrity Officer was in place in 2022. Also in 2022, a new post of Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer was systematised to review, complement and manage the activities set out in the Action Plan. At the end of the year, the Supervisory Board approved the additional duties of the person who will also perform duties related to human rights. Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer was appointed in January 2023.

In the framework of the National Action Plan (NAN)<sup>58</sup> the following priorities or areas of human rights were formulated.

1. Protection of fundamental rights at work (precarious work)
2. Prevention of harassment at the workplace (bullying)
3. Prevention of discrimination and inequality and promotion of equal opportunities
4. Work and Recruitment of Persons with Disabilities
5. Occupational safety and health
6. Environmental protection and sustainable development
7. Consumer rights
8. Human trafficking prevention

Within the framework of respect for human rights and prevention of discrimination, Luka Koper follows the following principles by implementing the above measures:

### ■ Protection of fundamental rights at work, prevention of precarious work

By changing its business model and eliminating the model of working with port service providers, the company completed the implementation of a new three-tier business model in 2020, thus making a major leap in the direction of respect for human rights. It also established that the hired agency workers are guaranteed the same rights as full-time employees in accordance with the legislation and the Collective Agreement of Luka Koper, d. d. The company provides employees with employment for an indefinite period, only exceptionally for a fixed period, and full-time work, only exceptionally less in relation to the provision of parental and health care rights.

<sup>57</sup> GRI 2-23, 2-24, 2-25, 2-26, 3-3, 406-1  
<sup>58</sup> Business and human rights | GOV.SI

#### ■ **Prevention of harassment at the workplace (bullying)**

The employer is under a legal obligation to ensure the working environment in which no worker is subjected to sexual and other harassment or bullying, either verbal, non-verbal or physical, by the employer, the superiors or co-workers. For this purpose, the employer must take appropriate measures to protect workers against sexual and other harassment or bullying at their workplace. Since 2014, the Company has had the Policy for Protection of the Dignity of Employees, which regulates the protection of employees from any forms of harassment and bullying at the workplace, while also setting the procedures, methods of reporting and measures to protect the dignity of employees. In 2022, this Policy was in the process of being amended or transformed into the Regulations on the Prevention of Harassment and Ill-treatment in the Workplace.

In 2022, one case of suspected harassment and ill-treatment at work was discussed based on formal complaint. The report of alleged harassment was unfounded and dismissed.

#### ■ **Ensuring gender equality**

In 2020, the Diversity Policy of the Management Board and the Supervisory Board was supplemented, which is reported in more detail in section 19.4 'Diversity Policy'. The company also ensures gender equality among other employees through non-discriminatory announcements and equal treatment of applications submitted by candidates for published vacancies in recruitment procedures, and with equal pay for the work performed regardless of gender and position.

#### ■ **Protection of persons with disabilities**

The company carefully treats employees in proceedings before the disability commission in search of a suitable job in accordance with employees' remaining working capacity and cooperates with the disability company Luka Koper INPO, d. o. o.

#### ■ **Protection of older workers**

The company complies with the legal provisions regarding overtime work of older workers, night work and additional days of annual leave for older workers.

#### ■ **Occupational safety and health**

The company implements health protection measures based on workplace risk assessments, safety drills and the use of protective equipment, and health promotion measures. The company reports on this in detail in Chapter 20: Safe and healthy port environment.

#### ■ **Environmental protection, nature conservation and sustainable development**

The company reports on this in detail in Chapter 22: Long-term sustainability of the natural environment.

Of all the principles mentioned, with the exception of one case of alleged harassment, which was later dismissed, there were no other cases of discrimination.

Luka Koper respects the rights of employees to freedom of association, membership in trade unions and the Works Council, and other forms of association. Communication should be 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.

Luka Koper, d. d. periodically participates in the Zlata Nit initiative and selection of the most reputable employer, which partially addresses the field of human rights; most recently in 2021.

In 2021, Luka Koper, d. d., internally organised an extensive training programme on human rights protection, which was attended by 11 percent of employees. In 2022, 7 human resources professionals received additional training on the GDPR.



### 19.2.1 Human rights identified as most relevant for Luka Koper, d. d.<sup>59</sup>

Luka Koper, d. d. pays special regard to respecting human rights. Respect for human rights applies to the entire Luka Koper and to all employees.

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 human rights recognized as very important, rated 1, the KPI value in 2022 is indicated in the last column of the table.

#### Recognised human rights

Human rights	Employees	Importance 1-4 <sup>60</sup>	KPI	2022 KPI value for importance 1
<b>FUNDAMENTAL RIGHTS AND FREEDOMS</b>				
The right to life	X	1	No of deaths	There were no fatal accidents in 2022.
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 publications No of actions to mute someone	
Inviolability of private life (data protection)	X	1	No of cases of data misuse (reported)	In 2022, there were no reports of misuse of personal data.
<b>ECONOMIC, SOCIAL AND CULTURAL RIGHTS</b>				
Right to work	X	1	No of on-going actions for unlawful dismissal	4 open lawsuits due to illegal dismissals (3 of which refer to 3 former members of the board).
Right to education	X	4	Average No of hours of training	
Right to dignity at work	X	1	No of reports	We report in chapter 19.2 Human rights and discrimination
Right to form trade unions, to participate and strike	X	1	No of strikes, conventions No of representative trade unions Agreement with trade unions	There were no strikes or rallies in 2022. The company has 2 representative trade unions. In 2022, 1 agreement was concluded.
Right to equal pay for equal work	X	1	Salary levels for the same position	We report in chapter 21.1.11 Benefits for employees
Right to social security (payment of contributions)	X	1	Payment of contribution	We report in chapter 21.1.11 Benefits for employees
Right to family life	X	2	No of overtime hours beyond the regulatory limit	
Right to health	X	1	Measures for the promotion of health No of injuries at work No of medical examinations	We report in chapter 20 Safe and healthy port environment
Right to non-discrimination	X	2	No of complaints due to discriminatory treatment	
Right to rest and leisure time	X	1	Use of annual leave Pay for annual leave	99% utilization of annual leave We report in chapter 21.1.11 Benefits for employees
<b>HUMAN RIGHTS OF THIRD GENERATION</b>				
Right to a healthy living environment	X	1	Noise level Concentration of dust particles No of pollution incidents Quality of drinking water	We report in chapter 22 Long-term sustainable development of the natural environment

<sup>59</sup> GRI 2-23, 2-24

<sup>60</sup> 1-very important, 4-not important

## 19.3 Corruption and bribery<sup>61</sup>

The Luka Koper Group had a code of conduct for suppliers in force until 10 July 2022. As of 11 July 2022, the Code of Conduct for Business Partners of the Luka Koper Group is in force, to which a business partner accedes by signing a declaration of compliance. By doing so, the business partner undertakes to comply with the required ethical values and principles. In addition, a system of verification of suppliers and customers has been supplemented to monitor in detail their financial situation and ownership structure. 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 practices or unfair business practices.

With the principles for suppliers, i.e., the 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 with the Luka Koper Group in the spirit of the ethical rules of conduct that apply to the Luka Koper Group.

It is an established good practice that upon recruitment each new employee is given the Code of Ethics and practical guide to ethical conduct that also defines corruption risk, and they all are presented the principles of port safety which include integrity issues (how to behave at the workplace, ethical conduct, protection of business secret, etc.). In 2022, all new recruits (109 employees) were made aware of this, and in particular, the employee scheduled to take over the duties of the Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer attended the training on the risks of corruption and integrity in business operations twice. Training and familiarisation with the Codes and Policies was provided to all employees of Luka Koper d. d. in 2021 and Luka Koper INPO, d.o.o. in 2022.

### *Number and percentage of employees who took part in anti-corruption training, by region and job category*

31. 12. 2022		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 in each category in %
111	7	Obalno-kraška regija	85	5.2	Vodilni (uprava, b-1)	6	0.4
		Osrednjeslovenska regija	3	0.2	Ostali vodstveni	0	0
		Primorsko notranjska	15	0.9	Strokovni	7	0.4
		Drugo	8	0.5	Izvajalski	98	6

In 2022, there were no confirmed cases of corruption in the Luka Koper Group.

61 GRI 205-2, 205-3, 3-3

## 19.4 Diversity Policy<sup>62</sup>



The Diversity Policy sets out the target diversity that is pursued in relation to representation in the Supervisory Board and the Management Board based on gender, age, education level and other personal characteristics of members as appropriate for the Company.

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 sexes (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.

As well as on legislative acts and the Company's articles of association, the Diversity Policy is based on the Corporate Governance Policy of Luka Koper, d. d. and the Code of Ethics of the Luka Koper Group.

Taking into consideration the company's core business, gender balance is considered in the composition of the Management Board and the Supervisory Board. There is a tendency for the Management Board and the Supervisory Board each to possess all the required knowledge, skills and experience, whereby individual members are complementing each other with their knowledge, skills and experience to be able to manage or supervise the company limited by shares in accordance with its objectives, strategy, policies and ethical standards.

In 2022, a methodology for identifying key personnel was established and a set of candidates was prepared whose career objectives include the membership of the Management Board. In 2022, individual development plans will be formed for less developed social and managerial competencies of these candidates, which will be included in the training plan for 2023. It is to the company's advantage to be having a range of candidates for membership of the Management Board with different skills 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 but the current Supervisory Board, which has not predetermined a competency model for each member of the Management Board that is specific to the Company and the Company's industry. The implementation of the policy is monitored by the HR Committee of the Supervisory Board, which in turn reports to the Supervisory Board.

## 19.5 Compliance with the legislation and internal requirements<sup>63</sup>

### 19.5.1 Compliance

Regarding compliance, Luka Koper has been implementing preventive checks based on its internal rules 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.

In the area of compliance, periodic and extraordinary assessments of the Company's compliance were carried out in 2022 on the basis of an annual plan adopted by the Management Board and approved by the Audit Committee of the Company's Supervisory Board. In 2022, 9 recommendations were made at draft level, which were forwarded to the heads of the Company's organisational units with a view to eliminating non-compliance issues. In the same year, a new Code of Conduct for Business Partners of the Luka Koper Group was adopted, to which a business partner accedes by signing a declaration of compliance. At the same time, the system for verifying suppliers and customers

<sup>62</sup> GRI 3-3

<sup>63</sup> GRI 2-23, 2-25, 2-26, 2-27

was supplemented by a detailed review of their financial situation and ownership structure, with verification of the ultimate owners.

In accordance with the plan, all planned compliance checks were carried out in the various areas of the company's business, such as the conclusion and implementation of contracts, investments, payment recovery and securing claims, protection of personal data, handling of public information and public procurement.

The internal regulations of Luka Koper, d. d., and the Luka Koper Group address all their fields of activity, i.e., operations, sales of services, relationships with suppliers, shareholders, finance, accounting, security, ecology, occupational safety, protection of personal data, business secrets, etc. The Company adopts various policies, strategies and codes, which are reported in Chapter 18: Luka Koper and sustainable development guidelines. It also adopts sustainability policies. In 2022, the Corporate Governance Policy and the Sales Policy of Luka Koper, d. d. were newly adopted.

The internal regulations are being constantly refined in view of the challenges the Company is facing in the market and in relation to its stakeholders, while also laying down the control mechanisms that ensure performance transparency and integrity. The Policy on Ensuring Personal Data Protection was adopted and amended.

### **19.5.2 Protection of personal data**

In 2022, Luka Koper, d. d. had a Data Protection Officer appointed from among its employees. As part of measures to implement the EU General Data Protection Regulation (GDPR), the Regulation on the Protection of Personal Data has been updated and is published and available on the Company's website. In addition, nine assessments of the legality of the interest in maintaining personal data files were carried out.

In compliance with the European and Slovenian personal data protection legislation, the authorised Data Protection 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.

## 20 Safe and healthy port environment



### 20.1 Description of the Occupational safety and health system<sup>64</sup>

The following topics and assessments of their impacts on stakeholders have been identified:

- Occupational safety and health (score 3), actual positive impact,
- Minor injuries at work (score 2), actual negative impact,
- Risk of serious occupational injuries (score 3), potential negative impact,
- Occupational diseases (score 1), potential negative impact.

Two potential negative impacts have been recognised for serious occupational injuries and occupational diseases. Measures to manage this impact 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 occupational safety and health management system. The management system is shaped by Luka Koper, d. d., and in this context, the implementation of the requirements of the new standard ISO 45001:2018 – occupational safety and health management system was successfully completed in 2020. Based on a targeted conformity assessment performed by the Slovenian Institute of Quality and Metrology, Ljubljana (SIQ Ljubljana), on 17 April 2020, Luka Koper received a certificate on a properly established management system according to the aforementioned standard. 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 reports and work programmes, and in the annual report on occupational safety and health. Suitability of the established system is verified and assessed in the framework of regular internal and external audits and based on management reviews.

In the field of occupational health, Luka Koper 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 needs assessment.

64 GRI 3-3, 403-1

## 20.2 Occupational safety and health

### 20.2.1 Organisation

At the highest level, the Member of the Management Board - Worker Director ensures that the occupational safety and health management system is established, implemented, maintained and improved. For the 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, a central service for occupational safety and health has been established within the field of health protection and ecology. In order to perform professional tasks related to ensuring safety at work, individual occupational safety and health officers are assigned to various terminals, departments and areas.

A working group for the promotion of health at work has also been appointed, which is presented in greater detail below. A sports club with over 1.100 members operates in the framework of Luka Koper, enabling participation in various sports.

### 20.2.2 Workers covered by the occupational health and safety management system<sup>65</sup>

In 2020, a new three-tier model was established – employees, recruitment agencies and external contractors. Port service providers (IPS) are thus a thing of the past. Luka Koper has outsourced some port services to external contractors, who provide these services independently and separately from the work processes of Luka Koper.

All 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 are employed either by Luka Koper or by recruitment agencies (agency employees).

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, 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 and are available on its website.

Average number of employees in 2022: 1,589 (82 percent of all involved in the process)

Average number of agency workers in 2022: 350 (18 percent of all involved in the process)

### 20.2.3 Hazard identification, risk assessment and investigation of incidents<sup>66</sup>

The basis for the effective identification of hazards/ harmfulness and the introduction of the necessary safety measures is a correctly performed risk assessment, which is prepared by occupational safety and health professionals (OSH officers) at the level of individual organizational units in cooperation with the central service. 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 supplemented and upgraded.

Workers involved in individual work processes have the right and duty to monitor the circumstances at the work sites and immediately report to the work process manager 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. In accordance with the collective agreement, Luka Koper is obliged to provide the representative trade unions with all answers related to the rights and obligations of employees in relation to ensuring and implementing occupational safety and health. 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 employ-

65 GRI 403-1, 403-8

66 GRI 3-3, 403-2, 403-9

ees 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 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 professional areas. 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 health<sup>67</sup>**

In order to ensure the implementation of health measures, Luka Koper 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 implementation of health measures is organised in the central service, 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 a health promotion programme.

At Luka Koper, d. d., a total of 22 employees are recognised as having a disability by the Pension and Disability Insurance Institute of Slovenia. Of these, 7 employees have been granted a degree of disability in 2022 and 10 employees are still in the process of obtaining a decision. On the basis of the degrees of disability granted, the employees are either reassigned to Luka Koper INPO, d. o. o. 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 practices<sup>68</sup>**

In Luka Koper, regular training programmes on safe and healthy working practices as well as skill tests are carried out. 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 cause a change in safety at work. Composed of a general and a special part, the training is carried out at the theoretical and practical levels, in the form 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 skill tests are carried out during working hours and are free of charge

67 GRI 403-3, 403-6, 403-7, 403-10

68 GRI 403-5



for workers. Most training programmes and skill 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 representatives<sup>69</sup>

All the important issues of occupational safety and health involve the Works Council and the trade union, which represent the employees. The Works Council has a Safety and Health Committee that meets at least once a week. 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 Luka Koper's internal documents (collective agreement, employee participation agreements, organizational 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 objectives<sup>70</sup>

### 20.3.1 Occupational safety and health objectives for 2022

*Achievement of occupational safety and health objectives in 2022*

NAČRTOVANO	DOSEŽENO	
0 serious injuries	1 serious injury	
A maximum of 13 injuries per million hours worked (employees + agency workers)	16.4 injuries / million hours worked	
A maximum of 25 collisions in internal transport per million hours worked	18.7 collisions / million hours worked	
A maximum of 35 collisions in handling areas per million hours worked	52.3 collisions / million hours worked	

Key:

 Objective not attained in 2022

 Objective attained in 2022

The achievement of objectives is analysed in more detail below.

### 20.3.2 Occupational safety and health objectives for 2023

- 0 serious injuries,
- A maximum of 17 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.

69 GRI 403-4  
70 GRI 3-3, 403-9

## 20.4 Compliance with occupational safety legislation<sup>71</sup>

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 2022, one inspection was carried out at Luka Koper, d. d., namely with the aim of reviewing the process of dealing with potential complaints related to harassment or ill-treatment of employees. No regulatory decision was issued.

## 20.5 Injuries at work<sup>72</sup>

### 20.5.1 Number of injuries at work

For the purposes of injury statistics and the calculation of various indices, injuries at work are taken into account when requiring at least one day of sick leave. In addition to those listed, 15 other injuries in employees of Luka Koper, d. d. and 14 injuries in agency workers were recorded in 2022, but required no sick leave.

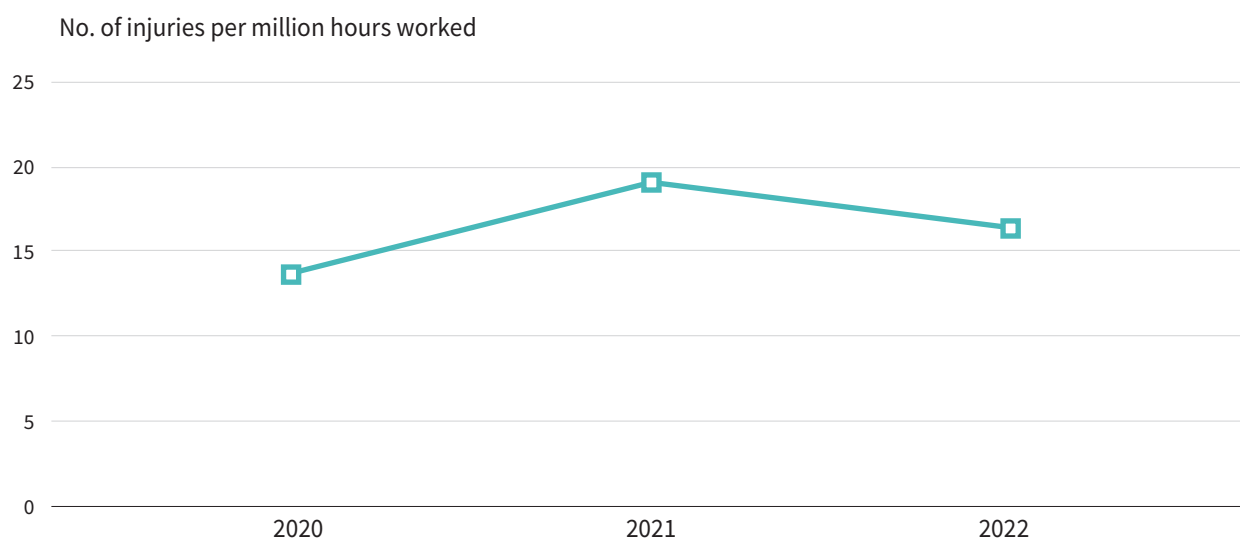
#### *Number of injuries at work*

	2020	2021	2022
Luka Koper, d. d.	34 (2)	39	39 (1)
Kadrovske agencije - KA	15	24	17
Zunanji udeleženci in odvisne družbe	13	17	22

*\*The number of serious injuries in brackets, the total number outside of the brackets.*

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.

#### *Frequency index for work-related injuries per million hours worked (Luka Koper, d. d. + recruitment agencies) by years*



71 GRI 2-27  
72 GRI 403-9

In 2022, the employees of Luka Koper, d. d., worked 2,708,749.08 hours, and the agency workers 654,705.76 hours.

In 2022, a slight decrease was recorded in the number of injuries among employees of Luka Koper d. d. and agency workers compared to the previous year.

A more detailed analysis does not reveal any particular trend that stands out. These are mainly minor injuries. The most exposed group of workers, i.e. port transport workers or manual 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.). For these reasons, the target value for occupational injuries for 2023 was adjusted. When an occupational injury occurs, an analysis of the incident is carried out, the participants/witnesses are interviewed and the following measures are taken in the light of the findings: re-familiarisation with health and safety measures and, if necessary, additional measures are adopted to prevent a recurrence.

### 20.5.2 Review of serious injuries

In December 2022, there was 1 serious occupational injury; a worker fell from the height of about 2 metres at the General Cargo Terminal while working on a ship. In view of the recognised issue of certain work at height, which requires a specific approach, we are upgrading the training system for work at height (training ground, instructors).

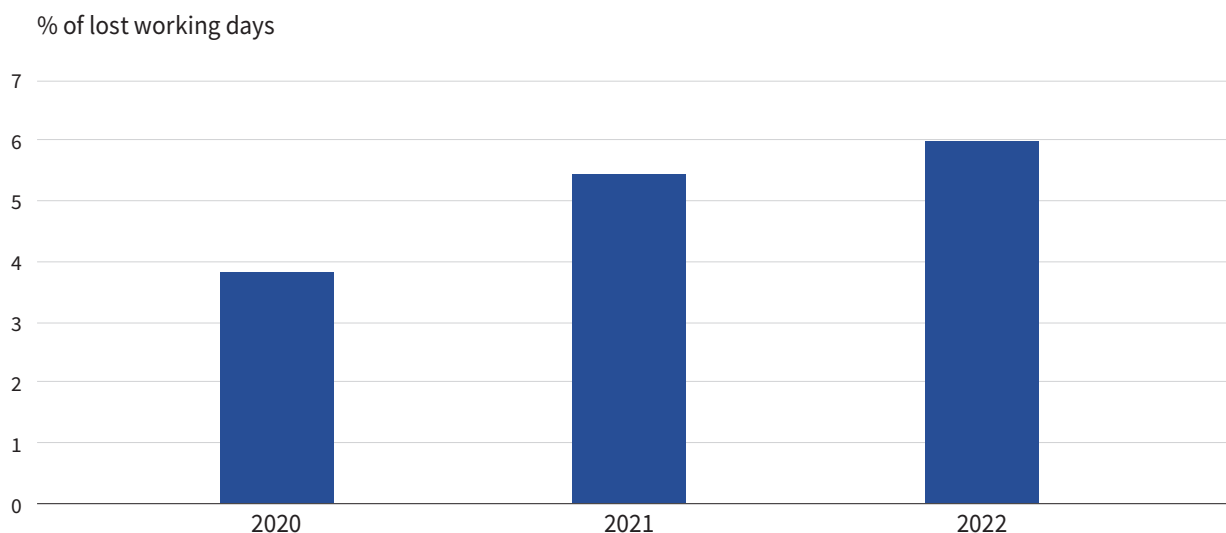
### 20.5.3 Summary of collective injuries

There were no collective injuries in 2022.

### 20.5.4 Summary of sick leave

Sick leave records the absence of employees from work due to illness, injury, care and accompaniment. The figure below illustrates the share of sick leave, which specifies the share of working days lost due to sick leave. In 2022, sick leave was at 5.99 percent, which is somewhat lower than the national average of 6.10 percent for 2022. In the total proportion of working days lost due to sick leave, the share of the absence due to COVID-19 isolation was 16 percent.

#### *Share of working days lost due to sick leave per employee*

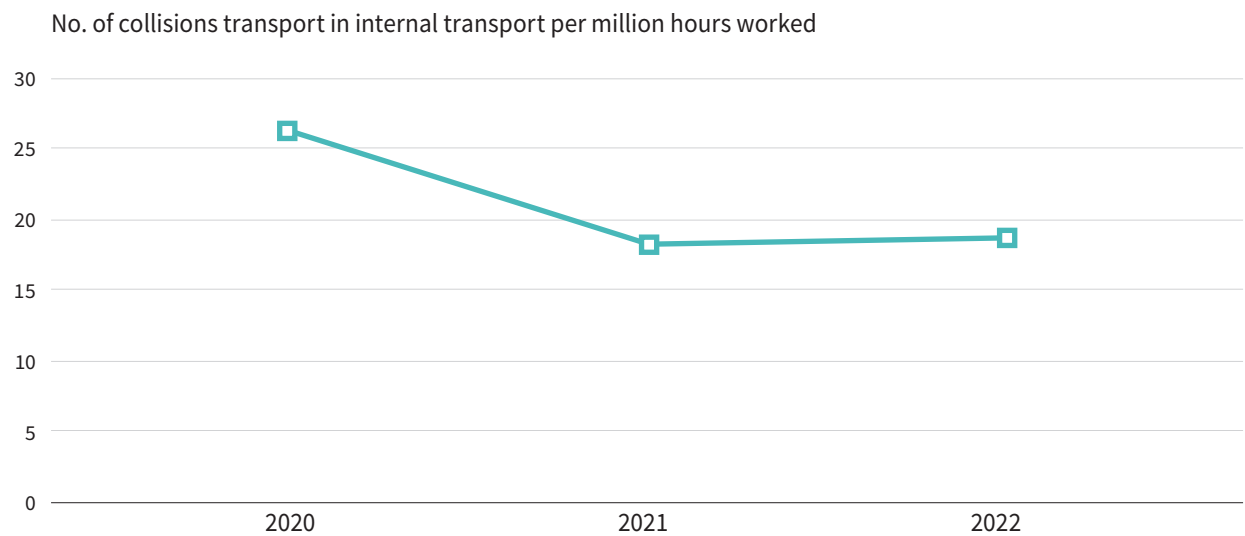


## 20.6 Loss events<sup>73</sup>

Loss events that are the subject of analysis are the events that resulted in pecuniary loss or material damage.

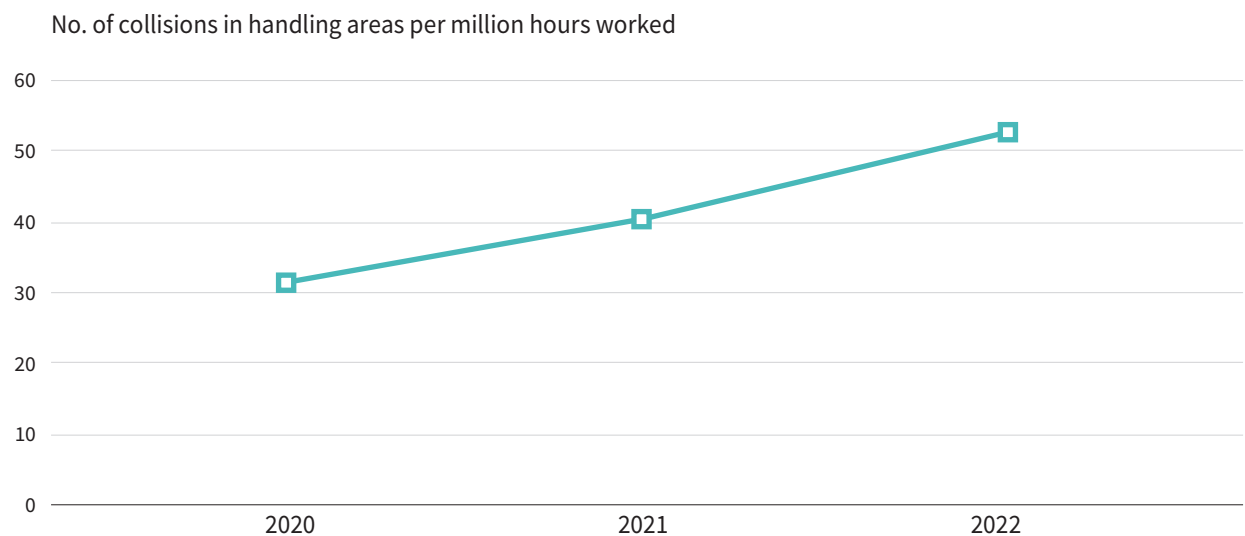
Of all the loss events recorded in Luka Koper, occurrences that stand out in their numbers are the events where the loss was due to collision.

### *Number of collisions in internal transport (roads, parking places) per million hours worked*



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 entrance, 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. These activities led to a significant improvement in this area, therefore, the target for the coming year has been lowered and the focus has been shifted to improving the safety in handling areas.

### *Number of collisions in handling areas per million hours worked*



73 GRI 403-7

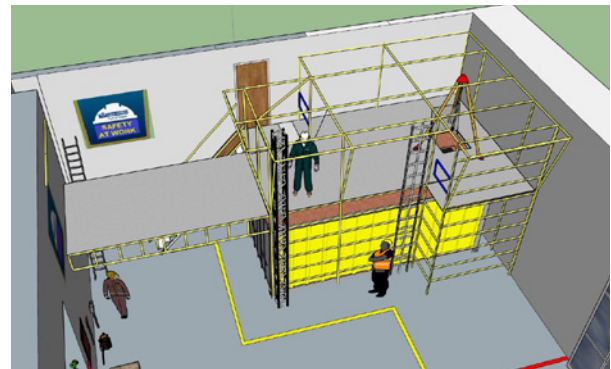
The target for the number of material damages (collisions) in handling areas was set for the first time in 2022. The number of collisions has been increasing in recent years, which can be partly attributed to the increased volume of work (congestion of storage areas, record number of external trucks in the port area, intermingling of various participants). However, the indicator is partly influenced by the behaviour of the participants involved (non-compliance with instructions, rules, signage, etc.).

## 20.7 Summary of major activities performed in the area of occupational health and safety in 2022<sup>74</sup>

- 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 (preparation of training grounds, purchase of a simulator, etc.) were continued.
- The revision of the risk assessment for all jobs at terminals has been completed, with additional risk factors duly included and appropriate mitigation measures foreseen. On the basis of the revised document, the process of revising the health assessment was initiated and the requirements for preventive health checks were harmonised.
- Coordination has started for the upgrade of the inspection record of work equipment through an electronic application.
- Activities have started to introduce more concrete controls on the implementation of the work process and to raise awareness on correct working practices with greater involvement at all levels of management.
- Awareness-raising on occupational safety and health measures was carried out through the Port Bulletin, posters, workshops and rounds in the port.



*Draft training ground for work on the ship*



*Draft training ground for work at height*

## Varnost na prvem mestu



## 20.8 Health promotion<sup>75</sup>

Both employees and agency workers are involved in health promotion activities.

In order to facilitate workers' access to health services that are not directly related to their work, they are entitled under the collective 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 are entitled to an additional day of paid absence.

The health promotion programme is being devised by representatives of all major organisational units, and senior management. Priority tasks within health promotion remain unchanged: control of musculoskeletal disorders, respiratory diseases, issues related to the excessive use of psychoactive substances and improvement of interpersonal relations. Musculoskeletal disorders mostly affect machinery workers and office workers, which is particularly due to extreme posture. In Luka Koper, the level of workload stress is monitored every second year. In order to prevent the spread of coronavirus infection, the survey planned for 2021 was postponed until 2023. In order to maintain and improve the psycho-physical fitness of employees and agency workers, the Company has implemented the following activities:

- Successfully implemented the 'Luka 10,000' project. More than 200 employees participated, making 10,000 steps a day for 30 consecutive days.
- Vitamin tablets were distributed to all employees during the summer.
- The company distributed fresh fruit to employees and visitors three times a year.
- A survey on ergonomic aspects of workplaces was carried out, with particular emphasis on the formation of guidelines for the rental of computer aids.
- The 'Comparison of 8 and 12-hour shifts' survey was carried out at the container terminal.

## 20.9 Planned occupational health and safety activities in 2023<sup>76</sup>

- 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.
- 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.
- More specific arrangements for preventive supervision of compliance with safety measures (to be ensured at all levels of management).
- Preparation of a plan for the promotion of safety at work and implementation of thematic awareness campaigns on risk factors in the work environment through several channels at the same time.
- Revision of the health assessment of workplaces and identification of measures to prevent health risks as a consequence of long-term workloads.
- Ergonomic improvements (exercise area with accessories).
- Workplace health promotion: fruit days, the Luka 10,000 project, smoking cessation programme, distribution of vitamin tablets.

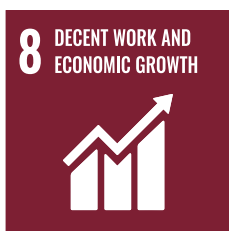


## 21 Care for employees



*With their knowledge, energy and eagerness to work, employees in the Luka Koper Group display their devotion to the collective and help create the company's future in the spirit of partnership.*

### 21.1 Employee management system<sup>77</sup>



Recruitment and concern for employees, including high work efficiency and employee satisfaction, are recognised by stakeholders as areas of high importance in the materiality matrix.

The following topics and assessments of their impacts on stakeholders have been identified:

- Recruitment and training and education with a very significant (score 3) actual positive impact, and
- Employee commitment and benefits (motivating employees) with a medium (score 2) actual positive impact.

No negative impacts have been identified within the identified topics.

The identified topics are policies recognised in the organization, defined in internal quality management system documents, already recorded in the report under management approaches.

The organisation monitors the management of actual positive impacts by periodically measuring the organizational climate, satisfaction and commitment of employees, most recently through an online survey in the autumn of 2022. By the end of March 2023, workshops will be organized to present the results of measurements by individual organisational units in order to identify the reasons or causes of the results achieved and to propose actions for improvement.

The data is also monitored through quarterly work programmes and reports and management review.

Luka Koper is considered an important employer in the region, with an impact on employment in other supporting activities. The indicators monitored by the organisation are the realisation of the staff plan and the realisation of the agency workers plan (both indicators for 2022 are 100 percent), staff turnover (low at 2.8), turnover in key

<sup>77</sup> GRI 2-7, 2-8, 3-3

positions (1.9), and the assessment of the suitability of new recruits (100 percent successful completion of probationary period). Emphasis is placed on a transparent and non-discriminatory selection process, for which minutes of the HR committees are kept.

Training is present in the organisation on a daily basis, with a predominance of in-house training, inductions through mentoring and coaching schemes, co-financing of acquiring higher education, all with a view to ensuring quality services. 86 percent of staff were involved in training, with an average of 20.6 hours of training per employee.

Employee commitment affects satisfaction, performance, organisational results, i.e., service quality and company affiliation. The organisation increases commitment by providing appropriate working conditions, increasing employee motivation and improving management. A training programme for managers at all levels of the organisation (Leadership Academy) is planned to start in 2023. The quality and responsible conduct of annual interviews and the facilitation of employee growth and development (career development) have a significant impact on commitment. A more transparent career development system is being put in place with clear criteria for promotions.

Increasing company loyalty and reducing turnover, employee benefits are described in section 21.1.11 Employee benefits.

Stakeholders are informed about the measures through annual reports, participation in the measures themselves (annual interviews, surveys), articles in the organisation's internal newsletter, involvement and reporting to the Works Council and the representative trade unions.

The guideline in human resource management is the 2020-2025 Human Resource Management Strategy, which is part of the company strategy and sets out strategic objectives and activities to be realised through human resources and education annual plans in the framework of the Company's business plan. At the end of 2022, the process of developing the 2023-2027 strategy of Luka Koper, d. d., began, with the participation of a working group for the preparation of the human resources part of the strategy. 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. The realisation of the staff development plan and the training plan is monitored quarterly through work programmes, whereas the employee turnover and key personnel turnover indicators and the share of internal recruitment to fill key positions are monitored on a yearly basis. In 2022, a new indicator for the share of internal promotions from the pool of key personnel and successors in all internal promotions was introduced to ensure transparent, non-discriminatory and systematic staff development in line with the established methodology for the identification and development of key personnel and successors from the project completed in 2021. All employees have the possibility for further development by being included in annual interviews and training programmes. Efficiency of human resource management is monitored by means of a bi-annual assessment of organisational climate, employee satisfaction and commitment, and by means of assessing all management functions based on the 360 degree method. After the 2019 survey, workshops for employees to devise a set of measures to improve results or keep them at a high level were postponed several times due to measures to control the COVID-19 epidemic, more precisely due to restrictions on employee integration. In 2022, the organisational climate, satisfaction and commitment survey was conducted for employees and agency workers, for the first time online. The results are processed at the level of the umbrella company, individual units (PCs or areas of expertise) and workplace groups, but in a way that guarantees anonymity. The survey is based on the standard Slovenian Organisational Climate questionnaire with additional questions from Luka Koper and the international Gallup questionnaire. The organisational climate and employee satisfaction are above the national average, although the trend since the last measurement in 2019 is slightly negative. Employee commitment, however, is below the national average. The results were presented to the company's management at the end of the year and workshops to present the results to employees in each organisational unit are planned for 2023. The inter-unit evaluation, which is aimed at coordinated action to achieve common objectives and is a performance indicator in terms of customer service for all units, and the manager evaluation are carried out every second year, most recently in 2021.

### 21.1.1 Number of employees by company and in the Luka Koper Group

	31 12 2020	31 12 2021	31 12 2022
Luka Koper, d. d.	1,535	1,577	1,638
Luka Koper INPO, d. o. o.	131	131	131
Luka Koper Pristan, d. o. o.	3	0	0
Adria Terminali, d. o. o.	24	25	27
TOC, d. o. o.	5	5	5
<b>Luka Koper Group*</b>	<b>1,698</b>	<b>1,738</b>	<b>1,801</b>

\* 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. Luka Koper Pristan, d. o. o. was part of the Luka Koper Group until 14 December 2022, when the District Court of Koper removed Luka Koper Pristan, gostinstvo, d. o. o., Koper from the Court Register due to the completion of the liquidation procedure.

### 21.1.2 Number of employees in Luka Koper, d. d. as at 31 December by gender <sup>78</sup>

As at 31 Dec 2022	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share of ALL employees in %
	Men		Women		Total	
<b>Employees</b>						
Luka Koper, d. d.	1,489	90.9	149	9.1	1,638	100
Luka Koper Group	1,638	90.95	163	9.05	1,801	100
<b>Indefinite Employee</b>						
Luka Koper, d. d.	1,484	90.9	147	9.01	1,631	99.6
Luka Koper Group	1,628	91.05	160	8.9	1,788	99.3
<b>Fixed-Term Employee</b>						
Luka Koper, d. d.	5	71.4	2	28.6	7	0.4
Luka Koper Group	10	76.9	3	23.1	13	0.7
<b>Zero-hour Employee</b>						
This form of work is not used.						
<b>Full-time Employee</b>						
Luka Koper, d. d.	1,478	91.1	144	8.8	1,622	99
Luka Koper Group	1,621	91.1	158	8.9	1,779	98.8
<b>Part-time Employee</b>						
Luka Koper, d. d.	11	68.7	5	31.2	16	0.97
Luka Koper Group	17	77.3	5	22.7	22	1.2

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').

<sup>78</sup> GRI 2-7

On the last day of 2022, the Luka Koper Group had 1,801 employees, an increase of 63 from the year before (index 104). The growth trend in the Luka Koper Group and Luka Koper, d. d. thus continues.

Due to the nature of work, the company employs far more men (90.9 percent) than women. The employment in the basic transshipment process and the transitions of agency workers to full-time employees have had a decreasing impact on the proportion of women in the workforce (only 9 percent of employees are women), 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.

The employees have permanent contracts, while less than one percent of the employees have a fixed-term employment relationship (managerial, replacement, increased workload). In the past years, induction into the job was one of the reasons for the fixed-term employment.

Almost 99 percent of Luka Koper Group employees work full time. In half of the cases, the reason for part-time work is disability, followed by parenthood and illness.

### 21.1.3 Number of employees in Luka Koper, d. d. as at 31 December by region of residence<sup>79</sup>

As at 31 Dec 2022	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 %	Number of employees	Share in %	Number of employees	Share of ALL employees in %
	Coast-Karst Region		Primorska and Notranjska Region		Central Slovenia		Goriška Region		Other region		Other country		Total	
<b>Employees</b>														
Luka Koper, d. d.	1,483	90.5	120	7.3	13	0.8	10	0.6	11	0.7	1	0.06	1,638	100
Luka Koper Group	1,639	91	125	6.9	13	0.7	12	0.7	11	0.6	1	0.06	1,801	100
<b>Indefinite Employee</b>														
Luka Koper, d. d.	1,479	90.7	120	7.4	11	0.7	10	0.6	10	0.6	1	0.06	1,631	99.6
Luka Koper Group	1,631	91.2	123	6.9	11	0.6	12	0.7	10	0.5	1	0.06	1,788	99.3
<b>Fixed-Term Employee</b>														
Luka Koper, d. d.	4	57.1			2	28.6			1	14.3			7	0.4
Luka Koper Group	9	69.2	1	7.7	2	15.4	/		1	7.7	/		13	0.7
<b>Zero-hour Employee</b>														
This form of work is not used														
<b>Full-time Employee</b>														
Luka Koper, d. d.	1,467	90.4	120	7.4	13	0.8	10	0.6	11	0.7	1	0.06	1,622	99.02
Luka Koper Group	1,617	90.9	125	7	13	0.7	12	0.7	11	0.6	1	0.06	1,779	98.8
<b>Part-time Employee</b>														
Luka Koper, d. d.	16	100											16	0.98
Luka Koper Group	22	100											22	1.2

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 and the flexibility of services – based on shiftwork, continuous provision of services is ensured throughout the year. 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.

<sup>79</sup> GRI 2-7

#### 21.1.4 Number of agency workers<sup>80</sup>

	31 Dec 2021	31 Dec 2022
Luka Koper, d. d.	324	352
Luka Koper Group	332	359

*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 2022, there were 352 posted agency workers in Luka Koper, d. d. They perform work in the basic handling and warehousing process (controller, foreman, truck driver, port transport worker and qualified port transport worker - forklift driver). There were 7 other posted agency workers in the Luka Koper Group in the position of sailor - maintenance technician. As at 31 Dec 2022, the total number of agency workers in the Luka Koper Group was 359. As at 31 Dec 2021, there were 332 seconded agency workers in the Luka Koper Group (the 2022/2021 index is 108).

#### 21.1.5 Share of employees in Luka Koper, d. d. and Luka Koper Group covered by collective agreement<sup>81</sup>

	Luka Koper, d. d.			Luka Koper Group
	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Dec 2022
Employees covered by collective agreement	97.9	98.2	98.2	98.1
Employees outside the collective agreement framework	2.1	1.8	1.8	1.9
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

98.1 percent of Luka Koper Group employees have an employment contract based on an enterprise collective agreement. On the basis of the legislation governing remuneration of managers in majority-owned companies of the Republic of Slovenia, the Remuneration Policy for Directors of Subsidiaries of the Luka Koper Group applies to the directors of subsidiaries from 29 June 2021. 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.

80 GRI 2-8  
81 GRI 2-30

### 21.1.6 Employee structure in Luka Koper, d. d. and Luka Koper Group by age groups<sup>82</sup>

	Luka Koper, d. d.						Luka Koper Group	
Age groups (years)	31 Dec 2020		31 Dec 2021		31 Dec 2022		31 Dec 2022	
	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %
Under 30	195	12.7	175	11.1	157	9.6	165	9.2
30–50	1,087	70.8	1,132	71.8	1,192	72.8	1,269	70.5
Over 50	253	16.5	270	17.1	289	17.6	367	20.3
<b>Total number of employees</b>	<b>1,535</b>	<b>100.0</b>	<b>1,577</b>	<b>100.0</b>	<b>1,638</b>	<b>100.0</b>	<b>1,801</b>	<b>100.0</b>
<b>Average age of employees</b>	<b>41.4</b>		<b>41.9</b>		<b>42.2</b>		<b>42.8</b>	

### 21.1.7 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by gender<sup>83</sup>

As at 31 Dec 2022	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %
	Men		Women		Total	
<b>Recruitment by gender</b>						
Luka Koper, d. d.	99	90.8	10	9.2	109	100
Luka Koper Group	113	91.1	11	8.9	124	100
<b>Departures by gender</b>						
Luka Koper, d. d.	42	87.5	6	12.5	48	100
Luka Koper Group	54	88.5	7	11.5	61	100

Methodology: The data are shown numerically and in share/percentage in the reported period.

### 21.1.8 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by age groups<sup>84</sup>

As at 31 Dec 2022	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	
<b>Recruitment by age groups</b>								
Luka Koper, d. d.	43	39.4	59	54.1	7	6.4	109	100
Luka Koper Group	45	36.3	70	56.4	9	7.3	124	100
<b>Departures by age group</b>								
Luka Koper, d. d.	6	12.5	21	43.75	21	43.75	48	100
Luka Koper Group	6	9.8	24	39.4	31	50.8	61	100

82 GRI 2-7  
83 GRI 401-1  
84 GRI 401-1

### 21.1.9 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by region of residence<sup>85</sup>

As at 31 Dec 2022	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 %
	Coast-Karst Region		Central Slovenia		Primorska and Notranjska Region		Other		Total	
<b>Recruitment by region</b>										
Luka Koper, d. d.	83	76.1	3	2.7	15	13.7	8	7.3	109	100
Luka Koper Group	96	77.4	3	2.4	17	13.7	8	6.4	124	100
<b>Departures by region</b>										
Luka Koper, d. d.	46	95.8	/		2	4.2			48	100
Luka Koper Group	58	96.7	/		2	3.3	1	1.6	61	100

Luka Koper, d. d. has a significantly lower employee turnover rate than the entire logistics industry, where the turnover is at 20 percent. The turnover rate is slightly higher compared to the previous year.

In line with the growth in turnover, employment is also growing, especially in the core transshipment process. The number of men among the new recruits is significantly higher (in line with the nature of the work). 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 of professional and managerial staff.

New recruitments include an increasing share outside the Coast-Karst Region.

Retirements are the predominant type of departures. There is an increasing share of consensual terminations of employment in the lower age groups, and to a lesser extent of transfers between affiliated companies and extraordinary terminations.

### 21.1.10 Comparison of recruitment, departures and fluctuation rate<sup>86</sup>

	Number of new employments			Number of departures			FLUCTUATION RATE (in %)*		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Luka Koper, d. d.	25	70	109	31	27	48	2	1.6	2.8
Luka Koper Group	32	77	124	37	38	61	2.1	2.1	3.3

\*Fluctuation calculation method = No of departures/(previous No of employees + new employments) x 100

### 21.1.11 Employee benefits<sup>87</sup>



When it comes to employee benefits in Luka Koper, d. d., 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.

85 GRI 401-1

86 GRI 401-1

87 GRI 2-21, 201-3, 202-1, 401-2



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 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.

In 2022, 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 company shows positive growth in value added per employee, 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 2022, the minimum salary amounted to EUR 1 074.43 gross, and the guaranteed wage amounted to EUR 237.73. There were no payments below the guaranteed wage in 2022 in both Luka Koper, d. d. and the Luka Koper Group. In 2022, 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 2022 was 310, in 11 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 2022, the ratio of the total annual compensation of the highest paid individual in the organisation to the median annual total salary for all employees (excluding the highest paid individual) was as follows:

- 4.32 for Luka Koper, d. d., and
- 4.42 for the Luka Koper Group.

The increase in the total annual compensation of the highest paid individual of the organisation against the average increase in the annual compensation of all employees (except the highest paid individual) was as follows:

- For Luka Koper, d.d., 10.7 percent for the highest paid individual and 15.14 percent on average for all employees; the percentage increase in the total annual compensation for the highest paid individual in the company being 0.71 of the average percentage increase in the annual compensation for all employees (except the highest paid individual); and
- For the Luka Koper Group, 10.7 percent for the highest paid individual and 15.07 percent on average for all employees; the percentage increase in the total annual compensation for the highest paid individual in the Group being 0.71 of the average percentage increase in the annual compensation 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 collective agreements and regular salaries for employees under management and other individual contracts (excluding the payment of variable salaries, 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 annual compensation was calculated on the basis of the hours worked by all employees except the highest paid individual. In order to provide comparable data on the highest paid individual, the highest paid post for the entire year's pool of hours was taken into account, notwithstanding the fact that in 2021, there was a change of staff and a short-term vacancy in this post.

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.

### 21.1.12 Number of Luka Koper, d. d. employees who took parental leave and returned to their workplace by gender<sup>88</sup>

	2020	2021	2022
Men	104	95	97
Women	7	9	9
<b>TOTAL</b>	<b>111</b>	<b>104</b>	<b>106</b>

All employees have the right to use parental or paternity leave. Anyone who applies is allowed to use it. All employees who exercise their right to parental or paternity leave, return to the same workplace at the end of their leave. In 2022, only 1 employee (male) was no longer employed after 12 months of paternity leave (reason: retirement on the basis of insurance period with bonus).

### 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 2022	Share (%) 31 Dec 2022	No of employees 31 Dec 2021	Share (%) 31 Dec 2021	No of employees 31 Dec 2022	Share (%) 31 Dec 2022	No of employees 31 Dec 2021	Share (%) 31 Dec 2021
VIII/2	1	0.06	1	0.06	1	0.06	1	0.06
VIII/1	25	1.5	25	1.6	27	1.5	27	1.6
VII	130	7.9	125	8	139	7.7	132	7.6
VI/2	245	14.9	232	14.7	251	13.9	236	13.6
VI/1	117	7.1	112	7.1	124	6.9	119	6.8
V	481	29.4	464	29.4	524	29.1	505	29
IV	505	30.8	477	30.2	559	31.0	531	30.6
III	17	1.04	18	1.1	29	1.6	29	1.7
I-II	117	7.1	123	7.8	147	8.2	158	9.1
<b>TOTAL</b>	<b>1,638</b>	<b>100.0</b>	<b>1,577</b>	<b>100.0</b>	<b>1,801</b>	<b>100.0</b>	<b>1,738</b>	<b>100.0</b>

The intense recruitment implemented for operating positions in the basic transshipment and warehousing process for lower levels of education from I to IV affects the education structure of the Company and the Group. Based on education agreements, two percent of employees are being financed their studies to achieve a higher level of education.

### 21.1.14 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by job category<sup>89</sup>

	Luka Koper, d. d.				Luka Koper Group	
	31 Dec 2021		31 Dec 2022		31 Dec 2022	
	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	25	1.4
Other management	341	21.6	317	19.4	334	18.5
Highly-skilled	185	11.7	193	11.8	203	11.3
Operators	1,031	65.4	1,106	67.5	1,239	68.7
<b>TOTAL</b>	<b>1,577</b>	<b>100.0</b>	<b>1,638</b>	<b>100.0</b>	<b>1,801</b>	<b>100.0</b>

88 GRI 401-3

89 GRI 405-1

### 21.1.15 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by gender<sup>90</sup>

As at 31 Dec 2022	Number of employees	Share in %	Number of employees	Share in %	Number of employees	Share in %
	Men		Women		Total	
<b>Management (Management Board, b-1)</b>						
Luka Koper, d. d.	16	72.7	6	27.3	22	100.0
Luka Koper Group	18	72	7	28	25	100.0
<b>Other management</b>						
Luka Koper, d. d.	304	95.9	13	4.1	317	100.0
Luka Koper Group	320	95.8	14	4.2	334	100.0
<b>Highly-skilled</b>						
Luka Koper, d. d.	133	68.9	60	31.1	193	100.0
Luka Koper Group	140	68.9	63	31.1	203	100.0
<b>Operators</b>						
Luka Koper, d. d.	1,036	93.7	70	6.3	1,106	100.0
Luka Koper Group	1,160	93.6	79	6.4	1,239	100.0
<b>Total</b>						
<b>Luka Koper, d. d.</b>	<b>1,489</b>	<b>90.9</b>	<b>149</b>	<b>9.1</b>	<b>1,638</b>	<b>100.0</b>
<b>Luka Koper Group</b>	<b>1.638</b>	<b>90.9</b>	<b>163</b>	<b>9.1</b>	<b>1.801</b>	<b>100.0</b>

### 21.1.16 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by age groups<sup>91</sup>

As at 31 Dec 2022	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	
<b>Management (Management Board, b-1)</b>								
Luka Koper, d. d.	/	/	11	50	11	50	22	100.0
Luka Koper Group	/	/	11	44	14	56	25	100.0
<b>Other management</b>								
Luka Koper, d. d.	8	2.5	232	73.2	77	24.3	317	100.0
Luka Koper Group	11	3.3	239	71.5	84	25.1	334	100.0
<b>Highly-skilled</b>								
Luka Koper, d. d.	4	2.1	145	75.1	44	22.8	193	100.0
Luka Koper Group	4	1.9	151	74.4	48	23.6	203	100.0
<b>Operators</b>								
Luka Koper, d. d.	145	13.1	804	72.7	157	14.2	1,106	100.0
Luka Koper Group	150	12.1	868	70.0	221	17.8	1,239	100.0
<b>Total</b>								
<b>Luka Koper, d. d.</b>	<b>157</b>	<b>9.6</b>	<b>1,192</b>	<b>72.8</b>	<b>289</b>	<b>17.6</b>	<b>1,638</b>	<b>100.0</b>
<b>Luka Koper Group</b>	<b>165</b>	<b>9.2</b>	<b>1,269</b>	<b>70.5</b>	<b>367</b>	<b>20.3</b>	<b>1,801</b>	<b>100.0</b>

90 GRI 405-1

91 GRI 405-1

Despite the fact that men predominate in Luka Koper, d. d. (only 9.1 percent are women), the proportion of women is high in the ranks of professional staff (31.3 percent of all professional staff) and managers (27.3 percent of all managers). Employees aged between 30 and 50 predominate (by more than 70 percent) in all levels of jobs in the organisational structure. This proportion is slightly lower among senior managers (management, job level B-1). The structure of the workforce has a low proportion of young people under 30 (11.1 percent), which is due to the intensive search for and recruitment of candidates with experience.

## 21.2 Educating and training of employees



### 21.2.1 Employee training system<sup>92</sup>

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 approaches to 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, and assessing tutors.

In 2022, 86 percent of employees of Luka Koper, d. d. were involved in training. The average number of training hours in the company Luka Koper, d. d., in 2022 was 20.8. The higher number of training hours is due to the implementation of a number of induction programmes, coaching for machinery operation; and also, after the relaxation of the Covid-19 control measures, in addition to a number of online training courses from external training institutions (webinars) and new online programmes of the internal training platform Room of Knowledge, the traditional forms of training were re-established, which are longer in duration.

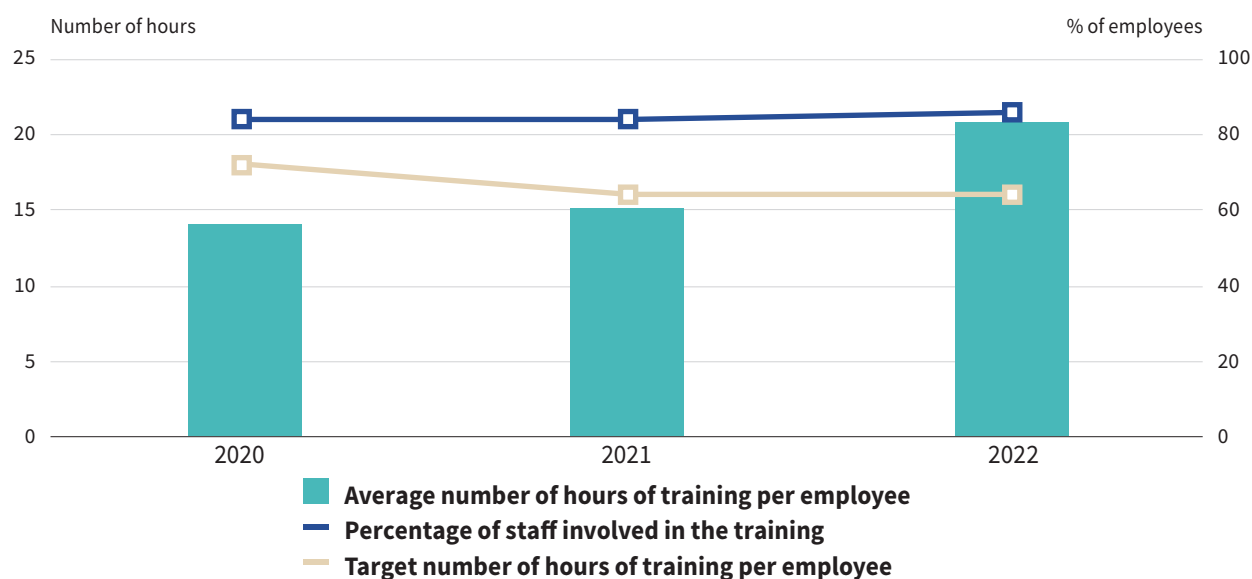
In 2022, the Knowledge Room e-training platform of in Luka Koper, d. d., for which training programmes are prepared by own professional staff, was upgraded with additional programmes. The online classroom can be accessed by all employees via the Capsula app on mobile devices, including those who do not have access to a computer at work. An online test of occupational safety knowledge is also being set up.

A training programme for managers at all levels of management was developed and will begin to be implemented in 2023. Identified successors will also be included.

The initiative to establish a Knowledge Centre has been approved. 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 professional delivery of the practical part of the training.

92 GRI 3-3, 404-1

### 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. by gender and job category

	2021	2022
All employees	15.1	20.8
Women	21.7	15.7
Men	7.5	21.3
Management (Management Board, b-1)	28	21.9
Other management	6.1	13.5
Highly-skilled	26.5	22.8
Operators	5.2	22.5

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. In 2021, this type of training (instructor training in machinery management) was significantly lower due to the COVID-19 prevention measures, during which the practical training process was suspended.

#### 21.2.2 Introduced programmes<sup>93</sup>

The company's training programmes are linked to the needs of work processes. Each new employee is involved in an induction programme,

In addition to the skills required by law and the skills required to do the job, job descriptions also include (desired) 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. Training is organised with regard to the competences that are judged to be less developed in annual interviews and management appraisals.

93 GRI 404-2

Based on the assessment of employees' development potential, individual employee development plans were drawn up with programmes to develop managerial and social competences.

The majority share of internally held training programmes were realised within the instructor system as part of training to operate various machinery upon being employed or reallocated to another unit. A large part of the training of operators' staff allows them to be exchanged between units according to the needs of the job.

Luka Koper implements the concept of lifelong learning through continuous training and renewal of employees' knowledge, in terms of content, with the aim of improving communication skills, learning foreign languages, upgrading computer skills, business administration, teamwork, business process management (project management, training for internal auditors), training for members of the Works Council and trade union representatives, strengthening management skills (target management, feedback), technical training, public procurement, training of instructors for knowledge transfer, etc.

A retirement preparation workshop/meeting was organised for employees who will meet the conditions for old-age retirement by the end of 2025, presenting the legislation on retirement, the experience of Luka pensioners and the possibilities of joining the Luka Pensioners' Association, 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.

In 2022, Luka Koper, d. d., completed the Logins Human Resources Development Competence Centre project, which enabled the integration of companies in the industry and a 50 percent reimbursement of training costs for employees between 2019 and 2022.

### 21.2.3 Career development of employees<sup>94</sup>

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 enabled for the promotion or career development of employees, based on renewed procedures for the identification of key positions, competency profiles of positions, identification of key personnel and successors, all with the aim of reducing subjectivism among managers and identifying young promising personnel at an early stage. The process of identifying key personnel and successors is continuous, measuring employees' social and managerial competences with a view to developing them further in line with their career ambitions. A pool of key personnel and successors and a pyramid of successions in key positions were established. An individual development plan is drawn up for employees in cooperation with unit management. In order to prepare the succession plan for b-1, the competences for b-1 level 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.

In 2022, 45 percent of employees were included in the annual interview. The annual interviews are IT-supported, with information technology not replacing direct communication, but allowing more systematic preparation and a guided interview.

#### *Promotion and internal mobility of employees*

	Vertical and horizontal promotion			Classification into a higher level of qualifications and flexibility			Total internal employee mobility		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Number	145	103	149	203	354	480	348	457	629
Share	9	6.5	9.1	13	22	29	23	29	38

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### *Proportion of employees involved in career development in 2022, by gender and job category*

	By gender		By job category			
	Men	Women	Management (Management Board, b-1)	Other management	Highly-skilled	Operators
Number	579	50	4	99	77	449
Share (of all employees)	35.3	3	0.2	6	4.7	27.4

At Luka Koper, 38 percent of employees were involved in some form of career development, which means that more than one in three employees received some form of career development, i.e. promotion to another job or to a higher level of qualification and flexibility at work. Significantly more men were promoted to another job. The highest number of promotions was among executive staff.

## **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 1.2 percent. Three 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.*

	31 Dec 2020	31 Dec 2021	31 Dec 2022
Number of disabled employees	20	20	20
Share (%)	1.3	1.3	1.2

### *Number of disabled employees and their share in Luka Koper, INPO, d. o. o.*

	31 Dec 2020	31 Dec 2021	31 Dec 2022
Number of disabled employees	72	73	73
Share (%)	55	55.7	55.7

## **21.4 Cooperation with educational institutions**

Luka Koper, d. d., operates as a socially responsible company in the field of development and education in the local and wider community. 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. In 2022, the company co-financed the acquisition of a higher level of education for 2 percent of employees. In the last two years, it has intensified company scholarships for youth, with 10 new contracts having been concluded for this purpose.



## 21.5 Internal communication with the employees

Due to the nature of work in the port, which is mostly performed on the ground, and the fact that almost half of employees have no access to a computer at work, communication with the employees takes place through the adapted mobile application and also traditionally, with printed media. Luka Koper communicates with the employees mostly through the following key communication channels:

- Short information that is 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.

## 22 Long-term sustainability of the natural environment



*Luka Koper pursues the goal of achieving the highest environmental standards under the EU ECO Management and Audit Scheme – EMAS and reducing its carbon footprint by implementing energy efficiency measures.*



### The area of the port

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 2022 to 31 December 2022. 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 2023, 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).



**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: 52.24),

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 2022 Luka Koper Group and Luka Koper, d. d., chapter 22: Long-term sustainability of the natural environment«** 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.



Validation date: 2020-04-17

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Gregor Schoss:  
Direktor SIQ Ljubljana



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AKREDITACIJA**  
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**SI-V-0001**

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Previous Environmental reports are available in the following links:

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

## 22.1 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 Group and the Luka Koper, d. d., for 2022 are obliged to publish key performance indicators derived from services linked to economic activities that can be considered sustainable. For the financial year 2022, the Luka Koper, d. d. and the Luka Koper Group reports indicators for economic activities included in the EU taxonomy.

The year 2022 was a transition period during which companies needed to adapt their reporting practices and systems in order to be able to continue to provide comprehensive disclosures in accordance with the Taxonomy Regulation.

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. 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 a) Climate change mitigation and b) Climate change adaptation, a Delegated Regulation (EU 2021/2139) has been adopted on technical screening criteria for determining the conditions under which an economic activity is considered to contribute significantly to climate change mitigation and adaptation and for determining whether that economic activity does not significantly impair any of the other environmental objectives. For these reasons, Luka Koper Group reports below only those taxonomic activities that it recognised in the Delegated Regulation.

### Determination of activities aligned with 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 the objectives of climate change adaptation and mitigation in the context of the EU taxonomy.

While transshipment and warehousing are not identified as economic activities that significantly contribute to climate change adaptation and mitigation in the EU taxonomy, the Delegated Regulation identifies a number of activities in the taxonomy, with which the Luka Koper Group contributes to climate change adaptation and mitigation. 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**

### **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.

### **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 extra high-voltage and high-voltage interconnected system, 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. Included in this activity for 2022 is 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.

### **5.2 Renewal of water collection, treatment and supply systems**

The activity 5.2 Renewal of water collection, treatment and supply systems includes renewals to water collection, treatment and distribution infrastructures 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.

### **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, therefore, this is an activity not in line 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 CO<sub>2</sub> 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 CO<sub>2</sub> emissions (from the tailpipe), as these are internal movements within the port, which are not considered as short line freight transport.

## 6.6 Freight transport services by road

The Luka Koper Group does not report the 6.6 Freight transport services by road activity. 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 (worksite) 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 CO<sub>2</sub> (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 CO<sub>2</sub> operation of vessels or the port's own operations, as well as infrastructure dedicated to transshipment with zero CO<sub>2</sub> (tailpipe) emissions. Under this activity, the Luka Koper Group has included infrastructure designed for the operation of vessels with zero direct tailpipe CO<sub>2</sub> emissions: 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 shore-side super postpanamax STS cranes and 3 electric RTG cranes were procured, with the equipment dedicated to the handling of cargo between different modes of transport: terminal infrastructure and superstructures for loading, unloading and handling of goods with zero CO<sub>2</sub> emissions (from the tailpipe). The annual maintenance costs of the port machinery and the transport systems with zero CO<sub>2</sub> emissions are also shown.

## 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 consisting in 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 was updated in the internal rail transport facility and activities d, e and f were carried out.

## 7.7 Purchase and ownership of buildings

This activity is taxonomically acceptable, but not yet environmentally sustainable according to the criteria set, as these buildings are not class A, therefore, this is an activity not in line with the taxonomy.

### Luka Koper, d. d.

Share of investments (CAPEX), investments in working capital and net sales related to economic activities included in the EU taxonomy - disclosure by Luka Koper d. d. for the year 2022 for the achievement of the climate change mitigation and adaptation objective.

Environmentally sustainable activities (EU Directive 2021/2139)	CAPEX investments (in EUR million)	CAPEX investments (share in %)	Working capital investments (in EUR million)	Working capital investments (share in %)	Net sales (in EUR million)	Net sales (share in %)
4.1 Electricity generation using solar photovoltaic technology	0,5	1.0%	-	-	-	-
4.9 Transmission and distribution of electricity	0,04	0.1%	-	-	-	-
5.2 Renewal of water collection, treatment and supply systems	-	-	0,6	3.8%	-	-
6.16. Infrastructure enabling low carbon water transport	25,1	50.0%	1,6	10.1%	-	-
7.3 Installation, maintenance and repair of energy efficient equipment	0,2	0.4%	-	-	-	-
<b>A1 TAXONOMY ALIGNED</b>	<b>25,8</b>	<b>51.5%</b>	<b>2,2</b>	<b>13.9%</b>	<b>0,0</b>	<b>0.0%</b>
5.5 Collection and transport of source-separated fractions of non-hazardous waste	-	-	-	-	1,0	0.3%
7.7 Purchase and ownership of buildings	0,09	0.2%	0,4	2.5%	1,2	0.4%
<b>A2 NON TAXONOMY ALIGNED</b>	<b>0,09</b>	<b>0.2%</b>	<b>0,4</b>	<b>2.5%</b>	<b>2,2</b>	<b>0.7%</b>
<b>A1+A2 TAXONOMY ELIGIBLE</b>	<b>25,9</b>	<b>51.7%</b>	<b>2,6</b>	<b>16.5%</b>	<b>2,2</b>	<b>0.7%</b>
<b>B NON TAXONOMY ELIGIBLE</b>	<b>24,3</b>	<b>48.3%</b>	<b>13,2</b>	<b>83.5%</b>	<b>308,0</b>	<b>99,3%</b>
<b>A+B TOTAL LUKA KOPER, D. D.</b>	<b>50,2</b>	<b>100.0%</b>	<b>15,8</b>	<b>100.0%</b>	<b>310,2</b>	<b>100.0%</b>



## Luka Koper Group

Share of investments (CAPEX), investments in working capital and net sales related to economic activities included in the EU taxonomy - disclosure by the Luka Koper Group or the year 2022 for the achievement of the climate change mitigation and adaptation objective.

Environmentally sustainable activities (EU Directive 2021/2139)	CAPEX investments (in EUR million)	CAPEX investments (share in %)	Working capital investments (in EUR million)	Working capital investments (share in %)	Net sales (in EUR million)	Net sales (share in %)
4.1 Electricity generation using solar photovoltaic technology	0,5	1.0%	-	-	-	-
4.9 Transmission and distribution of electricity	0,04	0.1%	-	-	-	-
5.2 Renewal of water collection, treatment and supply systems	-	-	0,6	3.8%	-	-
6.16. Infrastructure enabling low carbon water transport	25,1	49.4%	1,6	10.3%	-	-
7.3 Installation, maintenance and repair of energy efficient equipment	0,2	0.4%	-	-	-	-
<b>A1 TAXONOMY ALIGNED</b>	<b>25,8</b>	<b>50.9%</b>	<b>2,2</b>	<b>14.1%</b>	<b>0,0</b>	<b>0.0%</b>
5.5 Collection and transport of source-separated fractions of non-hazardous waste	-	-	-	-	1,0	0.3%
7.7 Purchase and ownership of buildings	0,06	0.1%	0,3	1.9%	0,8	0.3%
<b>A2 NON TAXONOMY ALIGNED</b>	<b>0,06</b>	<b>0.1%</b>	<b>0,3</b>	<b>1.9%</b>	<b>1,8</b>	<b>0.6%</b>
<b>A1+A2 TAXONOMY ELIGIBLE</b>	<b>25,9</b>	<b>51.0%</b>	<b>2,5</b>	<b>16.0%</b>	<b>1,8</b>	<b>0.6%</b>
<b>B NON TAXONOMY ELIGIBLE</b>	<b>24,9</b>	<b>49.0%</b>	<b>13,1</b>	<b>84.0%</b>	<b>311,7</b>	<b>99.4%</b>
<b>A+B TOTAL LUKA KOPER GROUP</b>	<b>50,8</b>	<b>100.0%</b>	<b>15,6</b>	<b>100.0%</b>	<b>313,5</b>	<b>100.0%</b>

## 22.2 About the environmental management system<sup>95</sup>

Technical support to the Management Board of the Company and Profit Centres is provided by specialised departments organised by the area of expertise, from fundamental management functions to specialist knowledge required to carry out specific 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 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.

<sup>95</sup> GRI 2-13, 2-14, 2-25, 3-3

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, 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 following chapters of the report. These are monitored and displayed 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.

## 22.3 Living in harmony with the environment<sup>96</sup>

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 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.

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 IUCN 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 22.15: 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 spills at sea are monitored with installed sensors (the results are presented in the chapter Marine protection), and in 2022, we installed a radar system for even more reliable identification of a possible oil slick.

<sup>96</sup> GRI 3-3, 304-1, 304-2, 304-3, 304-4

Also located near the port are 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. 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 will establish monitoring of the condition of the seagrass meadow and carry out mapping (determine its scope).

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, and we already have a system in place to monitor the quality of the sea, which is presented later in the report.

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 the port's operation can affect their status, therefore, it is also monitored (Chapter 22.15: Biodiversity) and the results are presented below.

The Rižana River flows into the port water area (extending over 2.1 million m<sup>2</sup>) 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. Deepening of the seabed 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 22.16: 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 are presented below.

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



*Natura 2000 sites nearest to the port*



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

### 22.3.1 Strategic orientations of Luka Koper by environmental aspect

In 2019, a new Strategic Business Plan 2020-2025 was devised (<https://www.luka-kp.si/eng/mission-vision-strategy>). In addition, in 2022, with the assistance of an external institution, we started to update the Strategic Guidelines for the Development of the Port of Koper, d. d., in the field of environmental management until 2030 with updates related to the green transition, where all aspects of the transition will be evaluated in terms of their environmental impact.

We have always been committed to improving the quality of life in the entire area in which the port is situated. Therefore, we work with and co-finance educational and research institutions, and support sports, humanitarian and cultural activities. When it comes to development issues and investments, we follow the principles of sustainable development and responsible environmental management, which includes reducing the impacts causing climate change.

To this end, our guidelines are aimed at:

- Introducing modern and energy-efficient technologies,
- Steadily reducing emissions into the environment,
- Caring for the partnership with the local community,
- Increasing energy efficiency in all activities,
- Ensuring preparedness for emergency response,
- Steadily improving the environmental management system.

The Strategy of Social Responsibility and Sustainable Development was adopted, which is published on the website [Živeti s pristaniščem - Poročila in dokumenti \(zivetispristaniscem.si\)](https://www.zivetispristaniscem.si).

The strategy summarizes the Company's key documents dealing with the area of sustainable development and social responsibility, and presenting an overview of all activities carried out by the Company. At the same time, the strategy sets out concrete objectives that the company pursues in the long term.

### 22.3.2 Significant environmental aspects in 2022

Environmental aspects evaluated as significant		Explanation of the nature of impact
WATER CONSUMPTION / WASTEWATER / SEA	<ul style="list-style-type: none"> <li>■ Drinking water consumption</li> </ul>	<ul style="list-style-type: none"> <li>■ Drinking water consumption and losses in the water supply network affect the already limited quantities of drinking water on the Coast.</li> </ul>
ATMOSPHERIC EMISSIONS	<ul style="list-style-type: none"> <li>■ Dust emissions/immissions from services</li> </ul>	<ul style="list-style-type: none"> <li>■ Handling of the bulk material can result in dust, causing some of the pollutants in the air to increase.</li> </ul>
ENERGY / INTERNAL TRANSPORT	<ul style="list-style-type: none"> <li>■ Internal transport powered by diesel engines</li> <li>■ Electricity and fuel consumption</li> </ul>	<ul style="list-style-type: none"> <li>■ The use of fuel in the transport process results in the release of greenhouse gases into the air.</li> <li>■ Electricity use indirectly affects the generation of pollutants, but this refers to locations where electricity is generated from non-renewable energy sources.</li> </ul>
NOISE / ODOUR	<ul style="list-style-type: none"> <li>■ Generation of noise in the port</li> <li>■ Noise emissions from freight and passenger ships</li> </ul>	<ul style="list-style-type: none"> <li>■ Every activity results in noise, which spreads into the environment and causes disturbance.</li> </ul>
OTHER ENVIRONMENTAL ASPECTS	<ul style="list-style-type: none"> <li>■ Seabed dredging and disposal of marine sediments</li> </ul>	<ul style="list-style-type: none"> <li>■ 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.</li> </ul>
OTHER ENVIRONMENTAL ASPECTS	<ul style="list-style-type: none"> <li>■ Fire safety</li> </ul>	<ul style="list-style-type: none"> <li>■ A high level of fire safety is highly crucial for the smooth operation of the entire port.</li> </ul>
OTHER ENVIRONMENTAL ASPECTS	<ul style="list-style-type: none"> <li>■ Biodiversity conservation</li> </ul>	<ul style="list-style-type: none"> <li>■ 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 Posidonia oceanica seagrass meadow in Žusterna.</li> </ul>
WASTE	<ul style="list-style-type: none"> <li>■ Port- and ship-generated waste</li> </ul>	<ul style="list-style-type: none"> <li>■ High rate of separate collection and re-use of waste (circular economy).</li> </ul>

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 de-

cide on annual activities (improvement programmes) and review the progress made towards achieving the environmental targets, which are presented in more detail below.

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>).

#### *Environmental aspects assessed as important at European Ports Association level in 2022*



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.

### 22.3.3 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/m<sup>2</sup> 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/m<sup>3</sup> (in the direction of Ankaran, Koper and Bertoki);
- Maintain the share of separately collected waste, excluding waste from vessels, at 92 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 0.1214 l/t, electricity at 0.7918 kWh/t, and drinking water at 4.9 l/t;
- Ensure that no (inspection or internal) measures will be required for the developments;
- Prevent any 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 8 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 nolti*) 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.



### 22.3.4 Realisation of environmental objectives in the period 2020-2022<sup>97</sup>



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

Št. poglavja	Pomemben okoljski vidik	CILJ	Vrednost cilja 2022	Dosežene vrednosti v obdobju 2020 – 2022			Realizacija 2022
				2020	2021	2022	
22.8	Dust emissions/immissions from services	Reduce total dust immissions for each measurement	<b>200 mg/m<sup>2</sup> day up to 5 exceedances</b>	100 7 exceedances	120 7 exceedances	<b>114</b> <b>10 exceedances</b>	
22.8	Dust emissions/immissions from services	Maintain immission particle size below 10 mm in the entire port area	<b>&lt; 30 mg/m<sup>3</sup></b>	Bertoki-20 Ankaran-19 Koper-20	Bertoki-17 Ankaran-15 Koper-16	<b>Bertoki-21</b> <b>Ankaran-16</b> <b>Koper-16</b>	
22.9	Waste management	Maintain the percentage of waste collected separately excluding ship-generated waste	<b>&gt; 92%</b>	91*	93.6*	<b>93,6</b>	
22.10	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	<b>Night 48 dB</b>	54	53	<b>54</b>	
22.10	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.	<b>Evening 53 dB</b>	Bertoki-37 Ankaran-43 Koper-54	Bertoki-37 Ankaran-44 Koper-54	<b>Bertoki-37</b> <b>Ankaran-46</b> <b>Koper-55</b>	
22.10	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.	<b>Day 58 dB</b>	Bertoki-39 Ankaran-46 Koper-55	Bertoki-39 Ankaran-45 Koper-54	<b>Bertoki-38</b> <b>Ankaran-45</b> <b>Koper-56</b>	
22.11	Electricity and fuel consumption	Maintain specific energy consumption on par with the year before despite increases in transshipment and storage capacities	<b>0.7918 kWh/t</b>	1.45**	0.7740***	<b>0.7332</b>	
22.12	Drinking water consumption	Maintain specific energy consumption on par with the year before despite increases in throughput and storage capacities	<b>4.9 l/t</b>	9.33**	2.29***	<b>2.09</b>	
22.11	Internal transport powered by diesel engines	Maintain specific energy consumption on par with the year before despite increases in throughput and storage capacities	<b>0.1214 l/t</b>	0.236**	0.1195***	<b>0.1267</b>	
22.17	Seabed dredging and disposal of marine sediments	Developments	<b>0 actions</b>	0	0	<b>0</b>	
22.16	Sea pollution	Prevent all instances of sea pollution outside the port water area	<b>0 contaminations</b>	0	0	<b>0</b>	
22.7	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.	<b>&lt; 8 min</b>	/	2.97	<b>2.98</b>	
22.7	Fire safety	Prevent any major industrial accidents altogether	<b>0 large industrial accidents</b>	/	0	<b>0</b>	
22.7	Fire safety	Implement inspection decisions fully	<b>0 unimplemented inspection decisions</b>	/	0	<b>0</b>	
22.15	Biodiversity conservation	Preserve water quality in the strait that connects Škocjanski Zatok with the sea and crosses the port	<b>Mineral oil content &lt; 50 µg/l</b>	/	<20	<b>&lt;20</b>	
22.15	Biodiversity conservation	Preserve the range of the area of underwater meadows (Cymodocea nodosa, Zostera nolti) - measurement every three years	<b>Same area compared to the 2018 reference period</b>	same	/##	<b>/##</b>	

#### Legende:

- Objective not attained
- Objective attained
- Objective partly attained
- Objective is new

#### Note:

- \* The target value for 2020 and 2021 was >91%.
- \*\* In 2020, the targets were 1.27 kwh/t for electricity, 0.23 l/t for fuel, and 6.4 l/t for drinking water.
- \*\* 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, up to and including 2020, depending on ship throughput.
- # There was no target in 2020.
- ## Verification of changes in the range of underwater meadows is carried out every 3 years.



## 22.4 Policy on safety and health in the port and energy efficiency<sup>98</sup>

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.

## 22.5 Compliance with environmental protection requirements<sup>99</sup>

### 22.5.1 Compliance with environmental legislation<sup>100</sup>

In demonstrating compliance, we primarily refer to the Environmental Protection Act, on the basis of which the following environmental permits have been granted:

- No 35451-1/2018-5 of 28 Feb 2019 regarding noise emissions;
- 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 regarding atmospheric emissions, waste water 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 35495-1/2012-2 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. The plan was subsequently revised in 2019 and 2021. 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 air emissions indicate compliance with the law and with the obtained environmental permit.

PM10 and PM2,5 concentrations in the area of the port, as well as the number of exceedances, are below the limit values stipulated by law.

The measured emissions of combustion plants are compliant with the legal requirements.

The noise level measured by three fixed monitors (measurements are carried out continuously, 24/7) complies 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. In the current year, 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 performed analyses of industrial wastewater and wastewater from small wastewater treatment systems have shown compliance with legal and environmental requirements. In the industrial wastewater from the Container washing facility, in one sampling out of three, the aluminum parameter exceeded the limit value, but activities were carried out owing to which we estimate that the impact on the environment was minimal (more in Chapter 22.13: Wastewater Management).

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99 GRI 3-3

100 GRI 2-27, 303-4

The Company has a valid environmental permit for the warehousing (transshipment) of some categories of waste (scrap iron, paper, plastics, mill scale). We performed transshipment of scrap iron, measuring the radioactivity of shipments, 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 shipments and returned to the sender or forwarded to another authorised organisation.

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 throughout the year. We have the authorization for taking measurements from the Slovenian Nuclear Safety Administration (SNSA), to which we submitted an annual report on the performed measurements.

We have not received any decisions for the implemented inspections (more in Chapter 22.6.4: Inspections).

### 22.5.2 Compliance with internal requirements<sup>101</sup>

In monitoring total dust, the set target of 200 mg/m<sup>2</sup> per day was achieved, the average annual value having been slightly lower than in the previous year and below the target value. In 119 measurements, 10 exceedances were measured, which is 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 fossil fuel consumption and drinking water consumption for the port's activity were met, however, the target for fossil fuel 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 Company level, 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. 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 2 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 are working with an authorised contractor to create a model calculation based on the data of the existing and planned machinery up to 2027. The completed model calculation will be the basis for determining a more realistic goal.

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 inspection decisions have been achieved.

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 is checked once every 3 years, which will be carried out in 2023; the measurements so far do not show a deterioration in the status of these meadows (*Cymodocea nodosa*, *Zostera noltii*) compared to the reference period of 2018.

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## 22.6 Public communication<sup>102</sup>

### 22.6.1 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, its relationship to the environment, and the company performance. Most of the respondents are from the local communities of Semedela, Žusterna, Za Gradom and Olmo-Prisoje (35.6%), Bertoki, Hrvatini and Škofije (33.0%), Koper central (18.4%), and the municipality of Ankaran (13.1%). 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 (85.7%) found Luka Koper to be a successful/very successful enterprise.

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

- Road transport (29.7%, 2021: 26.6%),
- Port activity (24.8%, 2021: 34.9%),
- Local industry (8.6%, 2021: 5.0%),
- Industry in Trieste (6.4%, 2021: 9.4%), and

according to 26.6 percent of the respondents (2021: 31.1%), Luka Koper's environmental protection programme is good (rating it a 3); 27.3 percent (2021: 32.0%) believe it is very good (rating it a 4), while 21.7 percent (2021: 19.6%) have rated the Company's environmental protection programme as excellent (rating it a 5). 11.9 percent (2021: 11.0%) 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 takes care of the environment quite well (rating 4) has slightly decreased, but the proportion of those who think that Luka Koper takes excellent care of environmental protection (rating 5) has increased. The average score (on a scale of 1 to 5) has grown slightly over the past year, from 3.62 to 3.64.

	2020	2021	2022
public assessment of the port's environmental impact	3.52	3.62	3.64

### 22.6.2 Important public communication events

In 2022, several activities were carried out to communicate sustainability topics. As part of our sponsorship, we participated in the preparation of the documentary film *Badaševica in Škocjanski zatok*, as Luka Koper is the key link between these two ecosystems. The documentary was premiered on the Slovenian national television as part of the Slovenian Water Circle programme (<https://www.rtvlo.si/rtv365/arhiv/174908006?s=tv>). As sponsors, we also supported and contributed to another documentary, *Pomembnost ustvarjalnosti posameznika za razvoj družbe* (The Importance of Individual's Creativity for the Development of Society), produced by the UMMI Institute for Education. In the film, we presented how Luka Koper has tackled some of the key environmental challenges in recent years, one of which, noise, was posed by the director to primary school pupils, who worked creatively and innovatively to find solutions to reduce noise in the port area.

We have been very active in the field of energy. As part of the SOPOREM project, in which Luka Koper 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.

In order to strengthen and develop cross-border cooperation, the Trieste Port Authority, the Venice Port Authority and Luka Koper, 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/>).

In 2022, 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 en-

<sup>102</sup> GRI 3-3, 413-1

courage 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.

We participated in a round table on green transition of infrastructure and transport in Slovenia (<https://www.luka-kp.si/en/news/how-to-make-transport-greener/>).

On the basis of the Agreement on the implementation of mitigation measures to reduce the environmental impact of port activities signed with the Municipality of Koper, a call for proposals was launched for the allocation of grants for the implementation of mitigation measures to reduce the impact of port activity emissions for the years 2021 and 2022. A call for tenders was launched for the replacement of dilapidated joinery with suitable new joinery and/or renovation of existing joinery (restoration), new or renovation of existing facade plastering, insulation of the roof or attic structure with replacement of dilapidated clay tiles; installation of air purification and ventilation systems and installation of air-conditioning for the building as a whole or for a specific part of the building. We received the final report from the Municipality of Koper on the implementation for 2022. The report shows that the owners or co-owners of 30 residential buildings (including owners or co-owners – property owners in multi-apartment buildings) were eligible for funding.

In 2022, we participated in the inter-ministerial working group of the Ministry of the Environment and Spatial Planning, 'System for the management of interventions in the event of sudden pollution of the Adriatic Sea', with the aim of establishing an optimal system for the management of the waste generated in the event of a major maritime accident. We also participated in the Ministry's working group on the implementation and monitoring of the Slovenian Maritime Spatial Plan, where we presented ongoing activities related to the implementation of a test marine sediment transfer in the sea, which is explained in more detail in the section Dredging and management of marine sediments.

Most of the study programmes of the Faculty of Maritime Studies and Transport are directly related to maritime affairs. This is the main reason why students of nautical, marine and ship engineering regularly visit the port of Koper, which also happened several times in 2022.

The port was visited by active members of the Slovenian Meteorological Society, which for more than 60 years has brought together most of the experts in the field of meteorology. The focus of the discussions during the presentation and the port visit was the port's activity in measuring and regularly monitoring meteorological data. Data relevant for the safe arrival of ships is also shared with the Slovenian Maritime Administration, KOPPSI pilots, Adria Tow tugs, the maritime police, the Slovenian Armed Forces and the concessionaire for the maintenance of navigation safety facilities.

As part of professional training, the port was visited by employees of the Ministry of Defence, the Slovenian Administration for Civil Protection and Disaster Relief and the Ljubljana City Administration. Representatives of Luka Koper presented the Company and a good practice example related to its organisation for the prevention or dealing with unforeseen events, natural and other disasters, and the needs and objectives regarding the forces and equipment for the implementation of protection and rescue.

Luka Koper participates in various EU projects as a partner or observer, and offers assistance when needed. For certain projects, we have also organised a demonstration and a port tour, the preparation of and participation in a maritime security exercise, and facilitated ship-based research.

In cooperation with the Regionalobala web portal, where we publish port-related content once a month, we have produced a comprehensive article on sustainable development and how we care for the environment <https://www.regionalobala.si/novica/podvodno-kraljestvo-v-luskem-akvatoriju-kaj-se-skriva-pod-gladino-treh-luskih-bazenov>.

### 22.6.3 Registered and processed environmental complaints<sup>103</sup>

Environmental complaints are accepted by telephone, through a web application and the media. We consider all complaints and respond to the complainant.

A total of 12 complaints were recorded in 2022, of which five were related to excessive noise, three to smoke from a ship, one to dusting, and one to stacked containers at the passenger terminal.

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	2020	2021	2022
Number of environmental complaints	7	18	12

Out of a total of five noise-related complaints, most of them (four 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. Out of five cases, three ships succeeded in taking action to reduce noise.

Three complaints were received about smoke in the harbour or at anchorage. In such cases, we informed the competent maritime inspector, who monitors and verifies what is happening at sea, but in none of the cases was the shipowner fined because no deficiencies were found on the ship.

Of the three complaints relating to dusting, two were related to the extreme and short-lived strong winds – tramontana – that hit the Coast in 2022. Such events are exceptional and, despite all the activities undertaken to reduce the impact of port activities on the environment and the population, cannot be completely prevented. However, when such a forecast is made, all activities are intensified to minimise the impact of port activities. One complaint from a resident of Dekani concerned dusting from coal wagons. We checked the weighed quantities loaded on each wagon, but these did not deviate and we could not detect or verify the cause. We have provided a written explanation to the residents.

A resident of Koper about some containers dumped temporarily at the passenger terminal which we do not normally store at this location. The containers stored at the passenger terminal were a temporary and exceptional measure due to the increase in container traffic before the holidays and the lack of space at the container terminal. Once the space was freed up, the containers were removed from the passenger terminal.

## 22.6.4 Inspections<sup>104</sup>

The deficiencies identified from the inspections were not of such a nature as to have an impact on the environment.

Inspectorate	Start date, notification of the process	Subject matter	Findings
Slovenian Maritime Administration - Maritime Inspection Division	21 Apr 2022	Inspection of the bulk cargoes terminal regarding the implementation of Directive 2001/96/EC on the approval of harmonised requirements and procedures for the safe loading and unloading of bulk carriers and the Rules on safe loading and unloading of bulk carriers (Official Journal RS, No 58/06).	No violations were found.
Slovenian Maritime Administration - Maritime Inspection Division	22 Apr 2022	Inspection of the dry bulk terminal regarding the implementation of Directive 2001/96/EC on the approval of harmonised requirements and procedures for the safe loading and unloading of bulk carriers and the Rules on safe loading and unloading of bulk carriers (Official Journal RS, No 58/06).	No violations were found.
Inspectorate of the Republic of Slovenia for the Environment and Spatial Planning	14 Jun 2022	Control of an installation posing a significant risk to the environment (SEVESO).	No violations were found.
Financial administration of the Republic of Slovenia	16 Jun 2022	Verification of goods records.	No violations were found.

<sup>104</sup> GRI 2-27

Financial administration of the Republic of Slovenia - Koper Financial Office, Customs Division, Excise Duties Unit.	April/May 2022	Review of the operation of the excise warehouse following the issue of the excise duty licence, any necessary amendments to the excise duty licence in the light of the current situation.	No violations were found.
Securities Market Agency	7 Jul 2022	Supervision of the public disclosure and content of the 2021 annual report of Luka Koper d. d. (verification of compliance with international accounting reporting standards, ESMA guidelines and review of the non-financial part of the reporting).	The process is still ongoing.
Labour Inspectorate of the Republic of Slovenia (ATEX area)	12 Jul 2022	Ex-officio inspection control to review the progress of the implementation of ATEX activities.	The process is still ongoing.
Financial administration of the Republic of Slovenia	29 Aug 2022	Tax control of excise business and of the storage of products in the tax warehouse at the Liquid Cargo Terminal.	No violations were found.
Slovenian Maritime Administration - Maritime Inspection Division	22 Nov 2022	Inspection regarding the implementation of Directive 2001/96/EC on the approval of harmonised requirements and procedures for the safe loading and unloading of bulk carriers and the Rules on safe loading and unloading of bulk carriers.	No violations were found.
Information Commissioner	20 Sep 2022	Inspection control regarding ensuring the security of documentation with personal data in the duty holder's personnel department.	No violations were found.
Labour Inspectorate of the Republic of Slovenia Regional Unit Koper-Postojna-Nova Gorica	11 Oct 2022	Extraordinary inspection in the matter of work and employment of workers and control inspection of the execution of the decision regarding the provision of the right to a weekly rest.	The process is still ongoing.
Inspectorate of the Republic of Slovenia for the Environment and Spatial Planning	26 Oct 2022	Inspection and control of compliance with environmental requirements concerning the collection and handling of waste in Luka Koper INPO, d. o. o.	No measures
Inspectorate of the Republic of Slovenia for the Environment and Spatial Planning	24 Nov 2022	Control over the compliance of Luka Koper, d.d. with the environmental requirements related to: - Waste processing, - Emissions of substances and heat into waters, - Emissions of substances into the air, - Noise emissions.	A warning was issued that the waste generated during the processing of scrap metal and located at locations 6 and 7 must be submitted for further processing to an authorised waste receiver within 3 months and the classification number of the waste must be changed before submission.
Inspectorate of the Republic of Slovenia for the Environment and Spatial Planning	24 Nov 2022	Control of the conduct of Luka Koper d.d. with regard to the use of water for technological purposes (control of water use under the water permit).	No violations were found.
Slovenian Maritime Administration - Maritime Inspection Division	22 Nov 2022	Inspection at the bulk cargoes terminal regarding the implementation of Directive 2001/96/EC on the approval of harmonised requirements and procedures for the safe loading and unloading of bulk carriers and the Rules on safe loading and unloading of bulk carriers.	No violations were found.
Slovenian Maritime Administration - Maritime Inspection Division	23 Nov 2022	Inspection at the dry bulk and alumina terminal regarding the implementation of Directive 2001/96/EC on the approval of harmonised requirements and procedures for the safe loading and unloading of bulk carriers and the Rules on safe loading and unloading of bulk carriers.	No violations were found.



## 22.7 Environmental risk management and emergency response<sup>105</sup>

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 22.6.3: Registered and processed environmental complaints, while incidents at sea are discussed in Chapter 22.16.1: Statistics for interventions at sea.

As part of its activities, Luka Koper uses, transports and warehouses dangerous substances, oil and petroleum products, and manages work equipment and assets that carry a risk of accidents. An important step in environmental preservation and improvement is to reduce the risk of incidents and improve emergency response procedures by means of annual activities.

A review of risk assessment and the contingency 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 involves players from various areas of expertise, organisations and undertakings. In the event of interventions in emergency situations in the port area, the Luka Koper 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 Industry Volunteer Firemen Society, Luka Koper Civil Protection Unit, and other units in accordance with the protection and rescue 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. In 2022, the reconstruction of 9 sections of the water supply and hydrant network began.

The 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. In 2022, a total of 54,206 km was covered by fire trucks. The Fire Brigade provides operational and



105 GRI 2-23, 2-25, 3-3, 306-1, 306-2



preventive fire safety work. Firefighting operations include fire-fighting and rescue in all types of accidents, providing medical aid to the sick and injured, and education and training with firefighting equipment. In 2022, the unit intervened in 796 events.

During the extensive fire in the Karst in the summer that spread rapidly, the Koper Fire Brigade asked us to help fire-fighting. Two professional firefighters from the Brigade with a fire truck assisted in the extinguishing. Our task was to supply water to the firefighting water tank for fire helicopters.

Preventive firefighting work, which the Fire Brigade carries out on a daily basis throughout the port, is crucial to maintaining an adequate level of fire safety and to preventing the circumstances that can cause a fire. Throughout the year, we carried out preventive patrols and inspections of facilities, inspected the hydrant network and fire extinguishing systems, participated in the renovation and construction of new facilities, trained employees in the field of fire safety and participated in inspections.

Regular training of professional firefighters is very important for maintaining a high level of knowledge and safety in interventions. The Professional Fire Brigade training takes place in the Firefighting School and internally in its own unit. 26 professional firefighters were referred to refresher training at the Firefighting School. All four shifts completed refresher first aid training.

Around one hundred internal exercises on various firefighting topics were conducted in the port area.

### 22.7.1 Statistics for environmental incidents from 2020 to 2022<sup>106</sup>

Number in 2020	Number in 2021	Number in 2022	Description of events	Measures taken
79	115	<b>118</b>	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 0.03 percent of vehicles entering the port.
10	8	<b>3</b>	Leakage in the port's water supply system.	Repair of the leaking pipes.
11	6	<b>10</b>	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.
4	3	<b>4</b>	Inadequate waste management within the port.	Adequate management of the collected waste in future.
5	9	<b>8</b>	Minor fire, onset of fire	In all cases, small, local fire onsets were extinguished and additional measures were introduced where necessary.
1	/	<b>2</b>	A tank overfilled with methanol and contents leaking out of a container.	In the first case, an analysis of the cause was carried out and measures implemented, in the second case, the spill was remedied, with the container previously placed in a catch bowl.

All emergencies were small-scale, managed and remedied at the site of occurrence, with no impact on the environment. Only the event of the tanker truck being overfilled with methanol at the truck filling station of the liquid cargo terminal is considered a major event; we first conducted an analysis of the cause and introduced additional safety measures with the aim of preventing the incident from happening again.

<sup>106</sup> GRI 306-1, 306-2

## 22.7.2 Presentation of the realisation of improvement programmes for better management of uncontrollable events

**In 2022, the following measures were implemented:**

- Renewed fire alarms in warehouses 32 C, D at the general cargo terminal,
- Complete installation of fire alarms at the livestock terminal,
- Complete installation of fire alarms in warehouses 22 A, B, C, D at the general cargo terminal,
- Purchased spreaders for out-of-gauge cargo (OH spreaders) at the container terminal,
- Complete installation of active fire protection systems in the 'central changing rooms' facility,
- Cooperation with the Koper Fire Brigade and execution of joint fire drills for better cooperation in interventions,
- Purchased a submersible pump for storm water,
- Purchased fire-retardant tarps,
- Obtained a fire safety study on transshipment and storage of alternative fuel vehicles,
- Carried out the selection of transfer trolleys for vehicles,
- Carried out a public contract for the purchase of two portable fire pumps (replacement for worn-out ones),
- Carried out a public contract for the purchase of a high-pressure electric or battery fan,
- Carried out a public contract for the purchase of a transport trolley for firefighting equipment,
- Set up a fire alarm system throughout the port,
- Carried out modernisation activities of the INPO waste management centre,
- Obtained a study on ensuring fire safety in the parking garage phase 1B at the car terminal,
- Completely renovated and reworked the hydrant pipeline between halls TH1 and TH2 at the dry bulk terminal (handover and delivery of all documentation is pending),
- Carried out the peripheral protection of the handling area next to TH4 at the dry bulk terminal,
- Purchased 4 TCH loading arms for wagons (position blocking + overfill protection) at the liquid cargo terminal,
- Purchased 4 TRO loading arms for the wagon filling station for diesel fuel at the liquid cargo terminal,
- Carried out the restoration of the anti-corrosion protection of the tanks at the liquid cargo terminal,
- Carried out replacement and upgrade of refueling points at the liquid cargo terminal,
- Carried out procedures to update the cooling and extinguishing system on the methanol tanks at the liquid cargo terminal,
- Carried out activities to update the APZ system with new TC1 mooring bollards at the liquid cargo terminal,
- Executed several minor exercises or practical trainings,
- Carried out the integration of D2 and jet berths at the SILOS berth and technological equipment for connecting ships for liquid cargo,
- Upgraded the KP 88 and KP 89 spreaders with the TTDS system at the container terminal,
- Carried out activities and signed a contract with the contractor for the upgrade of the system to prevent the RTG crane gantry from colliding with obstacles at the container terminal,
- Carried out an unsuccessful tender for the procurement of a new container for the fire watch (costs exceeded the business plan),
- Started procedures for obtaining a building permit.

**The following was not implemented in 2022:**

- Complete modernisation of the waste management centre,
- Complete deliveries of transfer trolleys for vehicles,
- Complete purchase of two portable fire pumps (replacement for worn-out ones), as delivery is pending,
- Complete purchase of high-pressure electric or battery fan, as delivery is pending,
- Complete purchase of a transport trolley for the transfer of firefighting equipment, as the delivery is pending,
- Purchase of a new container for the implementation of the fire watch,
- Complete all procedures to replace and upgrade refueling points at the liquid cargo terminal,
- Complete all procedures to update the cooling and extinguishing system on the methanol tanks at the liquid cargo terminal,
- Complete all activities to update the APZ system with new TC1 mooring bollards at the liquid cargo terminal,
- Complete preparation of project documentation for the new fire station.

### **22.7.3 Improvement programmes for better management of uncontrollable events for 2023**



**The following will be implemented in 2023:**

- Update of the active fire protection system with new bollards for the TC1 berth,
- Replacement and upgrade of fuel filling stations at the liquid cargo terminal,
- Modernisation of the cooling and fire extinguishing system on methanol tanks at the liquid cargo terminal,
- Continuation of the procedures for the construction of the fire station,
- Efforts to improve cooperation with the Koper Fire Brigade and conduct joint fire drills for better cooperation in interventions,
- Completed modernisation of the waste management centre,
- Investments in the rehabilitation of the hydrant and water supply network in accordance with the maintenance and investment plan,
- Re-tendering and purchase of a new container for the implementation of the fire watch,
- Completed purchase of transfer trolleys for vehicles,
- 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,
- Obtaining a building permit for the construction of a new fire station,
- 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.

## 22.8 Emissions/immission from services<sup>107</sup>

### 22.8.1 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, ship lifts, pumps, etc.

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.

### 22.8.2 Total dust in the port<sup>108</sup>

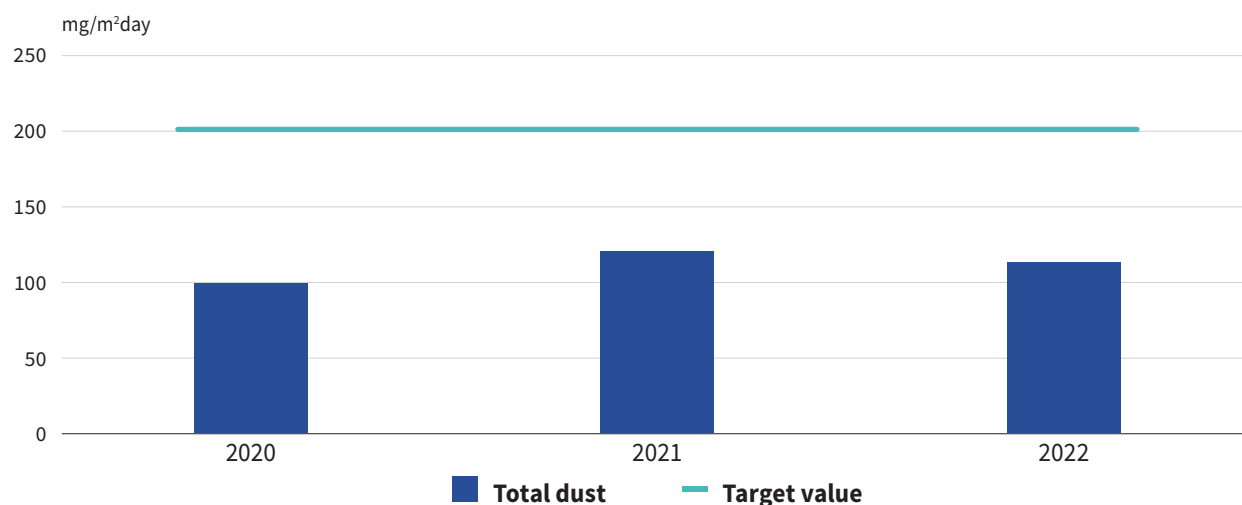
#### Results of total dust measurement inside the port

Total dust concentration has been monitored at ten locations within the port since 2002. The average annual dust concentration in 2022 was 114 mg/m<sup>3</sup> per day, a decline of 6 mg/m<sup>3</sup> from 2021 and within the set target. 10 exceedances were recorded in 119 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 at the passenger terminal and at two points in the direction of Bertoki.

107 GRI 3-3

108 Emissions/immission from services – additional indicator (ref GRI 305-7)

### Average annual total dust concentration inside the port, all monitoring points in the port combined



### 22.8.3 Concentrations of harmful particulate matter<sup>109</sup>



In the port area, the concentrations of fine particulate matter with particles up to 10 µm (PM10) and up to 2.5 µm (PM2.5) 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)

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. The Decree on ambient air quality sets the daily PM10 concentration limit for the protection of human health at 50 µg/m³, with no more than 35 exceedances per year. Exceedances were recorded at measuring point No 2 – direction Bertoki, namely 17 times, at measuring point Ankaran-Rožnik twice, and at the location of the Passenger Terminal seven times.

Elevated values of fine particles and exceeded limit values were also measured at all three measuring points in the month of July, which is not usual, but was the result of a large fire in the Karst, the smoke of which spread all the way to Koper.

Higher PM10 values and the most exceedances were measured at the measuring point in the direction of Bertoki. We have established that the increase in particles occurred due to the close proximity of the newly introduced loading and unloading cars from/to trucks (due to vehicle exhaust gas emissions in the immediate vicinity of the measuring device).

<sup>109</sup> Emissions/immission from services – additional indicator (ref GRI 305-7)



*Metering devices for monitoring fine dust particles: Monitoring point No 3 – LKP Ankaran, Monitoring point No 4 – LKP Koper, Monitoring point No 2 – towards Bertoki*



*Results of PM10 measurement (in  $\mu\text{g}/\text{m}^3$ ) at the edges of the port*

	2020	2021	2022
Monitoring point No 3 – LKP Ankaran	19	15	<b>16</b>
Monitoring point No 2 – towards Bertoki	20	17	<b>21</b>
Monitoring point 4 No – LKP Koper	20	16	<b>16</b>

#### **Exceeding daily limit values across Slovenia**

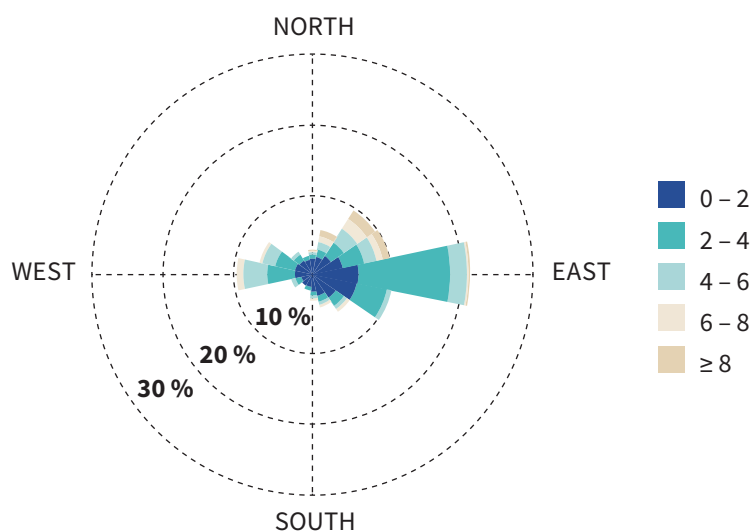
A comparison of measurements carried out by The Slovenian Environment Agency in different locations in Slovenia shows that daily exceedances of the limit value occur at all measuring points. The nearest monitoring station outside the port is located in Markovec, where the annual average PM10 concentration was  $18 \mu\text{g}/\text{m}^3$  and 8 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/m<sup>3</sup> in 2022 at various monitoring points across Slovenia\*\*

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	TOTAL
CE hospital	9	2	0	0	0	0	0	0	0	0	0	2	13
CE Ljubljanska	9	2	1	0	0	0	0	0	0	0	0	1	13
Hrastnik	1	0	0	0	0	0	0	0	0	0	0	0	1
Iskrba	0	0	0	0	0	0	0	0	0	0	0	0	0
Koper	2	1	1	0	0	0	1	0	0	2	1	4	12
Kranj	5	0	0	0	0	0	0	0	0	0	0	0	5
LJ Bežigrad	9	0	0	0	0	0	0	0	0	1	0	1	11
LJ Celovška	10	0	0	0	0	0	0	0	0	1	0	0	11
LJ Vič	8	0	1	0	0	0	0	0	0	1	0	1	11
MB Titova	2	0	0	0	0	0	0	0	0	0	0	1	3
MB Vrbanški	0	0	0	0	0	0	0	0	0	0	0	0	0
MS Cankarjeva	16	3	7	0	0	0	0	0	0	3	4	6	39
MS Rakičan	8	0	0	0	0	0	0	0	0	0	0	2	10
NG Grčna	3	1	1	0	0	0	3	0	0	0	0	1	9
NG Vojkova	3	2	1	0	0	0	/	0	0	0	0	4	10
Novo Mesto	0	0	0	0	0	0	0	0	0	0	0	0	0
Ptuj	5	0	1	0	0	0	0	0	0	0	0	3	9
Solkan	2	0	0	0	0	1	2	0	0	0	0	0	5
Trbovlje	8	0	0	0	0	0	0	0	0	0	0	0	8
Velenje	0	0	0	0	0	0	0	0	0	0	0	0	0
Zagorje	11	0	0	0	0	0	0	0	0	0	0	0	11
Žerjav	1	0	0	0	0	0	0	0	0	1	0	0	2

\*\* Source: <http://www.arso.gov.si/zrak/kakovost%20zraka/podatki/>

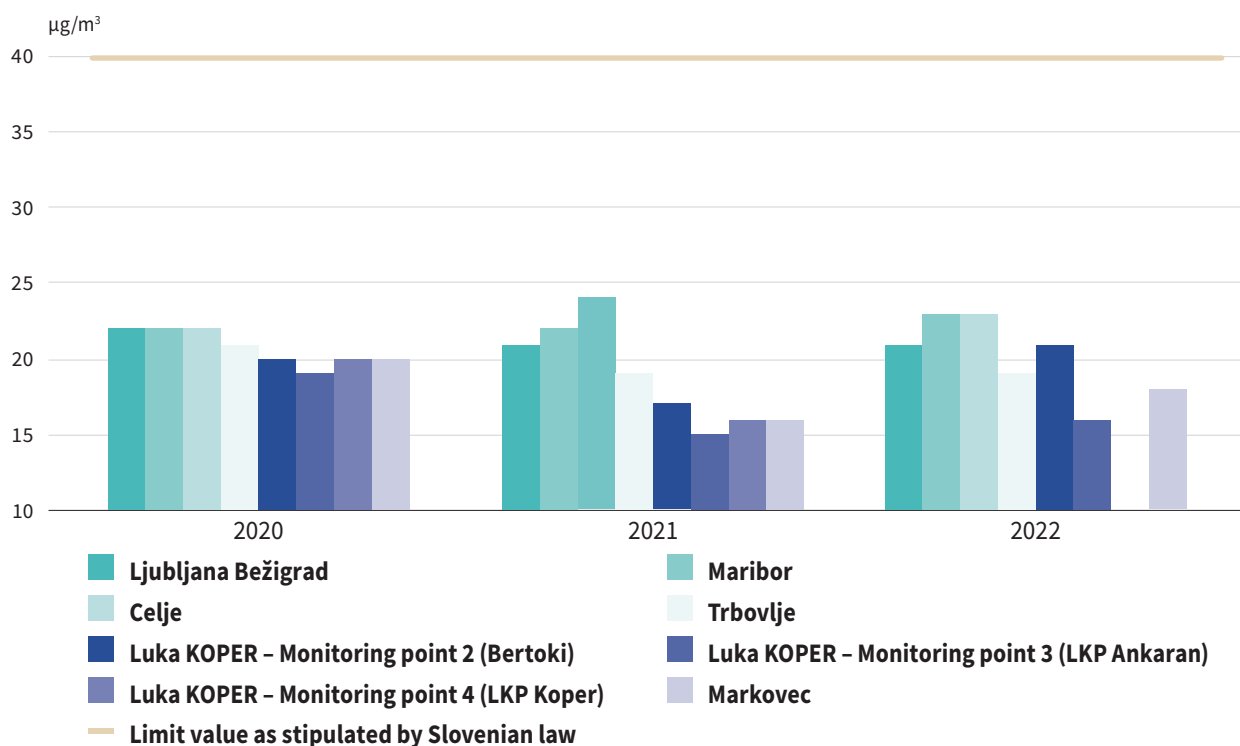
Wind rose for 2022



Wind speed is expressed in m s<sup>-1</sup>. Winds mostly blew from the east and northeast (bora and burin) and from the northwest (maestral).



### Comparison of annual PM10 concentrations in the port and some other monitoring points across Slovenia\*



\*Source: <http://www.arso.gov.si/zrak/kakovost%20zraka/podatki/>

The data for 2022 has not yet been finally confirmed by the Slovenian Environment Agency.

### Results of measurement of particles up to 2.5 µm (PM2.5)

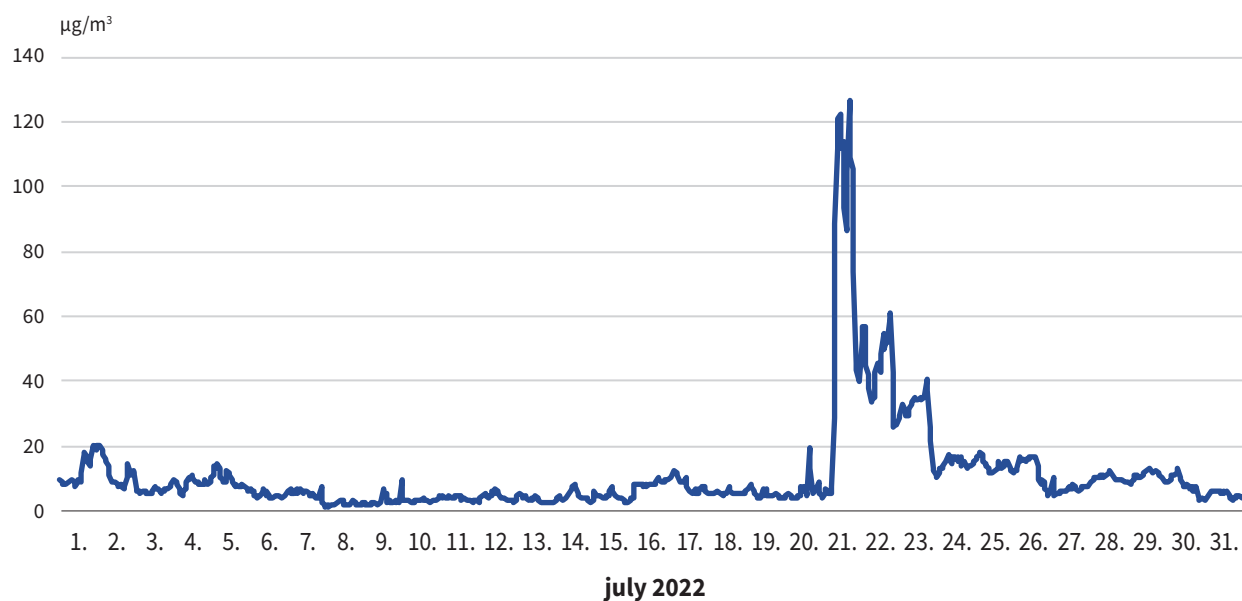
At two locations in the port (Monitoring point No 4 - LKP Koper and Monitoring point No 3 - LKP Ankaran), PM2.5 particles are also monitored. The results are presented in the table below. The average annual concentrations of PM2.5 particles at both monitoring points in the port are below the legislative value of 20 µg/m³.

Compared to 2021, the values for 1 µg/m³ are higher, but for these particles, measuring devices also detected a very high increase during the fire in the Karst – as shown in the graph below – which, in addition to a very dry summer, may have contributed to the higher annual value.

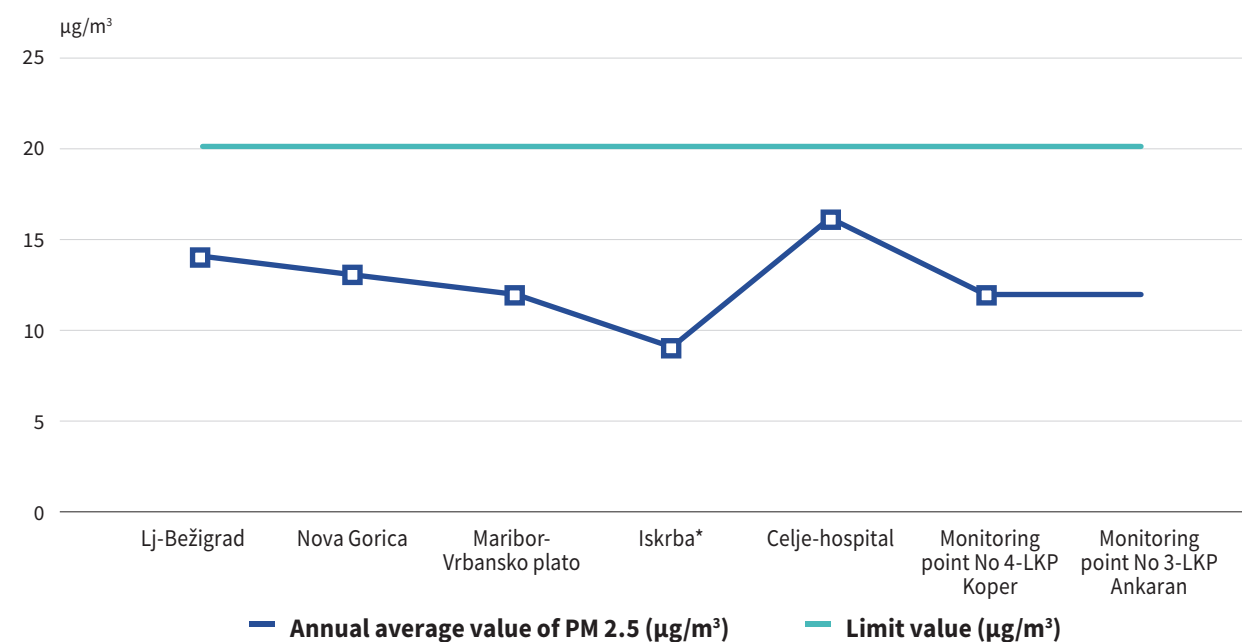
### Results of PM2.5 (in µg/m³) measurement at the edges of the port

	2020	2021	2022
Monitoring point No 4 – LKP Koper	14	11	12
Monitoring point No 3 – LKP Ankaran	14	11	12

### Demonstration of a typical increase in PM<sub>2.5</sub> fine particles inside the port during the Karst fire



### Annual concentrations of PM<sub>2.5</sub> particles at various monitoring points in Slovenia and within the port in 2022



\* Measurement for December has not yet been reported by the Slovenian Environment Agency.  
Source: <http://www.arso.gov.si/zrak/kakovost%20zraka/podatki/>

PM<sub>2.5</sub> measurements within the port area are comparable to values in other urban areas of Slovenia. Iskrba in Kočevsko is a monitoring point that represents a location with minimal impacts, being distant from all sources.

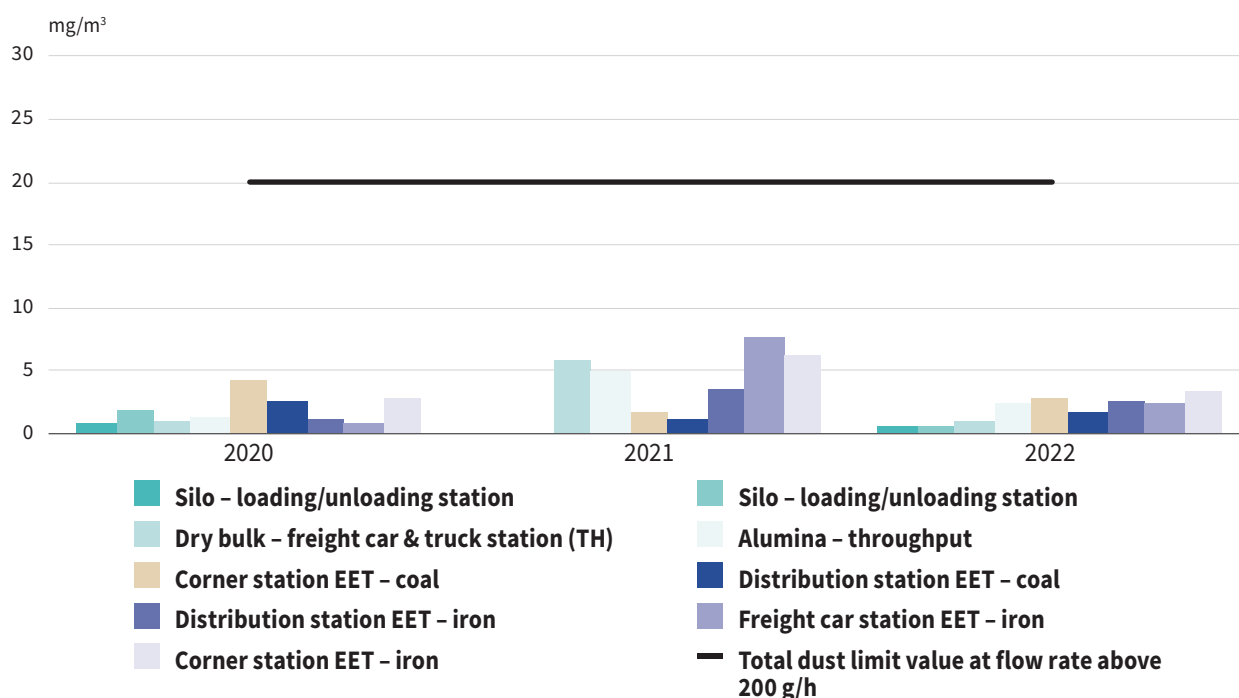
We also obtained online data from the port of Los Angeles, where, between January and December 2022, the PM<sub>10</sub> particle concentration was between 20 and 30  $\mu\text{g}/\text{m}^3$ . There, the statutory annual limit is lower, only 20  $\mu\text{g}/\text{m}^3$  ([https://www.portoflosangeles.org/environment/air\\_quality.asp](https://www.portoflosangeles.org/environment/air_quality.asp)). The concentration of PM<sub>2.5</sub> particles was between 4 and 10  $\mu\text{g}/\text{m}^3$  (limit value 12  $\mu\text{g}/\text{m}^3$ ), which is less than we measured in the port of Koper or elsewhere in Slovenia.

## 22.8.4 Emissions of substances at key sources<sup>110</sup>

### Results of particulate matter emissions measurement at key sources in the port

Stipulated by law, the measurements are taken by an authorised organisation in the immediate vicinity of the stationary installations that are potential sources of particulate matter (e.g. while loading/unloading freight cars, trucks). 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/m<sup>3</sup>, 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 results of operational monitoring of the quality of exhaust gases from these devices are presented in the tables below and are compliant with the legislation.

### Results of the measurement of atmospheric emissions and prescribed limit values of medium combustion plants used for heating tanks in the facility for collecting marine oils, i. e. the bilge plant

Substance	Maximum value		Mean value		Limit value
	mg/m <sup>3</sup>	g/h	mg/m <sup>3</sup>	g/h	mg/m <sup>3</sup>
Smoke number	0	/	0	/	1
Carbon monoxide	230.9	5.3	154.5	3.6	170
Nitrogen oxides expressed as NO <sub>2</sub>	553.8	10.4	230.5	4.5	250
Sulphur oxides expressed as SO <sub>2</sub>	85.9	15.0	42.3	5.3	1,700

<sup>110</sup> Emissions/immission from services – additional indicator (ref GRI 305-7)

*Results of the measurement of atmospheric emissions and prescribed limit values of medium combustion plants used for timber drying at the wood terminal*

Substance	Maximum value		Mean value		Limit value
	mg/m <sup>3</sup>	g/h	mg/m <sup>3</sup>	g/h	mg/m <sup>3</sup>
Carbon monoxide	25.4	20.6	21.3	15.5	80
Nitrogen oxides expressed as NO <sub>2</sub>	86.4	70.0	71.7	52.1	100
Sulphur oxides expressed as SO <sub>2</sub>	5.8	4.1	5.5	2.9	10

*Results of the measurement of atmospheric emissions and prescribed limit values of medium combustion plants used for heating tanks at the liquid cargo terminal*

Substance	Maximum value		Mean value		Limit value
	mg/m <sup>3</sup>	g/h	mg/m <sup>3</sup>	g/h	mg/m <sup>3</sup>
Carbon monoxide	54.5	4.3	39.3	2.5	100
Nitrogen oxides expressed as NO <sub>2</sub>	101.9	8.0	96.1	5.7	200
Sulphur oxides expressed as SO <sub>2</sub>	4.3	0.3	2.3	0.2	35

**Presentation of the results of measuring emissions from combustion plants used for sanitary purposes**

In the port area, there are 13 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.

## 22.8.5 Implementation of service emission/immission improvement programmes

**In 2022, the following was implemented:**

- As of 1 January 2023, we introduced the ESI system (Environmental Ship Index, [ESI Portal \(environmentalshipindex.org\)](https://www.environmentalshipindex.org)), as part of which ships with more modern engines and consequently lower air emissions are allowed to pay a lower fee, thereby encouraging the arrival of more environmentally acceptable ships. Such an incentive scheme is currently offered by 60 ports worldwide and includes 6,727 ships. Based on a preliminary analysis, we estimate that approximately 10 percent of ships visiting the port of Koper are already included in the scheme.



**The following was not implemented in 2022:**

- Fully completed all activities for the procurement of a dry bulk cargo grab at the dry bulk terminal,
- Finalise the renovation of dust suppression spraying on the MD3 ship-to-shore crane at the coal and iron ore terminal,
- Install the dust protection wall of the loading area next to the grain silo; the investment will be planned again for 2024.

## 22.8.6 Service emission/immission improvement programmes for 2023

The following will be implemented in 2023:

- Completed purchase of a dry bulk cargo grab at the dry bulk terminal,
- Complete modernisation of dust suppression spraying on the MD3 bridge crane at the bulk cargoes terminal,
- Purchase of a clamshell grab for transshipment at the dry bulk terminal,
- Replacement of a 12t loader with a high dump bucket at the dry bulk terminal,
- Implementation of protection at KŽ 33 at the bulk cargo terminal,
- Restoration of the anti-corrosion protection of the tanks at the liquid cargo terminal.

## 22.8.7 Climate change, and related opportunities<sup>111</sup>



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 22.8.8: Results of greenhouse gas emissions measurements and 22.11: 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 to focus on 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 (CO<sub>2</sub>) 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 22.12: Drinking water and groundwater management. When developing new areas, we build at the 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.

111 GRI 2-23, 2-25, 201-2, 3-3, 303-1, 303-5

## EU and Slovenian targets for reducing greenhouse gas emissions

SLOVENIA AND THE EUROPEAN UNION ON THE WAY TO BECOMING CLIMATE-NEUTRAL BY 2050						
	2020		2030			
	GHG (total) SLO: no target  EU: -20 % compared to the year 1990	GHG (non-ETS) SLO: +4 % compared to the year 2005 EU: -10 % compared to the year 2005	RES SLO: 25 %  EU: 20 %	EEU SLO: 20 %  EU: 10 %	Integration SLO: no target  EU: 10 %	R&D SLO: 3 % GDP (of which 1% of public funds)
	GHG (total) SLO: -36 %  EU: -40 %	GHG (non-ETS) SLO: at least -20 % (EU Regulation: -15 %) EU: -30 %	RES SLO: at least 27 %  EU: 32 %	EEU SLO: at least 35 %  EU: 32,5 %	Integration SLO: no target (2017: >83 %) EU: 15 %	R&D SLO: 3,6 % GDP (of which 1,6 % of public funds)

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 2025, we plan to have installed in the port solar PV plants with the capacity of approximately 6 MWp in order to generate up to 20 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 38 percent of the current electricity consumption of the entire port. We expect to meet the set target of 27 percent of renewable energy consumption, 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 32,5%). 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, replaced a part of equipment and switched to electrically powered systems.



The Company has identified the following climate risks and opportunities:

- Tightening the environmental policy requirements at the national and EU 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 risks of lack of drinking water and storms and extreme weather events materialised last year. At the coast, there is occasionally a shortage of drinking water during the summer. Last year, due to the drought, we received an initiative from Rižanski Vodovod regarding a 30 percent reduction in consumption, and we actively implemented measures to limit consumption.

Risk description	Type of risk	Time horizon	Probability	Consequences	Response methods
<b>Tightening of environmental policy requirements at the level of the EU and Slovenia to reduce emissions and mitigate climate risks</b>  	Environmental policy transition risk and legal risks	Long term 10 years	Medium	<ul style="list-style-type: none"> <li>■ Emission allowance payments for large energy consumers</li> <li>■ Penalties in case of non-compliance with emission commitments</li> <li>■ Energy price increase (10%) would result in EUR 1.2 million additional energy costs</li> </ul>	<ul style="list-style-type: none"> <li>■ ISO 50001 compliant energy management system</li> <li>■ Agreement with ELES electric power transmission company on the construction, co-financing and investments sharing of a connection line to the port</li> <li>■ Construction of infrastructure to enable ships in the port to connect to the electricity grid (EUR 58 million)</li> <li>■ Construction of solar power plants (EUR 10 million over the next 5 years)</li> <li>■ Gradual replacement of equipment and vehicles with more environmentally acceptable ones (EUR 14 million for equipment by 2030). Price difference between diesel and electric equipment taken into account</li> </ul>
<b>Storms and extreme weather events</b>  	Physical risk (acute)	Medium-term (5 years)	High	In the event of major disasters and consequent water ingress into warehouses and strong wind storms, 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"> <li>■ Insurance (EUR 1.1 million insurance premium per year)</li> <li>■ Wind metering system and notification system (investment value EUR 0.1 million)</li> <li>■ Action to be taken in accordance with the instructions on preventive measures and measures in case of emergency weather conditions</li> <li>■ Preparation of a proposal with a set of additional measures to protect against extreme weather phenomena</li> <li>■ Costs of installing additional cleats</li> </ul>
<b>Sea level rise</b>  	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"> <li>■ Construction in accordance with the national spatial plan, which defines the elevation requirements for the different parts of the port.</li> </ul>
<b>Drinking water shortage</b>  	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"> <li>■ Rehabilitation of the internal water supply network (EUR 0.8 million spent in the last 3 years, another EUR 2.2 million planned)</li> <li>■ Use of sea water in firefighting</li> <li>■ Shortage contingency plans in place</li> </ul>
<b>Rising average temperatures and their impact on working conditions</b>  	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"> <li>■ Procurement of mobile equipment with air conditioning</li> <li>■ Ensuring adequate premises for the protection of employees</li> <li>■ Cold drinks and distribution to work sites</li> </ul>
<b>Reduction of throughput of certain commodity groups due to regulatory requirements, environmental targets and changes in consumer behaviour</b>	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"> <li>■ Search for alternative commodity groups and commodity streams,</li> <li>■ Monitoring of market conditions.</li> </ul>



	Type of opportunity	Time horizon	Probability	Consequences/Benefits	Response methods
<b>Increase in throughput of some new product groups due to regulatory requirements, environmental targets and changes in consumer behaviour</b> 	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"> <li>Marketing activities to acquire new business.</li> </ul>
<b>Energy efficiency savings</b> 	Efficient use of resources	Medium-term (5 years)	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"> <li>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)</li> <li>Electrification of rubber tyre gantry cranes (RTGs) for 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).</li> </ul>

## 22.8.8 Results of greenhouse gas emissions measurements<sup>112</sup>

In 2022, we have decided to verify the accuracy of the carbon footprint calculation by an accredited organisation for the greenhouse gas emissions in 2005, 2017 and 2021. The base year chosen is 2005. The carbon footprint calculation covers emissions of CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O and ozone depleting gases (only R404A gas) used for refrigeration and air conditioning. The calculated emissions refer to the emissions resulting from the operation of the systems in the port area.

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 CO<sub>2</sub>.

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 (SF<sub>6</sub>)). 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, 286 kg of leakages were recorded in 2022, an increase of 186 percent compared to 2021.

<sup>112</sup> GRI 305-1, 305-2, 305-3, 305-6

- **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 from 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).

The SIQ Ljubljana authorised body has verified the calculation of the carbon footprint for Scope 1 and Scope 2 of Luka Koper d.d. for the years 2005, 2017 and 2021. The values are shown in the table below.

### *The Company's verified carbon footprint for the years 2005, 2017 and 2021*

GHG Emissions for the year _____	Unit	2005	2017	2021	Uncertainty assessment
<b>Scope 1</b>					
Combustion in stationary plants	[t CO <sub>2</sub> eq]	978	168	126	High
Transport fuel	[t CO <sub>2</sub> eq]	5,764	14,240	12,044	High
Fugitive emissions from cooling devices	[t CO <sub>2</sub> eq]		1,530	471	High
<b>TOTAL SCOPE 1</b>	<b>[t CO<sub>2</sub> eq]</b>	<b>6,742</b>	<b>15,938</b>	<b>12,641</b>	<b>High</b>
<b>Scope 2</b>					
Electricity	[t CO <sub>2</sub> eq]	9,894	9,734	9,593	High
<b>TOTAL SCOPE 2</b>	<b>[t CO<sub>2</sub> eq]</b>	<b>9,894</b>	<b>9,734</b>	<b>9,593</b>	<b>High</b>
<b>Total and indicators</b>					
<b>TOTAL CO<sub>2</sub> EMISSIONS SCOPE 1 and 2</b>	<b>[t CO<sub>2</sub> eq]</b>	<b>16,637</b>	<b>25,672</b>	<b>22,234</b>	

Due to requests from some stakeholders to also report Scope 3 GHGs, only the most significant emission sources have been shown for 2022 and estimated, i.e. 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 conversion factors used for the carbon footprint calculation (scope 1, 2, 3) are summarized from publicly available national data from the Division for the Environment and Climate Change of the Environment Directorate of the Ministry of the Environment and Spatial Planning and the Jožef Stefan Energy Efficiency Centre.

2020	Total consumption (MWh/year)	Emission factor [kgCO <sub>2</sub> eq/kWh]	Total emissions [kgCO <sub>2</sub> eq/year]
<b>Direct emissions (scope 1)</b>	45,131		12,250,823
Motor fuel	43,346	0.267	11,573,475
Light fuel oil	373	0.267	99,591
Liquefied petroleum gas - LPG	131	0.227	29,737
Wood biomass	1,281	0	0
Greenhouse gases		0	548,020
<b>Indirect emissions (scope 2)</b>	26,689		9,543,057
Electricity	26,435	0.361	9,543,057
Electricity - own production SPP	254		0
<b>TOTAL (1+2)</b>	<b>71,820</b>		<b>21,793,880</b>

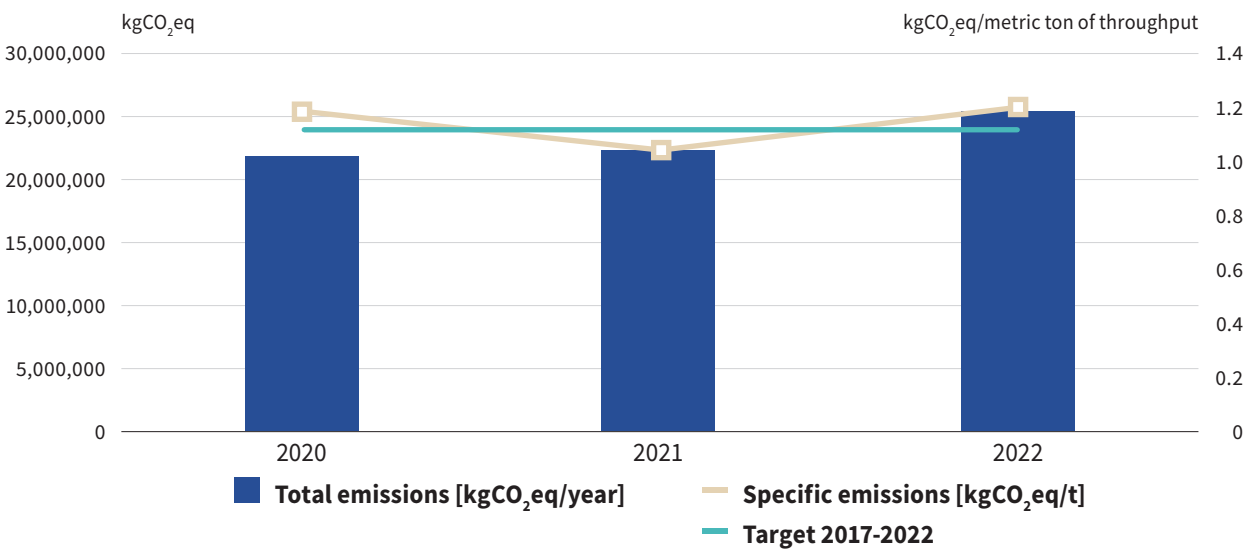
2021	Total consumption (MWh/year)	Emission factor [kgCO <sub>2</sub> eq/kWh]	Total emissions [kgCO <sub>2</sub> eq/year]
<b>Direct emissions (scope 1)</b>	45,956		12,641,253
Motor fuel	45,308	0.267	12,044,000
Light fuel oil	366	0.267	97,826
Liquefied petroleum gas - LPG	125	0.227	28,427
Wood biomass	156	0	0
Greenhouse gases			471,000
<b>Indirect emissions (scope 2)</b>	29,336		9,592,971
Electricity	29,336	0.327	9,592,971
Electricity - own production SPP	243	0	0
<b>TOTAL (1+2)</b>	<b>75,292</b>		<b>22,234,224</b>

2022	Total consumption (MWh/year)	Emission factor [kgCO <sub>2</sub> eq/kWh]	Total emissions [kgCO <sub>2</sub> eq/year]
<b>Direct emissions (scope 1)</b>	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
<b>Indirect emissions (scope 2)</b>	29,617		10,602,850
Electricity	29,617	0.358	10,602,850
Electricity - own production SPP	271	0	0
<b>TOTAL (1+2)</b>	<b>82,572</b>		<b>25,455,179</b>
<b>Other indirect emissions (scope 3)</b>	72,385		19,326,868
Emissions from trucks entering 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
<b>TOTAL (1+2+3)</b>	<b>154,957</b>		<b>44,782,047</b>

In 2005, Luka Koper, d. d. generated 14,945,549 kgCO<sub>2</sub>eq for its operations, and in 2022 25,452,158 kgCO<sub>2</sub>eq, which means a 70.3 percent increase in GHG emissions compared to a 89.7 percent increase in shipping.

Based on efficient energy use and further investments in obtaining renewable energy sources, Luka Koper 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 increased by 15.1 percent in 2022 compared to the previous year. With the increased ship throughput (+ 9.2%), total emissions also increased, mainly due to higher motor fuel consumption. The set specific target value was attained in 2022.

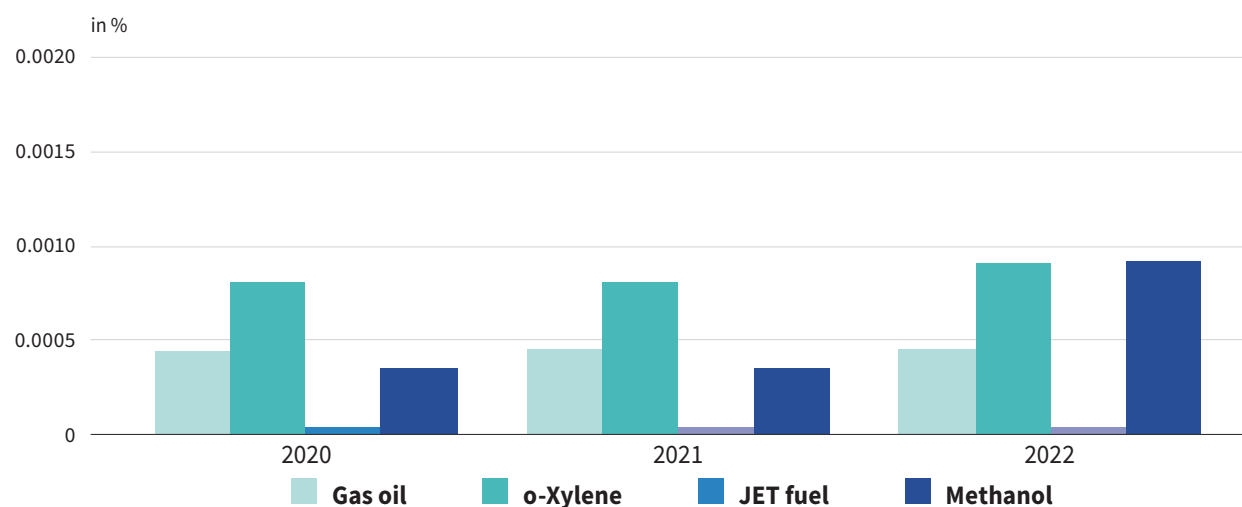
### 22.8.9 Volatile compound emissions measurement<sup>113</sup>

#### Results of volatile compound emissions measurement

The main source of diffuse emissions of volatile compounds 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.

113 GRI 305-7

### Annual losses of volatile compounds from reservoirs on the liquid cargoes terminal



In 2022, annual losses of volatile compounds from reservoirs on the liquid cargoes terminal included gas oil with 3,055.4 kg, o-Xylene with 12.6 kg, jet fuel with 77.5 kg, and methanol with 1,445 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 air emissions from the said treatment plant were within the legal limits. The results are presented in the table below.

### Results of the measurement of atmospheric emissions of the VRU unit at the liquid cargo terminal and prescribed limit values

Substance	Maximum value 2022		Mean value 2022		Limit value
	mgC/m <sup>3</sup>	gC/h	mgC/m <sup>3</sup>	mgC/h	mgC/m <sup>3</sup>
TOC*	2.8	0.1	2.6	0.1	50
Methanol	18.02	0.9	18.02	0.9	20

\* Total organic carbon

Substance	Maximum value 2021		Mean value 2021		Limit value
	mgC/m <sup>3</sup>	gC/h	mgC/m <sup>3</sup>	mgC/h	mgC/m <sup>3</sup>
TOC*	2.8	0.1	2.8	0.1	50
Methanol	7.5	0.4	7.4	0.4	20

\* Total organic carbon

Substance	Maximum value 2019		Mean value 2019		Limit value
	mgC/m <sup>3</sup>	gC/h	mgC/m <sup>3</sup>	mgC/h	mgC/m <sup>3</sup>
TOC*	5.3	0.3	4.9	0.2	50
Methanol	14.1	0.8	13.0	0.5	20

\* Total organic carbon

## 22.9 Waste management<sup>114</sup>



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.

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);
- 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).

Luka Koper provides the compulsory national public utility service of collecting solid and liquid ship waste in the port area. Luka Koper 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 127,000 m<sup>2</sup>, waste is collected and further sorted as needed. The waste that is not recovered in the Centre 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.

In 2022, for business and environmental reasons, the composting process was finally closed. The centre does not store combustible waste outdoors.

The Waste Management Centre has a facility 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.



*Waste Management Centre*



*Waste Management Centre – hazardous waste storage facility*

114 GRI 3-3, 306-1, 306-4, 306-5

The subsidiary Luka Koper INPO, d. o. o., collects marine oils at the bilge plant and hands them over to authorised organisations. As a collector of such waste, the company has obtained an environmental permit for this activity. We are also in the process of increasing the storage capacity of the facility.

Since the facility for collecting vessel bilge water marine oils and the Waste Management Centre store hazardous waste that could lead to a large-scale environmental pollution (IED device), Luka Koper INPO, d. o. o. obtained a permit for both facilities in 2021.

Luka Koper d. d. also has an environmental permit for transshipment or temporary storage of scrap metal, waste plastics and rolling mills. Waste plastic 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 2022, a total of 67,295 metric tons of scrap metals of classification numbers 19 12 02 (ferrous metals) and 12 01 01 (ferrous metal filings and turnings) were handled. The total quantities of scrap metals in 2022 increased compared to 2021, but within the permissible quantities defined in the environmental permit. However, in the current year, 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 12 01 01 (ferrous metal filings and turnings), for which we have a permit. 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 2022, an updated environmental permit was obtained for the handling or processing of iron under R13 at an additional new location within the port, and one location was abandoned. 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 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 2022, 1,078 tonnes of paper pulp were used, a few tonnes more than in the previous year and within the quantities allowed by the environmental permit.

### 22.9.1 Results in waste management<sup>115</sup>

A total of just over 6,633 tons of waste was collected in the port area in 2022, including 4,177 tons of port waste (271 tons of hazardous waste, 3,639 tons of non-hazardous waste, 267 tons of mixed municipal waste) and 2,456 tons of ship-generated waste (1,307 tons of hazardous waste, 1,027 tons of non-hazardous waste, including 122 tons of mixed municipal waste). The amount of port and ship waste has increased compared to 2021 (Figure 41). Construction waste is not included in the amount collected and is shown separately below.

Year	2020	2021	2022
Type of waste	in metric tons		
<b>Port waste</b>	<b>2,600</b>	<b>3,670</b>	<b>4,177</b>
Hazardous	214	481	271
Non-hazardous	2,153	2,954	3,639
Mixed municipal waste	233	235	267
<b>Ship-generated waste</b>	<b>1,283</b>	<b>1,571</b>	<b>2,456</b>
Hazardous	985	849	1,307
Non-hazardous	191	613	1,027
Mixed municipal waste	107	109	122
<b>Total</b>	<b>3,883</b>	<b>5,241</b>	<b>6,633</b>

115 GRI 306-2, 306-3, 306-4, 306-5



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).

*Breakdown of hazardous and non-hazardous port waste (excluding ship-generated and construction waste) and mixed municipal waste by recovery or disposal operations for 2022*

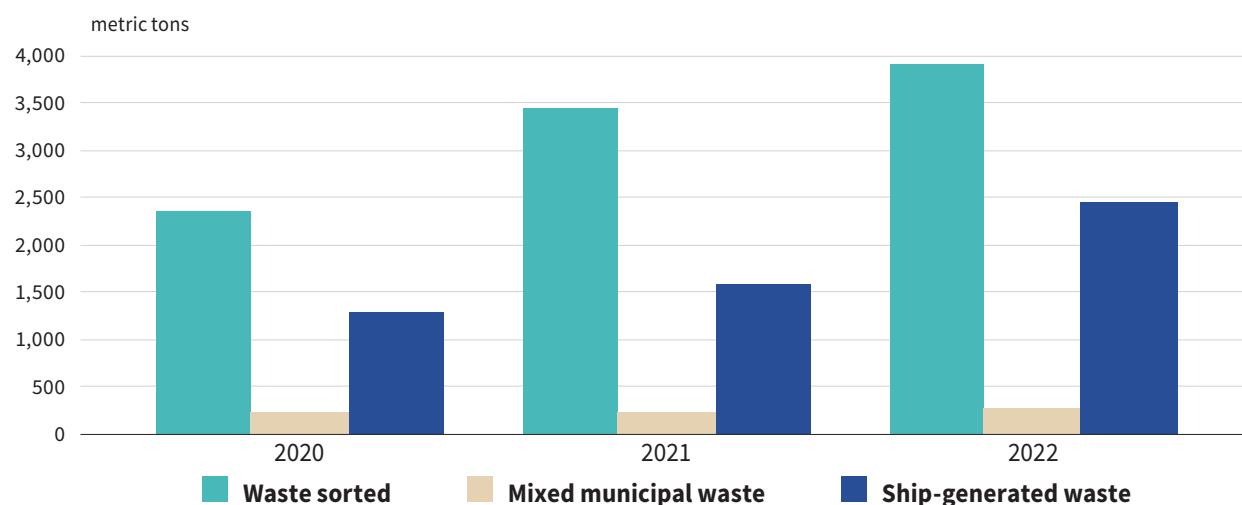
Waste management	Hazardous waste (271 tons)		Non-hazardous waste (3,639 tons) and mixed municipal waste (267 tons)	
	in metric tons	Recovery or disposal operations	in metric tons	Recovery or disposal operations
<b>Reuse</b>	0	The reuse method is not used.	0	The reuse method is not used.
<b>Recycling</b>	0	R12, R5 – NOT TO BE RECYCLED	805	R3, R12, R13 – DIVERTED FROM DISPOSAL
<b>Composting</b>	0	No waste to be composted	0	No waste to be composted
<b>Recovery, including energy recovery</b>	113	D13, D9 – DIVERTED FROM DISPOSAL	1,387	D13, D9 – NOT TO BE DISPOSED OF
<b>Incineration</b>	0	No waste is sent directly to incineration. Data on further conduct of acquirers not available.	0	No waste is sent directly to incineration. Data on further conduct of acquirers not available.
<b>Deep injection</b>	0	The deep injection method is not used.	0	The deep injection method is not used.
<b>Disposal</b>	0	The disposal method is not used.	267	D1 – Disposal in or on the ground – DIRECTED TO DISPOSAL
<b>Storage on the site where it is produced</b>	0	The on-site storage method is not used.	0	The on-site storage method is not used.
<b>Other</b>	158	Collection at specialized waste management companies that provide recovery or disposal operations. DIVERTED FROM DISPOSAL	1,447	Collection at specialized waste management companies that provide recovery or disposal operations. NOT TO BE DISPOSED

Data source: [Waste management information system - IS odpadki \(gov.si\)](#)

*Transport of hazardous waste from port activities (excluding ship-generated waste)*

Activity	Volume (metric tons)
Transportation of hazardous waste	271
Imported hazardous waste	0
Exported hazardous waste	0
Hazardous waste, treated	271

### Amounts of waste collected at the port

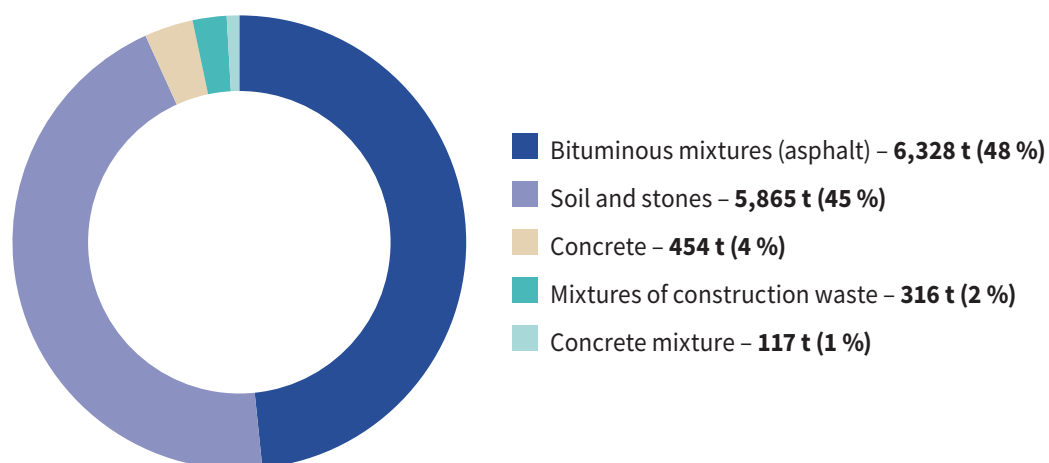


The amount of mixed waste increased slightly in 2022 compared to 2021. The fluctuations are attributed to the COVID-19 epidemic and higher absence of employees in 2021.

### Construction waste

In 2022, 13,081 tons of non-hazardous construction waste were generated, which means 3,028 tons more than in the previous year. The types of construction waste are shown in the graph below.

### Amounts and types of construction waste in 2022



*Breakdown of hazardous and non-hazardous construction waste (excluding ship-generated and port waste) by recovery or disposal operations for 2022*

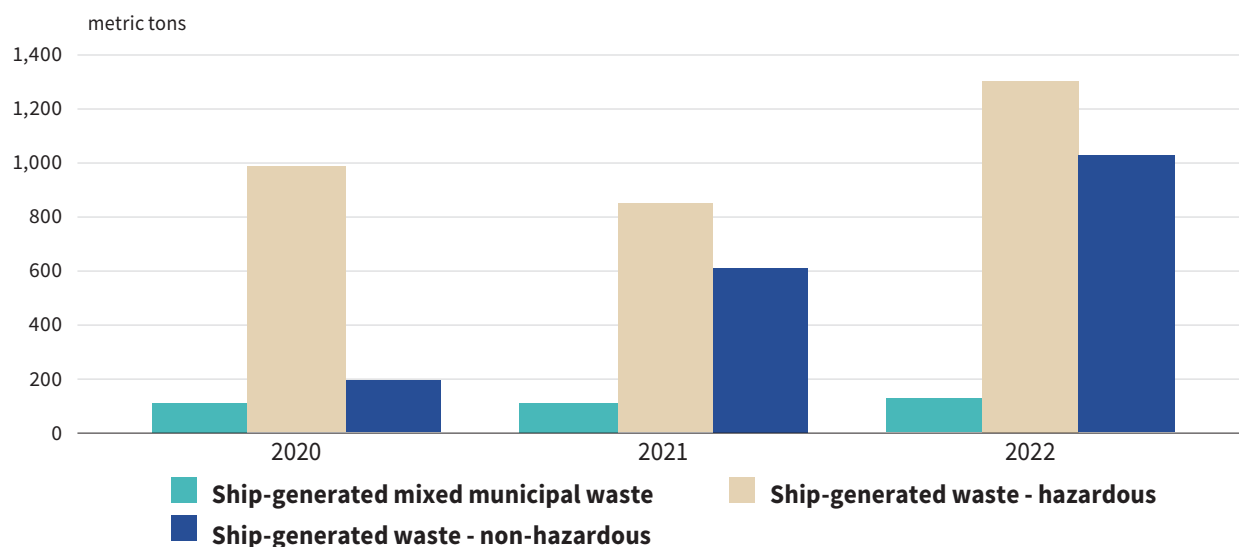
Waste management	Hazardous waste		Non-hazardous waste (13,081 tons)	
	in metric tons	Recovery or disposal operations	in metric tons	Recovery or disposal operations
<b>Reuse</b>	<b>0</b>	No waste to be reused	<b>4,120</b>	R-10 – DIVERTED FROM DISPOSAL
<b>Recycling</b>	<b>0</b>	No waste to be recycled	<b>8,960</b>	R-5, R12, R13 – DIVERTED FROM DISPOSAL
<b>Composting</b>	<b>0</b>	No waste to be composted	<b>0</b>	No waste to be composted
<b>Recovery, including energy recovery</b>	<b>0</b>	No waste suitable for energy recovery	<b>0</b>	No waste suitable for energy recovery
<b>Incineration</b>	<b>0</b>	No waste to be incinerated	<b>0</b>	No waste to be incinerated
<b>Deep injection</b>	<b>0</b>	No waste suitable for deep injection	<b>0</b>	No waste suitable for deep injection
<b>Disposal</b>	<b>0</b>	No waste directed to disposal	<b>1</b>	D1 - Disposal in or on the ground - DIRECTED TO disposal
<b>Storage on the site where it is produced</b>	<b>0</b>	No waste suitable for on-site storage	<b>0</b>	The on-site storage method is not used.
<b>Other</b>	<b>0</b>	No waste that would be subject to other management methods	<b>0</b>	No waste that would be subject to other management methods

Data source: [Waste management information system - IS odpadki \(gov.si\)](#)

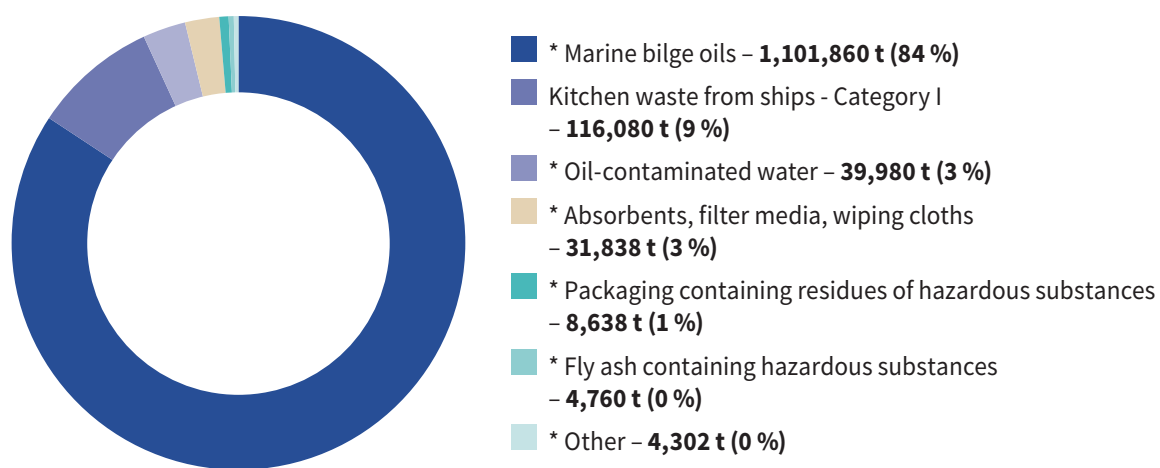
### Ship-generated waste

In 2022, 2,456 tons of ship waste were taken over (1,307 tons hazardous, 1,027 tons non-hazardous, including 122 tons mixed municipal waste). 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 2022



\* hazardous waste – unit: metric ton

In 2022, the largest share of hazardous marine waste was marine bilge oils (see Figure), which were handed over in total to an authorised organisation abroad, and all other hazardous marine waste was handed over to authorised organisations in Slovenia.

### Breakdown of hazardous and non-hazardous ship-generated waste by recovery or disposal operations for 2022

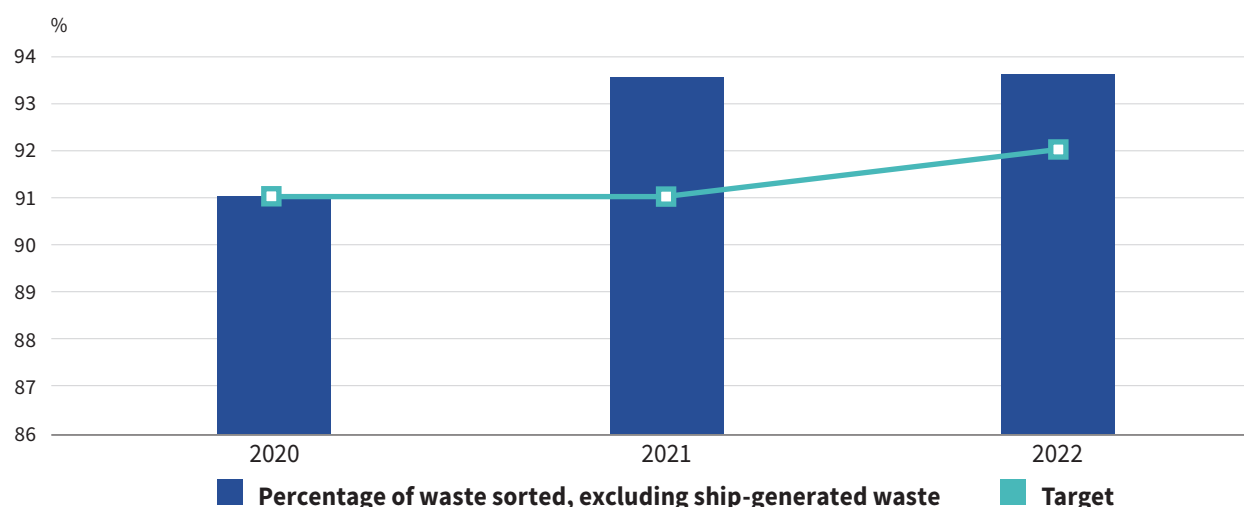
Waste management	Hazardous waste (1,307 tons)		Non-hazardous waste (1,027 tons) and mixed municipal waste (122 tons)	
	in metric tons	Recovery or disposal operations	in metric tons	Recovery or disposal operations
<b>Reuse</b>	0	No waste to be reused	0	No waste to be reused
<b>Recycling</b>	0	No waste to be recycled	0	No waste to be recycled
<b>Composting</b>	0	No waste to be composted	0	No waste to be composted
<b>Recovery, including energy recovery</b>	1,102	D-15, D-13 – DIVERTED FROM DISPOSAL	0	No waste suitable for energy recovery
<b>Incineration</b>	0	No waste to be incinerated	0	No waste to be incinerated
<b>Deep injection</b>	0	No waste suitable for deep injection	0	No waste suitable for deep injection
<b>Disposal</b>	0	No waste directed to disposal	122	D1 - Disposal in or on the ground - DIRECTED TO DISPOSAL
<b>Storage on the site where it is produced</b>	0	No waste suitable for on-site storage	0	The on-site storage method is not used.
<b>Other</b>	205	Waste subject to other management methods, DIVERTED FROM DISPOSAL	1,027	Waste subject to other management methods (D-13), DIVERTED FROM DISPOSAL

Data source: [Waste management information system - IS odpadki \(gov.si\)](https://www.gov.si/en/waste-management-information-system)

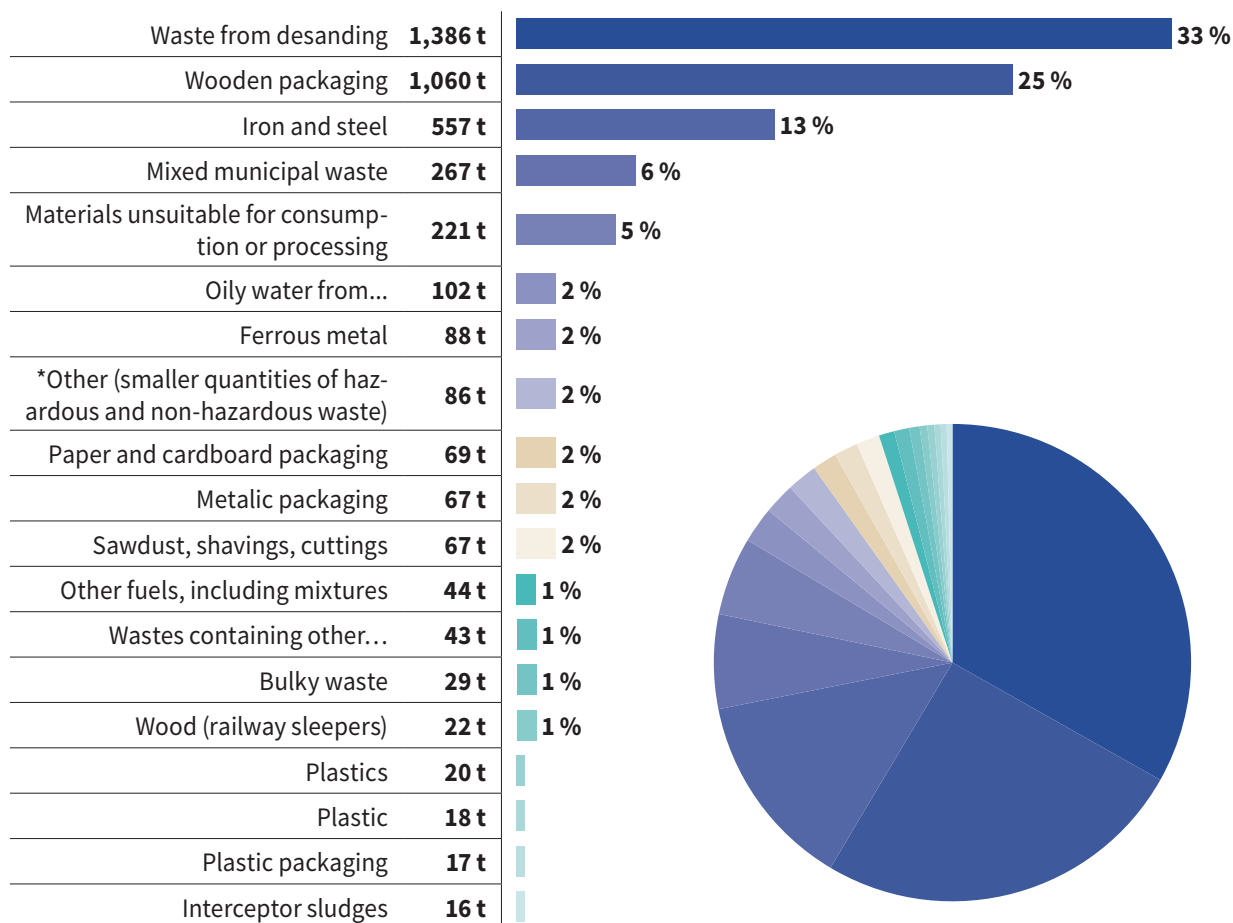
### Waste sorted in the port

The target of 92 percent of waste sorted in the port was exceeded by a good one and a half percent (see Figure), mainly due to increased removal of waste from the settling tank at the coal and iron ore terminal, timber, and the scrap iron clean-up across the port.

### Share of waste sorted, excluding ship-generated waste



### Types of waste sorted in 2022, excluding ship-generated waste



\* hazardous waste – unit: metric ton

### Total amount of waste directed to disposal and amount of waste diverted from disposal for 2022

	Directed to disposal (t)	Diverted from disposal (t)
Ship-generated waste - hazardous	0	1,307
Ship-generated waste - non-hazardous	122	1,027
Port waste - hazardous	0	271
Port waste - non-hazardous	267	3,639
Construction waste - hazardous	0	0
Construction waste - non-hazardous	1	13,080
<b>Total</b>	<b>390</b>	<b>19,324</b>

The total amount of waste generated in Luka Koper, d. d., in 2022 is 19,714 tons. Compared to 2021, the total waste generated is 4,420 tons more. In 2021, 2.3 percent of the total waste generated was directed to disposal, whereas in 2022, this holds for 2.1 percent of the total waste generated.

The total amount of waste in 2022 in the area of Luka Koper, d. d., treated under R3 (03 03 10 – rejected paper pulp) and R13 (19 12 02 – ferrous metals and 12 01 01 – ferrous metal filings and turnings) was 68,373 tons.

## 22.9.2 Implementation of waste management improvement programmes<sup>116</sup>

**In 2022, the following measures were implemented:**

- Monitoring of the costs of waste disposal;
- Monitoring of the list of authorised acquirers and changes;
- Monitoring of the capacity utilisation of waste management equipment;
- Monitoring of the revenues from the collection of ship/port waste;
- Implementation of internal process controls,
- Initiative sent to the competent ministries to amend how the receipt of ship-generated waste is accounted for in accordance with the new requirements of Directive (EU) 2019/883 of the European Parliament and of the Council of 17 April 2019 on port reception facilities for the delivery of waste from ships, amending Directive 2010/65/EU and repealing Directive 2000/59/EC,
- Continued activities for obtaining permits for grinding port waste wood into wood chips and for their use for heating purposes,
- Initiated disposal of worn-out port machinery and equipment; the procedures are actively underway, and the activity is planned to be completed in 2023,
- Activities related to the IT solution for monitoring records for the collection and delivery of waste,
- Replacement of asbestos-cement roofing sheets,
- Modernisation activities of the ship bilge water and oil collection facility.

**The following was not implemented in 2022:**

- Used and written-off port machinery and vehicles not entirely removed from the port area and sent in destruction, as the matter is extensive and complex,
- Modernisation and systematisation of ecological islands for separate waste collection, as the project is linked to several ongoing activities,
- All activities related to the IT solution for monitoring records for the collection and delivery of waste not completed, as the activities continue in 2023,
- Introduction of weighing of ship-generated waste,
- Modernisation of the ship bilge water and oil collection facility not completed, as the activities continue in 2023.

## 22.9.3 Waste management improvement programs in 2023

**The following will be implemented in 2023:**

- Revision of the Plan for the Receipt of Ship Waste and Cargo Residues in the Port of Koper if the ship waste collection billing changes in line with the new requirements of Directive (EU) 2019/883,
- Revision of the Waste Management Plan due to a change in legislation,
- Revision of the Waste Management Plan according to procedures R3 and R13,
- Implementation of a change in the environmental permit regarding the port operation and waste treatment,
- Continued removal and destruction of end-of-life or written-off port machinery and vehicles,
- Continued activities related to the IT solution for monitoring the records for waste collection and disposal (execution of public procurement, conclusion of the contract, implementation of the programme, etc.),
- Completed revision of contracts on the receipt of ship-generated waste concluded between the parent company and the subsidiary Luka Koper INPO, d. o. o.;



- Continued activities related to the weighing of land-based waste (changed price list);
- Continued activities related to the weighing of received ship-generated waste,
- Monitoring of the costs of waste disposal;
- Monitoring of the trend of the average unit price of the type of waste accepted/delivered;
- Monitoring of the list of authorised acquirers and changes;
- Monitoring of the capacity utilisation of waste management equipment;
- Monitoring of the number of complaints about the takeover of port waste;
- Monitoring of the revenues from the collection of ship/port waste;
- Implementation of internal process controls;
- Completed modernisation of the ship bilge water and oil collection facility;

## 22.10 Noise emissions<sup>117</sup>



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. 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 legislation, an authorised organisation also carried out



117 Noise emissions – additional indicator (ref GRI 305-7)

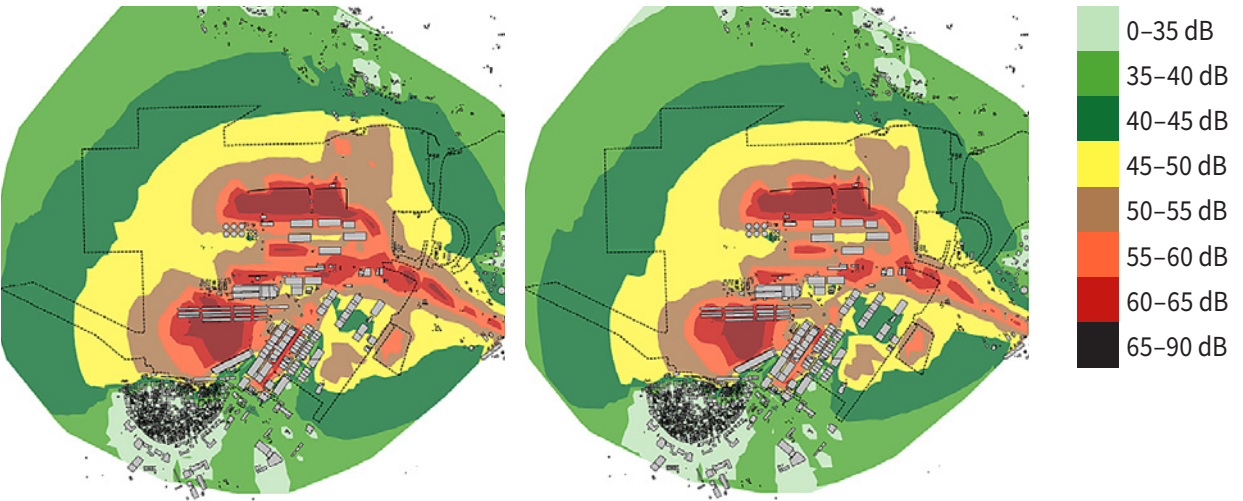
periodic measurements in 2022 in front of the first residential buildings around the port and the results comply with the requirements of the amended environmental permit for noise emissions from the port. A Noise Reduction Action Plan is created annually. Being aware of the issue of noise spreading from the port area, we have set targets that are lower than current legislative requirements. The results of the 2022 noise reduction action plan are shown below.

### 22.10.1 Noise emission results<sup>118</sup>

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 activities carried out in order to produce noise maps include continuous measurement, periodic measurement, 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 of Koper 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. Together with the Koper municipality, we established a fund that will allocate funds to improve the soundproofing of the residential buildings. Noise levels should also be taken into account when drawing up detailed spatial plans for municipalities and local communities bordering the port.

#### Daytime and Night-time noise map for 2022



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).

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Figure showing the locations of fixed noise measurement stations



#### Number of berths in port by year

Year	2020	2021	2022
Number of ships	1,433	1,551	1,659

The values of noise levels in the port area and the average annual values measured at three fixed-site measuring stations are shown in the table below. It covers the measured values of all noise sources (road transport, port processes, ships and other noise generators located outside the port, construction work). The noise level in which ships are not included is also shown below, in accordance with the applicable legislation.

#### Average annual noise levels from all sources at the port boundary, measured with fixed-site measuring devices at the port boundary (in dBA)

2020			2021			2022		
Towards Bertoki	Towards Ankarán	Towards Koper	Towards Bertoki	Towards Ankarán	Towards Koper	Towards Bertoki	Towards Ankarán	Towards Koper
$L_d=52$	$L_d=53$	$L_d=61$	$L_d=52$	$L_d=52$	$L_d=60$	$L_d=51$	$L_d=53$	$L_d=62$
$L_e=50$	$L_e=50$	$L_e=60$	$L_e=50$	$L_e=51$	$L_e=60$	$L_e=50$	$L_e=52$	$L_e=61$
$L_n=47$	$L_n=48$	$L_n=60$	$L_n=47$	$L_n=51$	$L_n=59$	$L_n=48$	$L_n=52$	$L_n=60$
$L_{den}=55$	$L_{den}=56$	$L_{den}=66$	$L_{den}=55$	$L_{den}=58$	$L_{den}=65$	$L_{den}=55$	$L_{den}=59$	$L_{den}=67$

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 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 2022 (all noise sources in front of the first residential buildings) and compliance with internal targets*

2022				
DIRECTION	Unit	Internal target	Realisation	Achievement of internal target
Noise level at night in the direction of Bertoki	dB	48	35	YES
Noise level at night in the direction of Ankaran	dB	48	45	YES
Noise level at night in the direction of Koper	dB	48	54	NO
Noise level by day in the direction of Bertoki	dB	58	38	YES
Noise level by day in the direction of Ankaran	dB	58	46	YES
Noise level by day in the direction of Koper	dB	58	56	YES
Noise level in the evening in the direction of Bertoki	dB	53	37	YES
Noise level in the evening in the direction of Ankaran	dB	53	45	YES
Noise level in the evening in the direction of Koper	dB	53	55	NO

The results of the noise level excluding ship-noise in front of the first buildings outside the port, which show compliance with the legislative limit values, are also shown below.



*Results of measurements for 2022 (noise excluding ship-noise in front of the first residential buildings) and compliance with legislation*

2022				
DIRECTION	Unit	Statutory value	Realisation	Compliance with the environmental permit in terms of noise emissions
Noise level at night in the direction of Bertoki	dB	55	35	YES
Noise level at night in the direction of Ankaran	dB	55	42	YES
Noise level at night in the direction of Koper	dB	55	51	YES
Noise level by day in the direction of Bertoki	dB	65	38	YES
Noise level by day in the direction of Ankaran	dB	65	43	YES
Noise level by day in the direction of Koper	dB	65	53	YES
Noise level in the evening in the direction of Bertoki	dB	60	37	YES
Noise level in the evening in the direction of Ankaran	dB	60	42	YES
Noise level in the evening in the direction of Koper	dB	60	52	YES

All additional noise measurements performed in 2022 were compliant with the requirements of permits and legislation:

- Repeated measurements of the effect of the noise barrier at storage facility No 3,
- Periodic measurements, which are required by the environmental permit once every three years,
- First noise measurements for the investment in the extension of the southern part of Pier I at the port of Koper - Berth 7D and the southern part of the inland platform of Berth 7D (dilatation units D1, D2, D3 and D4 with transition structures),
- Noise measurements of unloading of vehicles on the 6th group of rails at the nearest point to Ankaran,
- Vibration and noise measurements of the cooling towers in the cold store engine room and the condenser fans of the maturing room at the general cargo terminal,
- Draft model calculation based on the calculation methods set out in Annex II of the Directive, with a view to establishing the values for the night-time target.

## 22.10.2 Implementation of noise reduction improvement programmes in 2022



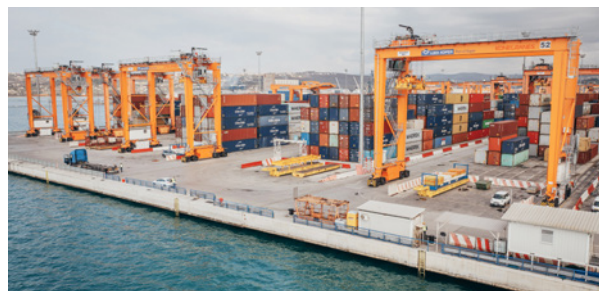
A Noise Reduction Action Plan is devised annually, specifying activities, the persons responsible for implementation, and deadlines for completion. The outcomes of the 2022 noise reduction action plan are shown below. In 2022, the Company spent EUR 6,396,506 on these noise reduction activities.

Noise reduction plan activity	Completion rate (%)
Measurements and control over pile driving during developments (extension of Pier I).	100
Informing the local community about the activities of extending Pier I.	100
Communication with shipping companies in cases of noise-generating ships at the container terminal.	100
Training for employees (in the event of derogation, i.e. excess speed according to reporting in CIIS – Critical Incidents Information System) on the internal rules and technological processes in the container terminal PC.	0 Due to the low number of violations (4 violations per year), there was no need for instruction, only a warning was issued. The activity is continued in the Action Plan for 2023.
Monitoring the noise level of each MOL RO-RO vessel berthing at Basin I using the measurement stations Terminal 3 (Storage facility No 15) and Terminal 4 (former metalworking school).	100
Communication with shipping companies in cases of noise-generating RO-RO ships.	100
Vibration and ventilation noise measurements at storage facility No 5 at the reefer terminal.	100
Carrying out meetings with local communities of Koper municipality, municipality of Ankaran and municipality of Koper.	0 In 2022, there were no scheduled meetings on the topic of noise. The activity has been included in the 2023 action plan.
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 surface and shafts in the handling area of the container terminal - reconstruction of berths 7A and 7B.	100
Monitoring of speed (4 times per month) on the quayside of the container terminal 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 in accordance with the agreement on the implementation of mitigation measures (installation of additional sound insulation in the nearest dwellings) in cooperation with the Municipality of Koper	100
Introduction of the ESI (Environmental Ship Index) system.	100
Devising the documentation for the national spatial plan for the construction of the 110-kV electricity network to the port and RTP Luka Koper.	100
Performing underwater noise measurements.	100 (measurements are presented in the Sea Water Protection chapter)
Keeping records on the implementation of noise measurements referred to in point 8 and point 9 of the operative part of the received environmental permit No 35451-1/2018-15.	100
Implementation of gradual electrification of machinery at the container terminal – purchase of three eRTG cranes	100 The contract with the selected supplier was signed on 7 February 2022. In January 2023, the acquisition of the first of the three eRTGs began.

### 22.10.3 Noise control improvement programmes scheduled for 2023<sup>120</sup>

These activities are part of the annual Noise Reduction Action Plan:

- Carrying out additional noise measurements in and around the port,
- Keeping the local community informed of the ongoing investment plans of Luka Koper, with content to be prepared and coordinated in cooperation with the health protection and ecology department,
- Communication with shipping companies in the event of noise-generating ships on the container terminal (container ships),
- Communication with shipping companies in cases of noise-generating RO-RO ships (car carriers),
- Additional training for employees (in the event of derogation, i.e. excess speed according to reporting in CIIS) 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, as well as the municipality of Ankaran and municipality of Koper.
- 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 quayside of the Container Terminal in the evenings and in night-time, with a focus on terminal tractors, preparation of reports, and internal reporting,
- 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 in accordance with the agreement on the implementation of mitigation measures (installation of additional sound insulation in the nearest dwellings) in cooperation with the Municipality of Koper
- Performing control over the ESI (Environmental Ship Index) system and updating with the noise module,
- Procedures for the siting of the 110-kV electricity network to the port and Luka Koper transformer station,
- Performing underwater noise measurements,
- Keeping records on the implementation of noise measurements referred to in the environmental permit No 35451-1/2018-15,
- 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,
- Possibility of “anti-noise” horticultural design next to the passenger terminal in the direction of the city of Koper.



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## 22.11 Energy use and energy efficiency<sup>121</sup>



Luka Koper has recognised the importance of electromobility, as it is the most efficient use of energy, thus enabling efficient use of renewable energy 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 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 2022, a solar power plant was constructed on the roof of the AT2 transformer station and on the roof of the new gas station.

Energy audits should be carried out regularly, therefore, in 2023, the Company will focus on targeted energy projects, depending on the discrepancies from the planned consumption of an energy source in each individual user group or section of the port.

### 22.11.1 Energy efficiency system<sup>122</sup>

Luka Koper's strategic orientation is to achieve high energy efficiency in all the activities carried out in the port area.

Luka Koper 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 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.

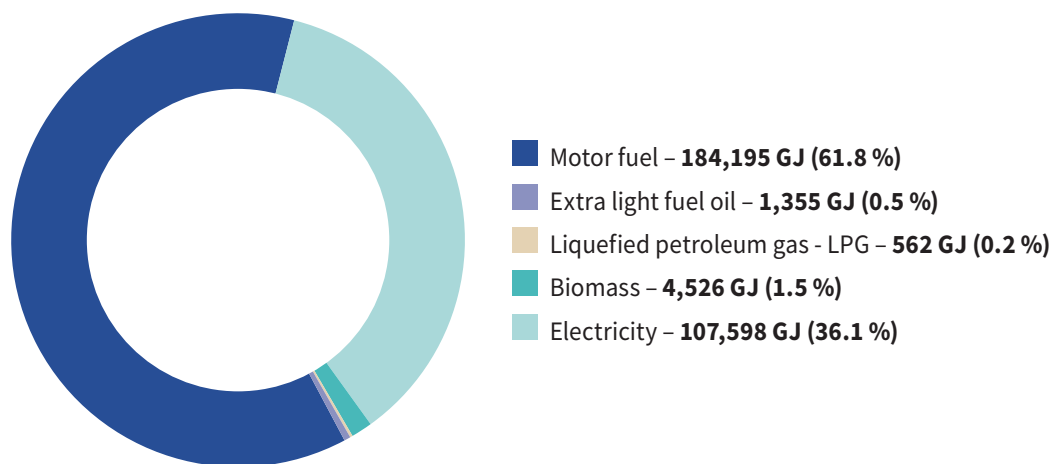
Energy audits have been carried out in the port regularly for a number of years, and energy efficiency investments have been made when economically feasible.

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.

121 GRI 3-3  
122 GRI 3-3

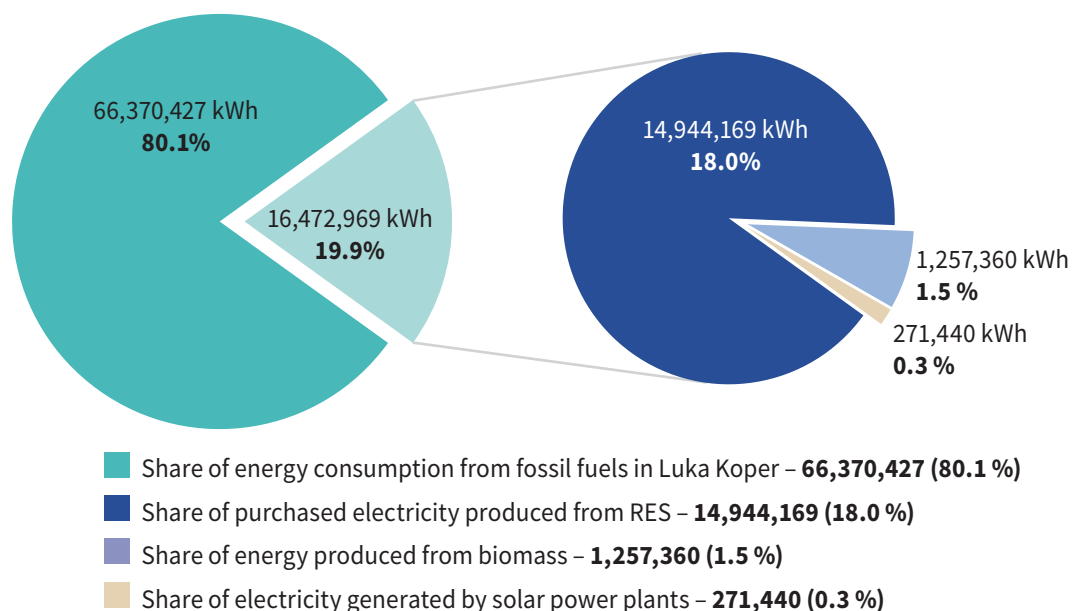
## 22.11.2 Consumption of energy sources<sup>123</sup>

### Energy balance of Luka Koper, d. d.



In 2022, the total energy consumption for Luka Koper, d. d. amounted to 298,236 GJ, of which 59,303 GJ (19.9%) 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). The port's operations are mainly fuelled by fossil fuels, which accounted for 61.8 percent in 2022. Electricity is the second most consumed energy product (36.1%). Energy produced from woody biomass, LPG and EL fuel oil accounts for only 2.2 percent, as it is only used for some technological purposes and for heating buildings and hot water.

### Consumption of energy for Luka Koper, d. d., by source

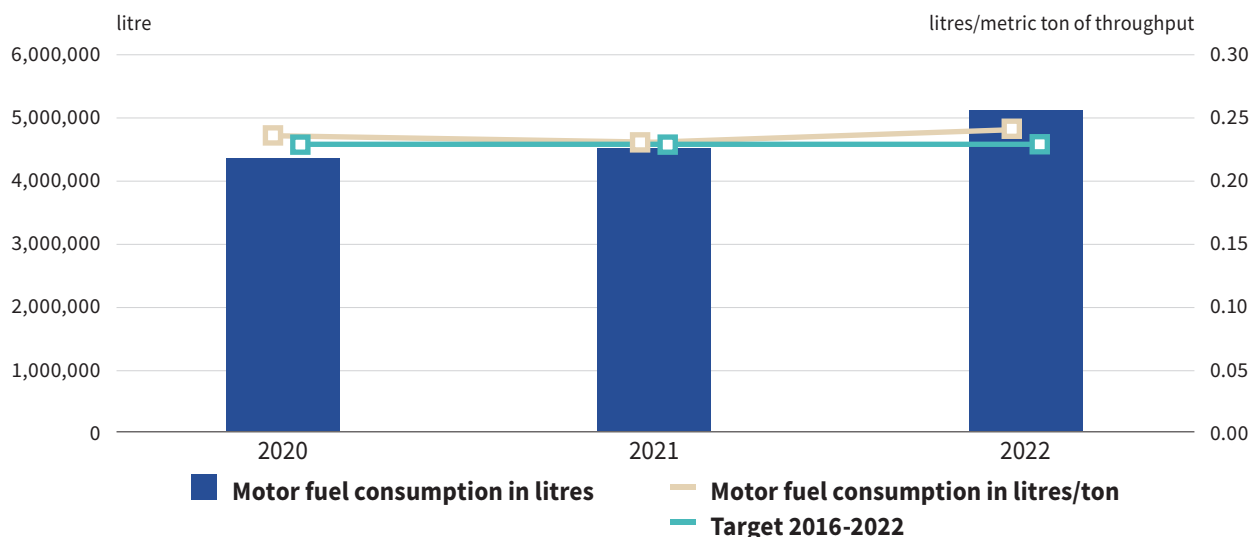


Luka Koper has the strategic goal to build 6 MW of solar power plants by 2025, which will result in generating enough electricity to ensure up to 20 percent of our own consumption.

<sup>123</sup> GRI 302-1, 302-2, 302-3

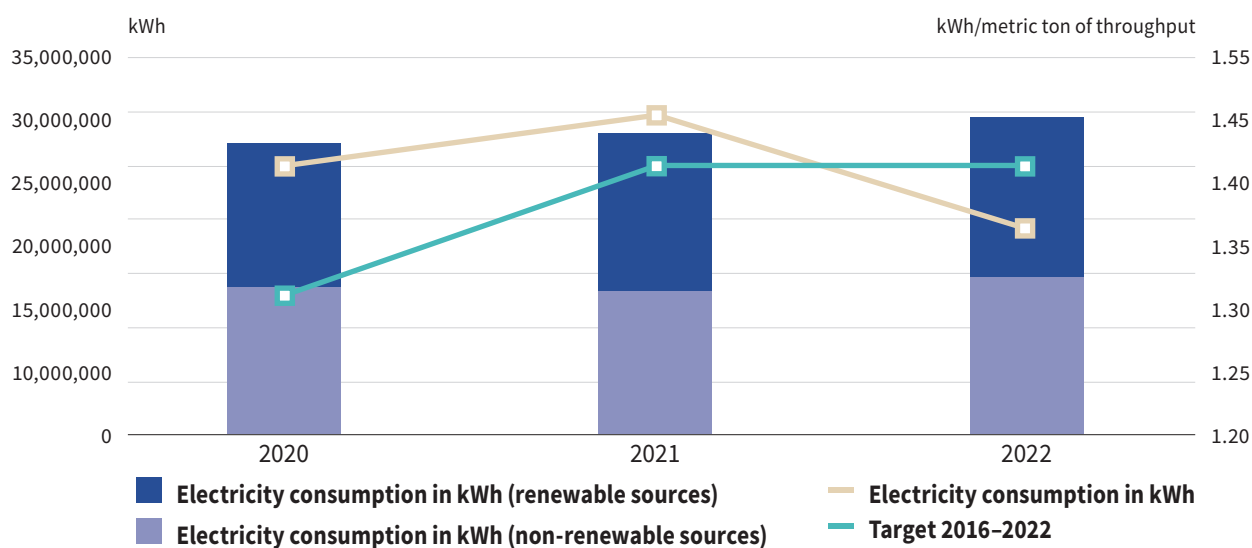
The calculations of energy and emission conversion values are based on typical net calorific values of individual energy sources for 2022, as stated by the Republic of Slovenia in its latest national greenhouse gas inventories submitted to the Secretariat of the United Nations Framework Convention on Climate Change (source: Slovenian Environment Agency).

### Consumption of motor fuel for Luka Koper, d. d. (non-renewable source)



In 2022, motor fuel consumption for Luka Koper, d. d. totalled 184,195 GJ. In motor fuel and electricity consumption, data is expressed as consumption per metric ton of throughput. The specific consumption of motor fuel in 2022 was higher than in 2021 and deviates by 4.5 percent from the target. In 2022, the absolute consumption of motor fuel was higher than planned mainly due to the use of electric generators at the container terminal to connect refrigerated containers, whose throughput has been increasing sharply in recent years, as well as due to the congestion of the storage areas at the container terminal and the use of more distant alternative areas, longer transport routes and the higher number of operating hours of terminal tractors.

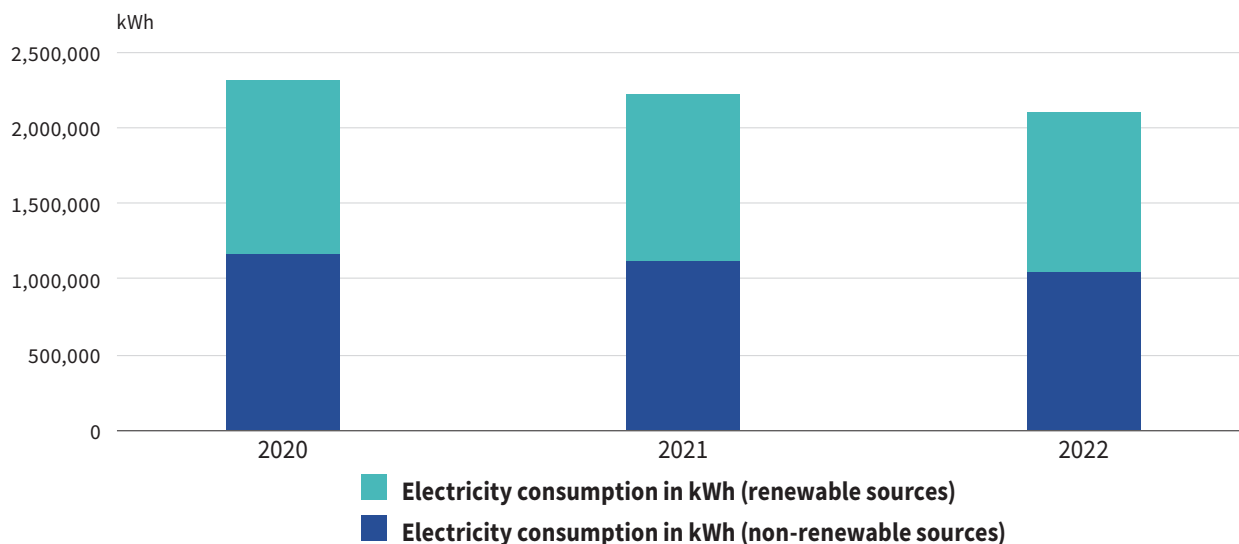
### Consumption of electricity for Luka Koper, d. d. (renewable and non-renewable sources)



In 2022, electricity consumption for Luka Koper, d. d. totalled 107,598 GJ. Specific electricity consumption is below the target, while absolute electricity consumption is higher than last year, due to the progressive electrification of

port machinery, increased handling of coal and refrigerated cargo, and electricity consumption to power refrigerated containers.

### *Consumption of electricity for the economic zone (renewable and non-renewable sources)*



In 2022, electricity consumption for the economic zone totalled 7,590 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.

#### **22.11.3 Electricity consumption<sup>124</sup>**

With energy efficiency activities carried out in 2022, we reduced fossil fuel consumption by 84.93 GJ and electricity by 188.72 GJ from 2021, thus reducing the emissions by 31,891 kgCO<sub>2</sub>eq 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).

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) on 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

#### **22.11.4 Motor fuel consumption<sup>125</sup>**

Working processes in the port require abundant use of diesel-fuelled machinery. 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 2022, the container terminal was the largest consumer, accounting for 63.1 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 written off, motor fuel consumption at the container terminal will gradually decline. In purchasing new transport machinery, the Company follows the latest technological and environmental requirements.

124 GRI 302-4  
125 GRI 302-4

## 22.11.5 Implementation of improvement programmes to reduce electricity and fuel consumption<sup>126</sup>



**In 2022, the following measures were implemented:**

- Maintenance of SEE Electrical software,
- Maintenance of the ENIS energy monitoring and information system,
- Introduction of the SCADA control system for lighting in TH3 and TH4 at the dry bulk terminal,
- Activities (static assessment, economic study) for the construction of a solar power plant on the roof of the storage facility of the general cargo terminal,
- Activities for the development of project documentation for the energy rehabilitation of the boiler room No 7 Pacorini,
- Construction of a solar power plant at the new petrol station,
- Renovation of electrical installations at storage facilities No 31 A, B, C at the general cargo terminal,
- Activities for the development of project documentation for increasing the capacity and energy efficiency of providing DHW in the central locker room as part of pre-investment programmes,
- Activities for the development of project documentation for the construction of solar power plants at the storage facilities of the general cargo terminal,
- Renovation and expansion of the premises of the internal railway transport by renovating the HVAC systems and the boiler room and replacing the extra light heating oil boiler with a heat pump,
- Renovation of electrical installations at storage facilities No 32 A, B, C, D at the general cargo terminal,
- Preparation of project documentation for renovating the refrigeration equipment in storage facility No 5 as part of pre-investment programmes at the general cargo terminal,
- Several activities for the installation of network analysers and upgrade of the SCADA control system for electricity consumption,
- Purchase of three e-RTG cranes for the container terminal,
- Activities for the construction of the RTP Luka Koper distribution transformer station,
- Activities for the restoration of lighting in 17A storage hall at the general cargo terminal.

**The following was not implemented in 2022:**

- Completed installation of network analysers and upgrade of the SCADA control system for electricity consumption,
- Completed all activities for the construction of a solar power plant on the roof of the general cargo terminal storage facility,
- Completed development of project documentation for increasing the capacity and energy efficiency of providing DHW in the central locker room as part of pre-investment programmes,
- Completed activities for the development of project documentation for the construction of solar power plants at the storage facilities of the general cargo terminal,
- Completed restoration of lighting in 17A storage hall at the general cargo terminal,
- Completed preparation of the project documentation for the implementation of the energy rehabilitation of the boiler room No 7 Pacorini,
- Energy renovations of the lighting at the container terminal,
- Renovations of the lighting in storage facilities 23G, 23K, 23J of the dry bulk terminal,
- Purchase of six terminal tractors (replacement of worn-out equipment),
- Purchase of two vehicles for the needs of the container terminal,

- A control and data acquisition system regarding the operation of port terminal machinery was not established, as this will be a multi-annual project;
- Energy audit at the liquid cargo terminal;
- Completed construction of a solar power plant on the roof of the dispatch centre at the car terminal,
- Purchase and installation of APS connections for eRTG cranes at the container terminal – a multi-annual project.

#### 22.11.6 Electricity and fuel consumption reduction programmes planned for 2023

##### The following will be implemented in 2023:

- Completed construction of a solar power plant on the roof of the general cargo terminal storage facility,
- Completed installation of network analysers and upgrade of the SCADA control system for electricity consumption,
- Construction of a solar power plant on the roof of the TA dispatch centre at the car terminal,
- Completed preparation of project documentation for the construction of solar power plants at the storage facilities of the general cargo terminal,
- Energy renovations of the lighting at the container terminal,
- Energy-efficient renovation of the boiler room No 7 Pacorini,
- Completed preparation of project documentation for increasing the capacity and energy efficiency of providing DHW in the central locker room as part of pre-investment programmes,
- Maintenance of SEE Electrical software,
- Maintenance of the ENIS energy monitoring and information system,
- Completed restoration of lighting in 17A storage hall at the general cargo terminal,
- Continued procedures for the installation of the RTP Luka Koper substation,
- Continued establishment of a control and data acquisition system regarding the operation of port terminal machinery – a multi-annual project,
- Renovations of the lighting at storage facilities 23G, 23K, 23J of the dry bulk terminal,
- Continued purchase and installation of APS connections for eRTG cranes at the container terminal – a multi-annual project,
- Renovation of electrical installations at storage facilities No 22 A, B, C at the general cargo terminal,
- Renovation of lighting at storage facilities No 23 A, B, C, D and H at the general cargo terminal,
- Installation of a charging station for electric vehicles next to the administrative building of the dry bulk terminal,
- Energy rehabilitation of the administration building of the container terminal,
- Purchase of electric scooters for the needs of the general cargo terminal,
- Procedures for the construction of storage facility No 54 at the general cargo terminal.

## 22.12 Drinking water and groundwater management<sup>127</sup>



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 sanitary purposes, for the supply of ships and for some industrial processes (e.g. wet storage of wood, food refrigeration, on construction sites, for vehicle and machinery washing, etc.). Luka Koper has obtained the water right to use drinking water for industrial processes, however, such 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 2022, 33,092 m<sup>3</sup> 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 2021, we used 30 percent more groundwater. The increased water withdrawal is linked to the fact that, due to the dry period, its use was necessary to carry out mitigation measures to prevent dusting. Groundwater quality measurements (borehole water) were also carried out in 2022 to check the possible impact of port activities on groundwater quality (previous measurements were carried out in 2020). No pollutants were detected in either of the 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.

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, which has resulted in a significant reduction in water consumption over the past two years.

A water consumption control system is in place, with meters connected to a computer in the control centre.

127 GRI 3-3, 303-1, 303-2, 303-3, 303-4, 303-5

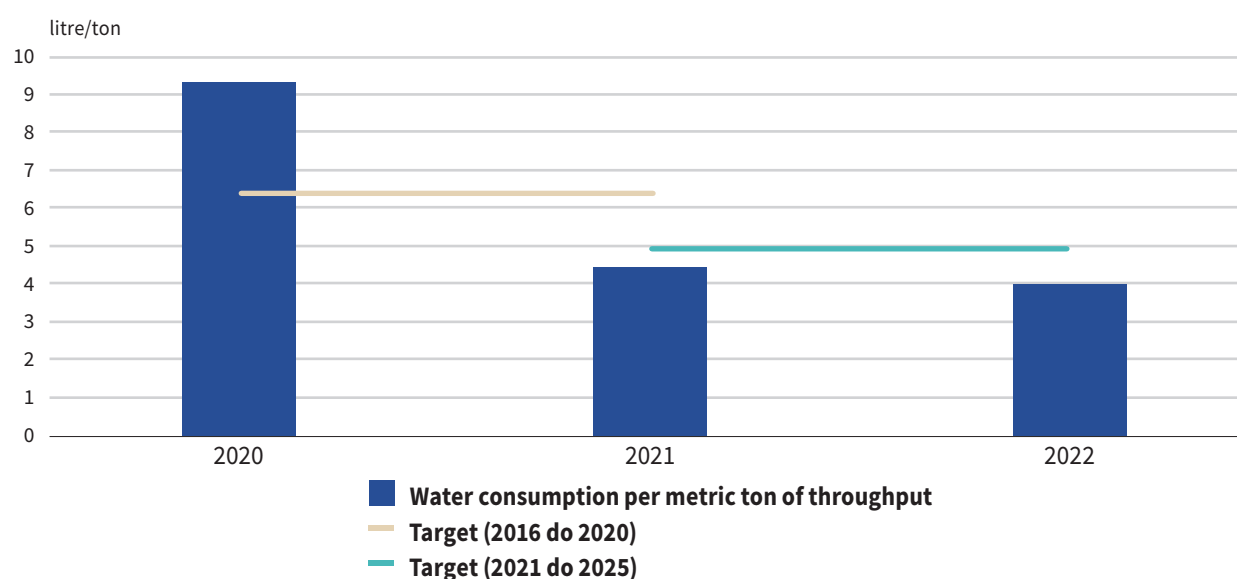


### Source of water supply and type of water use in 2022

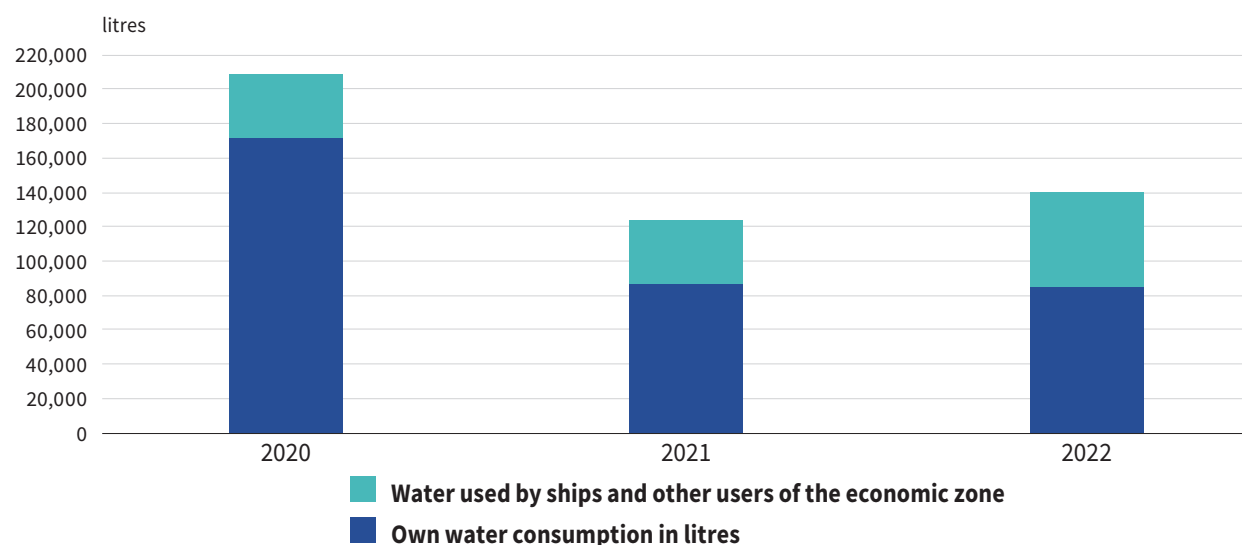
	Annual amount of water (in 1,000 m <sup>3</sup> )	Notes
<b>Source of water supply:</b>		
From public water supply:	140.471	Rižanski vodovod
From own source:	43.320	Port well (the water is brackish; sodium value 4,020 mg/l)
Other:	8.510	Precipitation (estimated) for technological wastewater
<b>Water supply - TOTAL:</b>	<b>192.301</b>	
<b>Water consumption:</b>		
Municipal wastewater:	40.040	Municipal water drained into the public sewer 38,000 m <sup>3</sup> (estimate), port small wastewater treatment systems total 2,040 m <sup>3</sup> (18 small wastewater treatment systems, each 120 m <sup>3</sup> , assessment).
Industrial wastewater:	11.524	See table below: Types of wastewater in the port, annual amounts, and compliance with the law
Water incorporated into products, evaporated water	63.450	Assessment
Water loss due to system failure:	21.608	Damage to the water supply network due to heavy machinery, frost, wear and tear, damage during construction
Water for ship supply:	55.679	Ship supply
<b>Water consumption - TOTAL:</b>	<b>192.301</b>	

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) to ensure safe drinking water.

### Drinking water consumption per metric ton of throughput



### Absolute drinking water consumption in the port



#### 22.12.1 Implementation of improvement programmes to increase resource efficiency

In 2022, the following measures were implemented:

- Reconstruction of the water supply network implemented 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.

#### 22.12.2 Resource efficiency improvement programmes planned for 2023

The following will be implemented in 2023:

- 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 comparing the content of pollutants with measurements from 2020 and 2022,
- Development of a plan to prevent legionella.

## 22.13 Wastewater management<sup>128</sup>



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. 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 251 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 22.16: Sea Water Protection.

Sanitary wastewater is treated with the help of 18 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 22.16: Sea Water Protection.

Most of the remaining sanitary wastewater is discharged to the Koper Central Wastewater Treatment Plant, which is managed by the public utility company Marjetica, d. o. o. Its volume is estimated at 37,000 m<sup>3</sup>.

In 2022, we again obtained a change to the permit, as two new small sanitary treatment plants were additionally installed, and one was abolished when we removed the facility where sanitary water was generated. A petrol station was newly constructed and scrap metals are no longer handled at a location where an enclosed storage for dry bulk cargoes was constructed, however, a replacement location was found. An oil interceptor was installed at the bilge water collection facility for rainwater drainage, but it is managed by the subsidiary Luka Koper INPO, d. o. o., which performed the first measurements of wastewater quality. The measurements were compliant with the legislation.

128 GRI 3-3, 303-2, 303-4

### Types of wastewater in the port, annual amounts, and compliance with the law

Type of wastewater	Annual amount (m³) in 2020	Annual amount (m³) in 2021	Annual amount (m³) in 2022	Compliance with the law 2022
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)	0 (No wastewater was released into the sea)	(No wastewater was released into the sea)
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	2,700	- The scrap iron storage site was abolished.	In 2022, scrap iron was no longer handled and stored at the location.
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	Compliant
Stormwater runoff from the bilge water collection facility (managed by Luka Koper INPO, d. o. o.)	-	Newly installed oil interceptor	214	Compliant
Industrial wastewater from the livestock terminal	1,887	1,995	1,541	Compliant
Industrial wastewater from the machinery washing facility	1,208	882	970	Compliant
Industrial wastewater from the container washing facility	587	657	503	Not compliant **
Sanitary wastewater	39,522	39,040	40,040	Measurements are taken at 18 outlets of small treatment plants. Compliant

**\*\* Regarding the technological wastewater from the container washing facility, the authorised organisation performed three measurements of wastewater at different times of the year in accordance with the environmental permit for emissions into the environment. In the last performed sampling of wastewater in December 2022, the aluminum parameter exceeded the limit value by more than 50 percent, whereas all other parameters were within the limit values. Aluminum occurs in wastewater as a result of the addition of a chemical that contains this metal and is used in the process of removing pollutants from wastewater. Immediately after receiving the results, we took action to reduce the dosage rate of the aluminium-containing chemical (aluminium chloride hydroxide sulphate). 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. There is no measuring probe available to ensure continuous monitoring of aluminium in the waste water, so rapid tests for self-monitoring of the parameter have been purchased and additional monitoring of this parameter by an accredited organisation has been introduced. After receiving the measurement report, we immediately took an additional sample of the wastewater for aluminium, but the report is still pending and the rapid test did not show values greater than 3 mg/l.**

### 22.13.1 Implementation of improvement programmes to reduce wastewater emissions in 2022

In 2022, the following measures were implemented:

- Upgrade of the hydrocarbon detection system on the water surface,
- Activities for the introduction of a checklist in the implementation of fueling ships (bunkering).

### 22.13.2 Wastewater emission improvement programmes planned for 2023

The following will be implemented in 2023:

- Completed activities for the introduction of a checklist in the implementation of fueling ships (bunkering),
- Monitoring the aluminum content in the wastewater of the container washing facility at least monthly.

## 22.14 Light pollution<sup>129</sup>



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 legislation. The legislation also requires regular updates to the lighting plan. The plan was last renovated in late 2021 following the additional installation of lamps and is published on the port website <https://www.luka-kp.si/en/company/sustainable-development/zakonodaja-in-okolje/>. Currently, 3,447 lamps are installed across the port with a total installed capacity of 1450,7 kW, illuminating an area of 273 hectares.

### 22.14.1 Implementation of improvement programmes to reduce light pollution in 2022

No activities were planned in this field.

### 22.14.2 Light pollution improvement programmes planned for 2023

No activities are planned in this field.

<sup>129</sup> Light pollution – additional indicator (ref GRI 305-7)

## 22.15 Biodiversity<sup>130</sup>



The content is partially presented in Chapter 22.3: 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 22.16: 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 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 22.3: 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).

In 2021, a species inventory was carried out and the abundance of species present in the marine sediment in the port area and in the middle of the Gulf of Koper was estimated and reported in the previous report.

### 22.15.1 Implementation of biodiversity improvement programmes in 2022

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 RO-RO 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 2022 and compared with the measurements made previously, as shown in the table below. 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>

<sup>130</sup> GRI 3-3, 304-1, 304-2, 304-3, 304-4

The overall ecological status of the seagrass meadow around the port deteriorated slightly in 2022, although no dredging took place in the port, and it is now assessed as moderate.

*The results of the ecological status of seagrass meadows of little Neptune grass (Cymodocea nodosa) sampled at the above monitoring points expressed in MediSkew*

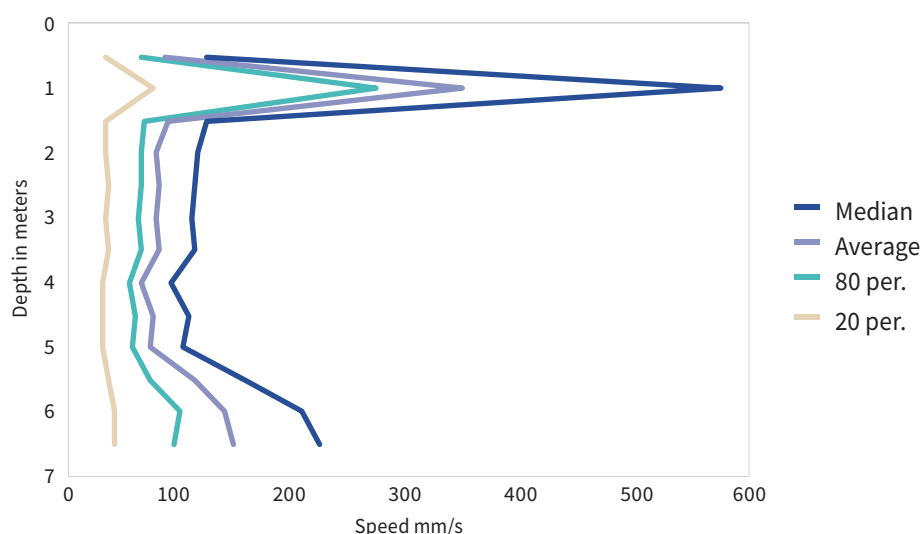
Date:	Monitoring points	MediSkew points	MediSkew sites	MediSkew meadows	Ecological condition	Number of leaves measured	Number of adult leaves
14 Jul 2020	LuKp2_1	0.71	0.635	0.640	<b>weak</b>	251	181
14 Jul 2020	LuKp2_2	0.56				300	223
14 Jul 2020	LuKp3_1	0.62	0.645			300	246
14 Jul 2020	LuKp3_2	0.67				300	222
1 Jul 2021	LuKp2_1	0.39	0.415	0.37	<b>good</b>	300	238
1 Jul 2021	LuKp2_2	0.44				300	207
1 Jul 2021	LuKp3_1	0.26	0.325			300	231
1 Jul 2021	LuKp3_2	0.39				300	212
11 Jul 2022	LuKp2_1	0.60	0.550	0.50	<b>moderate</b>	300	279
11 Jul 2022	LuKp2_2	0.50				300	286
11 Jul 2022	LuKp3_1	0.51	0.450			300	276
11 Jul 2022	LuKp3_2	0.39				300	269

*source: Monitoring of the condition of sea meadows near the port, along the coast of Ankaran, National Institute of Biology, Marine Biology Station Piran*

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 – the delineation of the edges and extent of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) meadows – will be carried out in 2023 in accordance with the programme and the results will be published in the next annual report.

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 2022 is shown in the figure below, where no difference is visible over the last three years. 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 2022*





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). Therefore, illuminance measurements are performed at three 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 (lux) in areas where meadows of dwarf eelgrass (Zostera noltei) and little Neptune grass (Cymodocea nodosa) grow*

Date/location of measurements and illuminance	Loc3(Lux)	Loc2(Lux)	Loc1(Lux)
14 Jul 2022	0.37	0.30	0.35
23 Sep 2022	0.36	0.31	0.30
10 Aug 2021	0.39	0.36	0.41
8 Sep 2021	0.50	0.36	0.35
28 Jul 2020	0.56	0.59	0.55
12 Aug 2020	0.45	0.40	0.38
26 Aug 2020	0.38	0.43	0.45

The illuminance (sea transparency) measurements showed slightly worse results at the measurement locations compared to 2021 and 2020. It can be stated with certainty that the deterioration in seawater transparency is not related to dredging processes, as extensive dredging works were carried out in 2020 when sea transparency was at its highest (the extent of the dredging is shown in the chapter Dredging and management of marine sediments).

We completed the study “Carrying out biological research on underwater areas in the Bay of Koper”, which comprised an analysis of demersal invertebrates at selected potential sites intended for sediment relocation and research of particle size distribution in the sediment and its mineralogical composition at the same locations and at locations within the port. The abundance and species composition of the assemblages in spring and autumn have

been evaluated and the situation will be checked after the test marine sediment transport has been carried out and will be monitored for a further three years. The baseline situation was presented in last year's report.

Quarterly monitoring the quality of water in the strait that crosses the port and connects the sea and 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 no water pollution has occurred.

**In 2022, the following measures were implemented:**

- Annual measurement of the length of seagrass leaves 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,
- Monitoring of lighting and sea currents along Basin III of Luka Koper.

## 22.15.2 Biodiversity improvement programmes planned for 2023

**The following will be implemented in 2023:**

- Continued monitoring of the status of underwater meadows by measuring the length of grass leaves,
- Continued monitoring of lighting and sea currents and video surveillance of the marine environment,
- Continued quarterly monitoring of the quality of water in the strait that crosses the port and connects the sea and Škocjanski Zatok,
- Mapping and verification of the extent of meadows of dwarf eelgrass (*Zostera noltei*) and little Neptune grass (*Cymodocea nodosa*) in the Ankaran area after three years,
- Mapping of the Neptune grass meadow in the Žusterna area for the first time.

## 22.16 Sea water protection <sup>131</sup>



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 regularly carries out activities to prevent and eliminate consequences of marine pollution.

An important part of the public utility service performed by Luka Koper 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 has special dedicated equipment and vessels, as well as adequately trained staff.

Considering the capacities and loads that result from port operations, Luka Koper 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 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.

In 2022, 51 minor events were recorded in the port water area, all of which were controlled at the location of occurrence and in no case had an impact on the environment. The sea protection unit intervened in twenty-two incidents involving a large amount of wood and other debris carried to the Luka Koper port water area by the River Rižana or

131 GRI 306-1, 306-2

from the open sea. Eleven instances included the removal of coal dust from the water surface, ten instances of smaller, local oil slicks, there were two occasions each of iron ore dust pollution and of minor pollution of the sea with cargo residues, two occasions of foam at sea and on one occasion, a container fell into the sea and was immediately removed to land.

In all instances of marine pollution, Luka Koper acted in accordance with the Means and Resources Activation Scheme for Minor Accidents, and remedied the effects of pollution within the concession area.

Luka Koper Marine Protection Unit participated in the training of all those who carry out protection, rescue and assistance tasks at national level 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.

Luka Koper participated in the national staff training exercise Accident at sea with Hazardous Substances (Chemicals). The purpose of the national exercise was to test the capability to respond and act in the event of accidents at sea involving chemicals and to formulate basic guidelines for the development of a response concept. The objective of the exercise was to identify units, services, companies and individuals involved in the response to chemical accidents at sea. This involved the implementation of sampling, analysis, intervention, protective equipment and means of detection, monitoring, modelling and intervention activities. The exercise also included a demonstration of EMSA and its assistance in the event of accidents involving hazardous substances. The practical part of the exercise involved an EMSA contract tanker, which can be activated by the RS, and the sea surface clean-up force can pump waste oil into it.



*Demonstration of the cleaning of debris at the outlet of the river Rižana into Basin II of the port of Koper, placement of absorbent booms and cleaning of the sea surface with the eco-vessel Galeb.*



### 22.16.1 Statistics for interventions at sea<sup>132</sup>

	2020	2021	2022
Number of identified incidents at sea	49	43	51
Number of interventions in the port water area	45	40	50
Number of incidents not requiring intervention	4	3	1
Number of pollution incidents outside the port water area	0	0	0

Recently, Luka Koper has been organising workshops for all new employees as well as for other employees, to emphasise the importance of detecting even the smallest pollution at sea, reporting it to the Safety and Control Centre (SCC) of the Port of Koper and taking immediate action. The SCC initiates an intervention and opens a report in the CIIS system upon any pollution sensor alarm or radar detection and upon all calls.

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, and 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.

*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)*



<sup>132</sup> GRI 306-1, 306-2, 413-1

### Results of sea quality measurements from the Rebeka measuring buoy

	2020*	2021	2022
Sea temperature (°C)	between 10 and 30	between 10 and 30	between 11 and 30
Salinity (g/l)	35	between 35 and 38	between 35 and 43
Oxygen content (mg/l)	between 3 and 8	between 6 and 12	between 3 and 9
pH	between 8,2 and 8.5	between 8,2 and 8.5	between 8.1 and 8.3
Turbidity (NTU)	between 0 and 2	between 0 and 2	between 0 and 10

\* data loss is recorded for March, September and November 2020, as the probe was under repair

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 contributing to the higher result. 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 and the results within the port 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 2020, in cfu/100 ml

Monitoring point	Parameter	April	May	June	July	August	Sept	Oct	Limit value for bathing water
Basin I	Intestinal enterococci	7	NPD	4	4	<4	<4	4	370
Basin I	E. Coli	<4	<4	NPD	NPD	<4	NPD	13	1,000
Basin II	Intestinal enterococci	<4	18	56	4	14	19	22	370
Basin II	E. Coli	<4	<4	26	<4	14	12	33	1,000
Basin III	Intestinal enterococci	<4	<4	<4	<4	2	<4	75	370
Basin III	E. Coli	NPD	<4	<4	<4	15	NPD	183	1,000

NPD – no presence detected, D – detected, est. – estimated

### Microbiological quality of sea water in the port in 2021, in cfu/100 ml

Monitoring point	Parameter	April	May	June	July	August	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	est. 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

NPD – no presence detected, D – detected, est. – estimated

### Microbiological quality of sea water in the port in 2022, in cfu/100 ml

Monitoring point	Parameter	April	May	June	July	August	Sept	Oct	Limit value for bathing water
Basin I	Intestinal enterococci		est. 5	18	D	D	D	38	370
Basin I	E. Coli		D	est. 8	NPD	NPD	D	13	1,000
Basin II	Intestinal enterococci		14	360	12	82	10	140	370
Basin II	E. Coli		D	530	17	61	D	180	1,000
Basin III	Intestinal enterococci		D	est. 4	D	est. 6	NPD	10	370
Basin III	E. Coli		NPD	est. 6	NPD	NPD	D	est. 6	1,000

NPD – no presence detected, 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 m<sup>3</sup> 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 7c in Basin I and on the liquid cargo throughput berth in Basin II. In 2021, 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 radar installed on top of the Luka Koper silo. 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 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 port water area, the entry channels, the ships' anchorage and the rest of the Bay of Koper.



*A radar for detecting pollution at sea, installed on the roof of a silo in the port of Koper.*



We have also started monitoring underwater noise.

The main source of anthropogenic continuous underwater noise is shipping activity, so we decided to set up a monitoring system.

*Location of the fixed underwater noise monitoring station installed in the port area and the underwater noise meter*



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. Both 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. 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 22050 Hz and then calculates the equivalent unweighted noise level  $Leq$  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 5000 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, and we therefore report the measured noise level at these frequencies.



## Results of underwater noise measurements in the port in 2022

Energy annual average [dB]	$L_{eq}^*$	$L_{eq63Hz}^{**}$	$L_{eq125Hz}^{***}$
	125.9	114.8	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

Due to the small number of measurements made, 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).

### 22.16.2 Implementation of sea water protection improvement programmes

In 2022, the following measures were implemented:

- Measurements of the sea current throughout the water column, the microbiological quality of the seawater in the port and basic chemical parameters of seawater quality, and introduction of an underwater noise monitoring system,
- Systemic arrangement of almost all events involving ships,
- Completed upgrade of the hydrocarbon detection system at the water surface, including the procurement and installation of a radar and software for the detection of sea surface slicks,
- Completed first phase of floorboard renovation at the liquid cargo terminal,
- Update of the Protection and Rescue Plan of Luka Koper, d. d., for industrial accidents,
- Installation of an underwater camera.



Underwater camera

### 22.16.3 Sea water protection improvement programmes planned for 2023

The following will be implemented in 2023:

- Introduction of a checklist for supplying ships with fuel (bunkering),
- Completed second phase of floorboard renovation at the liquid cargo terminal;
- Continued measurements to monitor seawater quality,
- The 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.

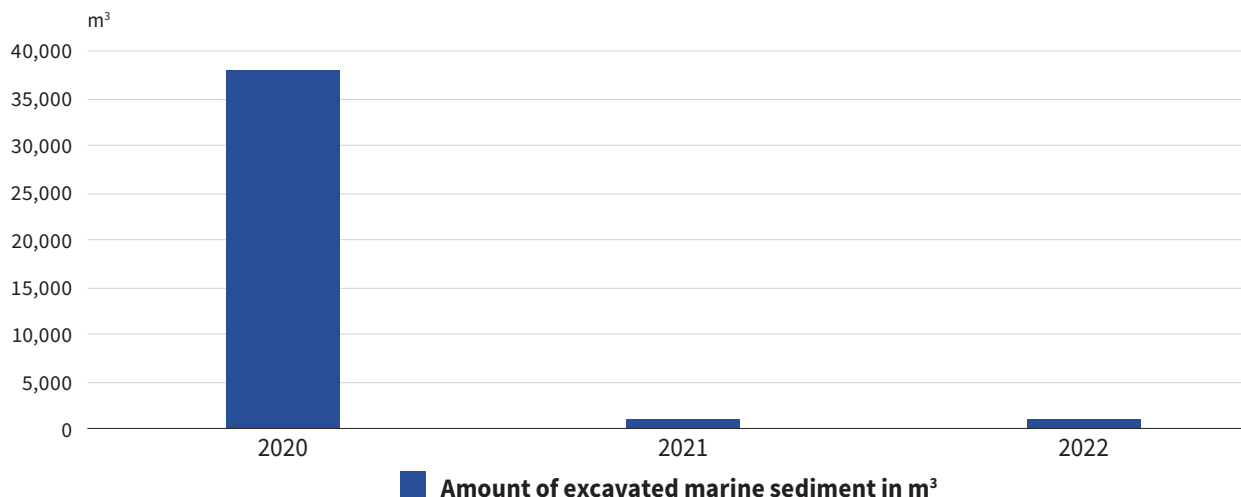
## 22.17 Dredging and management of marine sediments



To ensure safe navigation of ships in the port as well as in marinas and harbours, a certain depth has to be maintained at all times. 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 the past year, the excavated marine sediment was deposited in purpose-built cassettes, but these are now almost filled.

### *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 the current year, we have drawn up a programme for the implementation of the test relocation and obtained the conditions for its implementation from the consenting authorities. The test relocation will be a one-off disposal of a limited amount of marine sediment (50,000 m<sup>3</sup>), 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 Journal of the RS, No 116/21](#))).

*Illustration of the area envisaged for the implementation of the one-off test relocation of marine sediment*



### 22.17.1 Implementation of improvement programmes for excavated marine sediment management

**In 2022, the following measures were implemented:**

- A modelling study on the potential dispersion of particles in the event of marine sediment relocation in the sea. The results of the simulations show that the concentration of sediments in the water column and their settling on the seabed do not pose any threat to protected areas such as the shoreline between Valdoltra and the border with the Republic of Italy or the Bay of St. Bartholomew, the shoreline between San Simon and the Bay of Strunjan, and the shoreline between the Bay of Strunjan and the city of Piran, even if hurricane-force winds or a strong southerly wind occur during or after the intervention. Introduction of detailed and continuous monitoring of turbidity.
- Acquisition of project and other conditions from various consenters.
- Tender for the contractor of preliminary archaeological excavations in the area where the marine sediment will be deposited.
- Tender for a contractor for the mapping of the Neptune grass sea meadow near Žusterna.

**The following was not implemented in 2022:**

- Preliminary archaeological excavations in the area where the marine sediment will be deposited.

### 22.17.2 Improvement programmes for the management of dredged marine sediment planned for 2022

**The following will be implemented in 2023:**

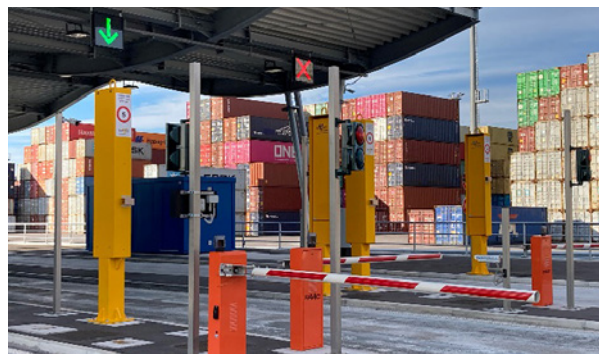
- Preliminary archaeological excavations in the area where the marine sediment will be deposited,
- Acquisition of environmental consents for the implementation of test relocation of marine sediment in accordance with the adopted Maritime Spatial Plan,
- Test transfer of sea sediment with simultaneous environmental monitoring, which will continue for three years after the end of the intervention.

## 22.18 Radioactivity of consignments

In accordance with the legislation, Luka Koper has to monitor radioactivity levels of all consignments coming from third countries to detect illegal radioactive shipments.

In accordance with the requirements of the Decree on checking the radioactivity of consignments that could contain orphan sources (UV-11), 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.



*Image of some portals for monitoring the radioactivity of shipments in the port*

### 22.18.1 Implementation of improvement programmes for radioactivity of consignments

**In 2022, the following measures were implemented:**

- Reports on annual results of measurements to the Slovenian Nuclear Safety Administration (SNSA),
- Verification/calibration of measuring devices.

### 22.18.2 Improvement programmes for the radioactivity of consignments planned for 2023

No activities are planned for this year.

## 23 Social environment<sup>133</sup>



*Luka Koper supports the operation of local communities bordering the port area.*



### The following topics and assessments of their impacts on stakeholders have been identified:

- Socially responsible activities - sponsorships, donations, mitigation measures (score 2): actual positive impact.

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 recognised and addressed in the environmental report.

These themes are identified in the organisation's policies, defined 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.

The port of Koper is located in an urban environment, and in the hinterland it borders the protected area of Škocjanski Zatok. Therefore, concern for the quality of people's lives and environmental protection is highlighted in all development documents and key policies of the Company. Some time ago, the Company incorporated the principles of sustainable development into its operations and strategic orientations. In the Strategy of Social Responsibility and Sustainable Development, adopted in early 2021, it set goals that it will strive to achieve in cooperation with local and institutional stakeholders, and by taking into account international best practices.

After a two-year hiatus due to coronavirus-related restrictions, the company resumed its traditional Port Day in 2022, opening the doors of Slovenia's only cargo port for a day and offering in-depth tours to individual visitors. 2022 also saw a significant increase in the number of visits the company facilitates for organised groups.

At the end of 2019, Luka Koper and the Municipality of Koper signed an agreement under which Luka Koper provides an annual grant of EUR 200,000 for the implementation of mitigation measures in a specific impact area in order to reduce the impact of emissions from port activities. The beneficiaries are the inhabitants of the Old Town, who are most exposed to the negative impacts of the port of Koper's operations due to their proximity to the port. The Municipality of Koper issued a public call for proposals for the award of grants for the implementation of mitigation measures to reduce the impact of emissions from port activities in May 2021 for the period 2021-2022.

Luka Koper is aware that its good neighbourly relations are based on fair and transparent communication with the surrounding. It keeps adapting its communication tools to modern trends, while remaining faithful to informing the

<sup>133</sup> GRI 3-3, 413-1, 413-2

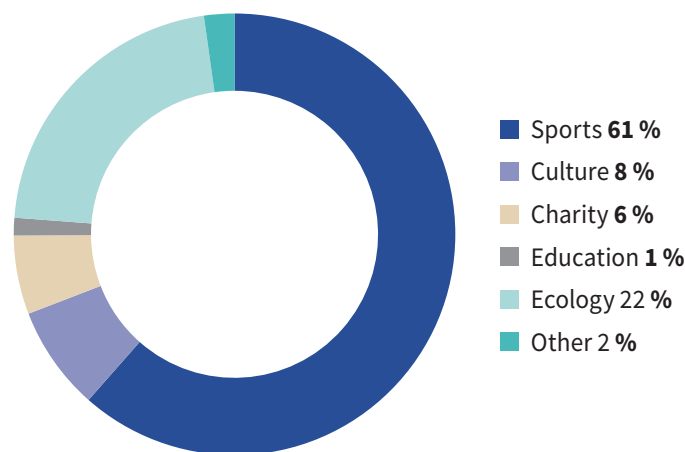


general public and other stakeholders through the media and web portals ([www.luka-kp.si](http://www.luka-kp.si), [www.zivetispristanis-cem.si](http://www.zivetispristanis-cem.si), [www.seonet.si](http://www.seonet.si)) and social networks.

The attitude of the local environment towards the company Luka Koper is checked annually by a public opinion poll among the inhabitants of the narrow strip around the port. In 2022, a total of 465 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 (86 percent), Luka Koper is a successful or very successful business company. The majority of respondents (69 percent) are also aware of plans to extend the piers and expand the port inland, and more than 77 percent of them also agree with these plans.

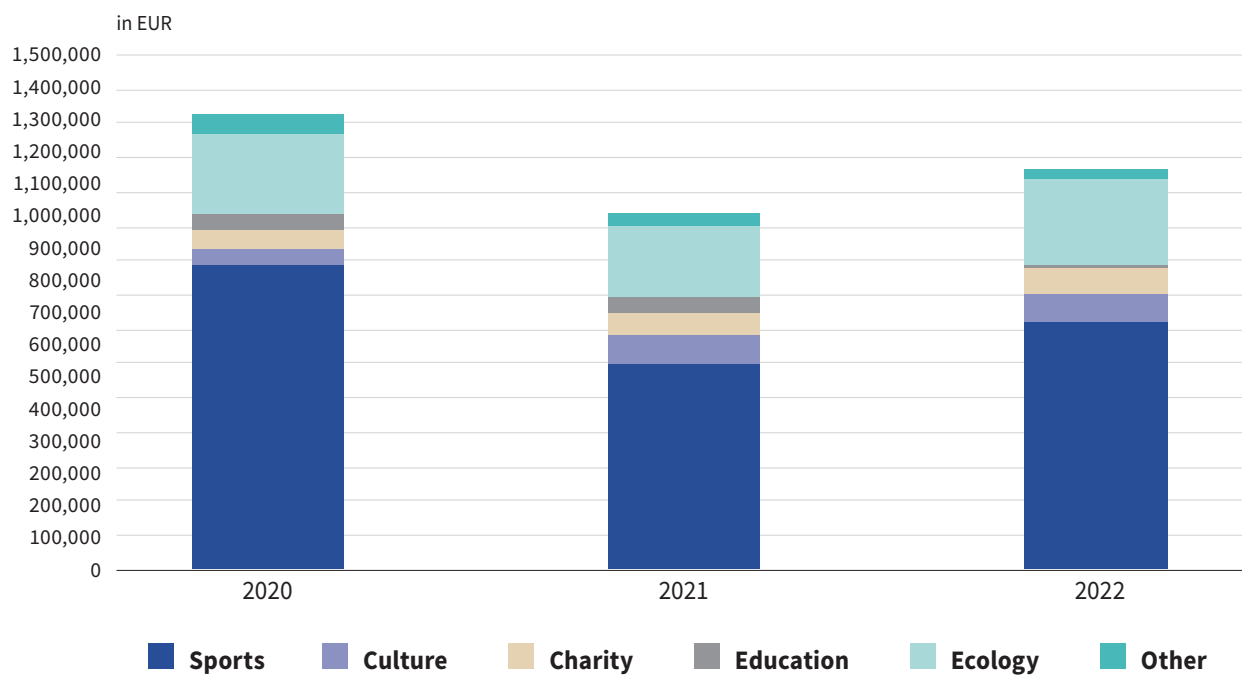
### 23.1 Distribution of donations and sponsorships in 2021<sup>134</sup>

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. After a two-year hiatus due to the constraints brought about by the COVID-19 pandemic, in 2022, 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 2022, EUR 1.2 million were allocated to these activities through sponsorships and donations.



134 GRI 201-1, 413-1

## 23.2 Distribution and amount of donations and sponsorships in years 2020 to 2022<sup>135</sup>



135 GRI 201-1, 413-1

## 24 Sustainable relationship with suppliers

### 24.1 Building relationships with suppliers<sup>136</sup>

The following topics and assessments of their impacts on stakeholders have been identified:

- Economic value directly distributed (purchase of materials and services from suppliers) (score 3): actual positive impact.

These themes are identified in the organisation's policies, defined in internal quality management system documents and already recorded in the report under management approaches. The company has adopted a Procurement Policy for this area.

Luka Koper 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.

Luka Koper 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 seller (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 Luka Koper wishes to pursue. The procurement policy of Luka Koper serves as a guide for all employees and all suppliers.

Suppliers provide vital support to the operations of Luka Koper. 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 in Luka Koper are categorised 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 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 Luka Koper.

Long-term partnership relationships with suppliers contribute to the process of finding common solutions for higher quality of procurement process management. Luka Koper 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

136 GRI 3-3

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.

For timely implementation of measures and management of risks of poor procurement practices, the strengths and weaknesses of suppliers are monitored by:

- Evaluating suppliers,
- Rewarding suppliers.

## 24.2 Supply chain<sup>137</sup>

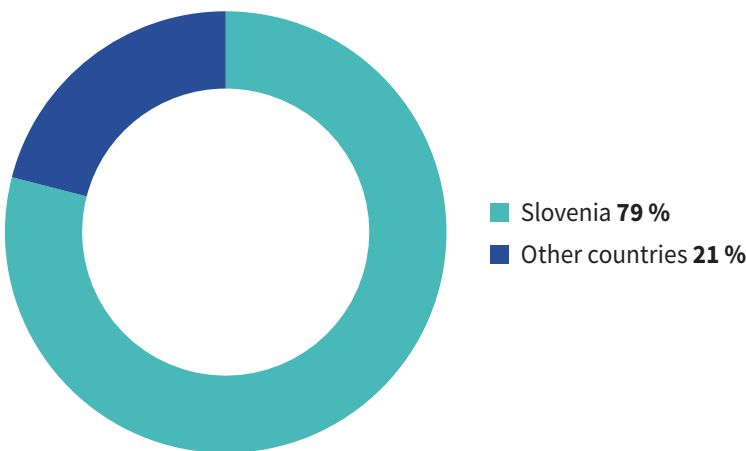
The selection of and collaboration with suppliers is a transparent pre-defined process. Preference is given to suppliers whose operation is in line with international management standards, who meet the requirements for occupational safety, show a high level of environmental awareness, and work with the 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.

Suppliers of products and services are categorised into four separate groups: suppliers for investments, suppliers for technical services for own needs, suppliers for products (various materials), external contractors (transshipment, movement, freight transport and warehouse cleaning) and agencies (selection of employers to provide employee work for the needs of Luka Koper d. d.).

In 2022, the total value of purchases of Luka Koper, d. d. was over EUR 129 million, of which the purchase costs from external contractors and agencies amounted to EUR 27.6 million. Purchases made in the Slovenian market accounted for almost 79 percent of the total value of purchases.

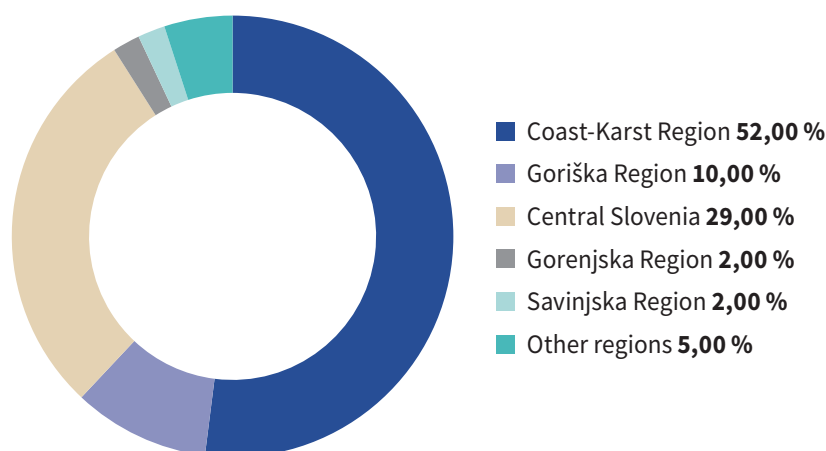
No changes were made to the supply chain in 2022.

### 24.2.1 Share of total value of purchases of Luka Koper, d.d., in 2022 by country<sup>138</sup>



137 GRI 2-6  
138 GRI 204-1

### 24.2.2 Share of total value of purchases by Luka Koper, d. d. in the Slovenian market in 2022 by statistical region<sup>139</sup>



### 24.2.3 Assessing suppliers' environmental awareness<sup>140</sup>

In 2022, the Code of Conduct for Business Partners of the Luka Koper Group was adopted, which all suppliers are familiar with or 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.

The Company regularly monitors and assesses its cooperation with suppliers. Supplier evaluation is generally performed once a year. The assessment for 2022 is still under way for a total of 52 suppliers. They are assessed based on pre-determined criteria. One of the criteria for assessing suppliers comprises assessment of the supplier's environmental awareness and compliance with environmental requirements, and potential use of an environmental management system and the VOZD criterion, which assesses breaches in the field of occupational health and safety as well as environment. In 2022, 21 percent of the suppliers assessed were found to have VOZD breaches. We identified no significant additional actual or potential negative environmental impacts in the supply chain in 2022. 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 2022 as a result of the identified breaches.

Suppliers are assessed in four separate groups: the group of suppliers for investments, the group of suppliers for technical services, the group of suppliers for products, and the group of suppliers for external contractors and recruitment agencies. Each year, the Company selects the best supplier in each category, and the winners given recognition.

139 GRI 204-1

140 GRI 3-3, 308-2, 414-2

## 25 Sustainable relationship with customers<sup>141</sup>

Partnership with customers is one of the main building blocks of the business success of Luka Koper. The company's relatively small size 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. After the period of the COVID-19 pandemic, during which personal contacts with customers were limited or even impossible, they were revived in 2022. Port promotional events and receptions for business partners in hinterland markets were organised again. Sales and marketing staff visited key buyers in the domestic market, in the Central European hinterland and overseas markets. We participated in international trade fairs as exhibitors and visitors, and attended international industry conferences either as speakers or as panellists.

### 25.1 Regular monitoring of customer satisfaction

The company monitors customer satisfaction in several ways and on several levels. Regular communication is crucial, as it is important to respond quickly to any problems that customers might have in their business with Luka Koper. Communication takes place at both the operational and commercial levels. Through regular communication, the Company obtains information about the wishes and expectations of customers. The Company's representatives and agents in the main hinterland markets are also in daily contact with customers to obtain information for better understanding of the markets and related requirements.

As a rule, the company conducts a customer satisfaction survey every two years. The next one is planned for 2023.

Luka Koper 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. Luka Koper 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.

### 25.2 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. Complaints are an indicator of customer satisfaction; solving them effectively and quickly is crucial for increasing customer satisfaction.

### 25.3 Consumer data protection

Luka Koper, d. d. is aware of the importance of personal data protection. We collect data in accordance with applicable legislation and use it only to provide more appropriate services and provide important information to our 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 Data Protection Officer has been appointed in the company.

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141 GRI 3-3



## 26 GRI content index (according to 2021 standards)

2022

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 2022 to 31 December 2022.
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 Luka Koper, d.d. company presentation 15 The LKPG Share	p. 51 p. 52 p. 87			
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. 53 p. 53			
GRI 2	2-3 Reporting period, frequency and contact point	Luka Koper Group	16.4 Reporting periods	p. 94			
GRI 2	2-4 Restatements of information	Luka Koper Group	16.2 Sustainability report according to international standards of sustainability reporting	p. 93			
GRI 2	2-5 External assurance (audit)	Luka Koper Group	16.6 External verification of sustainability report	p. 94			
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 7.5 Activities of the Luka Koper Group 9.2.1 Market position 24.2 Supply chain	p. 51 p. 55 p. 62 p. 224			
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 groups	p. 124 p. 126 p. 127 p. 129			Data were obtained from the personnel records of the SAP information system.
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. 124 p. 128			
Governance							
GRI 2	2-9 Governance structure and composition	Luka Koper, d. d.	4.3 Management system 4.5 Supervisory Board of Luka Koper, d. d. 4.6 Management Board of Luka Koper d. d.	p. 30 p. 31 p. 35			

GRI 2	2-10 Nomination and selection of the highest governance body	Luka Koper, d. d.	4.3 Management system 4.5 Supervisory Board of Luka Koper, d. d. 4.6 Management Board of Luka Koper d. d.	p. 30 p. 31 p. 35
GRI 2	2-11 Chair of the highest governance body	Luka Koper, d. d.	4.6 Management Board of Luka Koper d. d.	p. 35
GRI 2	2-12 Role of the highest governance body in overseeing the management of impacts	Luka Koper, d. d.	17 The process of determining the material topics 18 Luka Koper and sustainable development guidelines 18.1 Sustainable development strategy	p. 96 p. 102 p. 103
GRI 2	2-13 Delegation of responsibility for managing impacts	Luka Koper, d. d.	17 The process of determining the material topics 18 Luka Koper and sustainable development guidelines 18.1 Sustainable development strategy 22.2 About the environmental management system	p. 96 p. 102 p. 103 p. 145
GRI 2	2-14 Role of the highest governance body in sustainability reporting	Luka Koper, d. d.	17 The process of determining the material topics 18 Luka Koper and sustainable development guidelines 22.2 About the environmental management system	p. 96 p. 102 p. 145
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 31 December 2022	p. 34 p. 36
GRI 2	2-16 Communication of critical concerns	Luka Koper, d. d.	4.3 Management system 14 Managing risks and opportunities	p. 30 p. 80
GRI 2	2-17 Collective knowledge of the highest governance body	Luka Koper, d. d.	18 Luka Koper and sustainable development guidelines	p. 102
GRI 2	2-18 Evaluation of the performance of the highest governance body	Luka Koper, d. d.	4.7.2 Management performance assessment	p. 39
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	p. 35 p. 39 p. 39
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	p. 35 p. 39
GRI 2	2-21 Annual total compensation ratio	Luka Koper Group	21.1.11 Employee benefits	p. 130
<b>Strategy, policies and practices</b>				
GRI 2	2-22 Statement on sustainable development strategy	Luka Koper Group	2 Letter of the President of the Management Board	p. 18
GRI 2	2-23 Policy commitments	Luka Koper, d. d.	4.1 Codes and Management Practice 14 Managing risks and opportunities 18 Luka Koper and sustainable development guidelines 19 Corporate integrity, human rights, prevention of corruption and compliance 19.1 Corporate integrity 19.2 Human rights and discrimination 19.2.1 Human rights identified as most relevant for Luka Koper, d. d. 19.5 Compliance with the legislation and internal requirements 22.7 Environmental risk management and emergency response 22.8.7 Climate change, and related opportunities	p. 26 p. 80 p. 102 p. 106 p. 106 p. 108 p. 110 p. 112 p. 158 p. 170

GRI 2	2-24 Embedding policy commitments	Luka Koper, d. d.	18 Luka Koper and sustainable development guidelines 19.2 Human rights and discrimination 19.2.1 Human rights identified as most relevant for Luka Koper, d. d.	p. 102 p. 108 p. 110	
GRI 2	2-25 Processes to remediate negative impacts	Luka Koper Group	14 Managing risks and opportunities 19 Corporate integrity, human rights, prevention of corruption and compliance 19.1 Corporate integrity 19.2 Human rights and discrimination 19.5 Compliance with the legislation and internal requirements 22.2 About the environmental management system 22.7 Environmental risk management and emergency response 22.8.7 Climate change, and related opportunities	p. 80 p. 106 p. 106 p. 108 p. 112 p. 145 p. 158 p. 170	
GRI 2	2-26 Mechanisms for seeking advice and raising concerns	Luka Koper, d. d.	19 Corporate integrity, human rights, prevention of corruption and compliance 19.1 Corporate integrity 19.2 Human rights and discrimination 19.5 Compliance with the legislation and internal requirements	p. 106 p. 106 p. 108 p. 112	
GRI 2	2-27 Compliance with laws and regulations	Luka Koper, d. d., Luka Koper INPO, d. o. o.	19.5 Compliance with the legislation and internal requirements 20.4 Compliance with occupational safety legislation 22.5.1 Compliance with environmental legislation 22.5.2 Compliance with internal requirements 22.6.4 Inspections	p. 112 p. 118 p. 152 p. 153 p. 156	We do not report the amounts of fines because no fines were issued in 2020, 2021, and 2022.
GRI 2	2-28 Membership associations	Luka Koper, d. d., Luka Koper INPO, d. o. o.	7.4 Membership and initiatives	p. 54	
<b>Stakeholder engagement</b>					
GRI 2	2-29 Approach to stakeholder engagement	Luka Koper, d. d.	17 The process of determining the material topics 17.1.1 Stakeholders of Luka Koper	p. 96 p. 96	
GRI 2	2-30 Collective bargaining agreements	Luka Koper, d. d.	21.1.5 Share of employees in Luka Koper, d. d. and Luka Koper Group covered by collective bargaining agreement	p. 128	
<b>GRI 3: Material Topics 2021</b>					
GRI 3	3-1 Process to determine material topics	Luka Koper Group	17 The process of determining the material topics 17.1.1 Stakeholders of Luka Koper	p. 96 p. 96	
GRI 3	3-2 List of material topics	Luka Koper Group	17 The process of determining the material topics 17.1.1 Stakeholders of Luka Koper 17.5 Materiality matrix and identified impacts	p. 96 p. 96 p. 100	
<b>MATERIAL TOPIC GRI 201: Economic Performance 2016</b>					
GRI 3	3-3 Management approach	Luka Koper Group	8.2 Stability and business performance 23 Social environment 24.1 Building relationships with suppliers 25 Sustainable relationship with customers	p. 59 p. 220 p. 223 p. 226	

GRI 201	201-1 Direct economic value generated and distributed	Luka Koper Group	10.3 Direct economic value generated and distributed 23.1 Distribution of donations and sponsorships in 2022 23.2 Distribution and amount of donations and sponsorships in years 2020 to 2022	p. 71 p. 221 p. 222		
GRI 201	201-2 Financial implications and other risks and opportunities due to climate change	Luka Koper, d. d.	22.8.7 Climate change, and related opportunities	p. 170		
GRI 201	201-3 Defined benefit plan obligations and other retirement plans	Luka Koper Group	21.1.11 Employee benefits	p. 130	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. However, some years ago we also joined voluntary supplementary pension insurance plans run by various pension fund managers to which the Company/Group pays a 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.
<b>MATERIAL TOPIC GRI 202: Market Presence 2016</b>						
GRI 3	3-3 Management approach	Luka Koper, d. d.	21.1 Employee management system	p. 124		
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. 130		
<b>MATERIAL TOPIC GRI 203: Indirect Economic Impacts 2016</b>						
GRI 3	3-3 Management approach	Luka Koper Group	8.2 Stability and business performance 23 Social environment 24.1 Building relationships with suppliers 25 Sustainable relationship with customers	p. 59 p. 220 p. 223 p. 226		
GRI 203	203-1 Infrastructure investments and services supported	Luka Koper Group	11 Investments in non-financial assets	p. 72		
GRI 203	203-2 Significant indirect economic impacts	Luka Koper, d. d.	8.3 Indirect impacts of operations of Luka Koper	p. 60		
<b>MATERIAL TOPIC GRI 204: Procurement Practices 2016</b>						
GRI 3	3-3 Management approach	Luka Koper, d. d.	24.1 Building relationships with suppliers 24.2.3 Assessing suppliers' environmental awareness	p. 223 p. 225		
GRI 204	204-1 Proportion of spending on local suppliers	Luka Koper, d. d.	24.2.1 Share of total value of purchases of Luka Koper, d. d. in 2022 by country 24.2.2 Share of total value of purchases by Luka Koper, d. d. in the Slovenian market in 2022 by statistical region	p. 224 p. 225	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	14.3.5 Fraud and corruption risks 19.3 Corruption and bribery	p. 86 p. 111	The data is not systematically arranged.	In 2022, a new post of Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer was systematised. At the end of 2022, the Supervisory Board approved the additional duties of the person who will also perform duties related to human rights.	An evaluation of the management approach is under preparation. It will be reported on comprehensively in the 2023 report.
GRI 205	205-1 Operations assessed for risks related to corruption	Luka Koper, d. d.	14.3.5 Fraud and corruption risks	p. 86	205-1a not covered.		The system is being established. The Company will report the indicator for 2023.
GRI 205	205-2 Communication and training about anti-corruption policies and procedures	Luka Koper Group	19.3 Corruption and bribery	p. 111	205-2c not covered.		Data is being prepared and will be reported for 2023.
GRI 205	205-3 Confirmed incidents of corruption and actions taken	Luka Koper Group	19.3 Corruption and bribery	p. 111			
MATERIAL TOPIC GRI 302: Energy 2016							
GRI 3	3-3 Management approach	Luka Koper, d. d.	22.3 Living in harmony with the environment 22.4 Policy on safety and health in the port and energy efficiency 22.5 Compliance with environmental protection requirements 22.6 Public communication 22.7 Environmental risk management and emergency response 22.8 Emissions/immission from services 22.11 Energy use and energy efficiency 22.11.1 Energy efficiency system	p. 146 p. 152  p. 152 p. 154 p. 158  p. 162 p. 194 p. 194			
GRI 302	302-1 Energy consumption within the organization	Luka Koper, d. d.	22.11.2 Consumption of energy sources	p. 195	Omitted reporting 302-1c ii, iii, iv.	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.	
GRI 302	302-2 Energy consumption outside of the organization	Luka Koper, d. d.	22.11.2 Consumption of energy sources	p. 195			
GRI 302	302-3 Energy intensity	Luka Koper, d. d.	22.11.2 Consumption of energy sources	p. 195			
GRI 302	302-4 Reduction of energy consumption	Luka Koper, d. d.	22.3.4 Realisation of environmental objectives in the period 2020-2022 22.11.3 Electricity consumption 22.11.4 Motor fuel consumption 22.11.5 Implementation of improvement programmes to reduce electricity and fuel consumption	p. 151  p. 197 p. 197 p. 198			

MATERIAL TOPIC GRI 303: Water and Effluents 2018				
GRI 3	3-3 Management approach	Luka Koper, d. d.	22.2 About the environmental management system 22.3 Living in harmony with the environment 22.4 Policy on safety and health in the port and energy efficiency 22.5 Compliance with environmental protection requirements 22.6 Public communication 22.7 Environmental risk management and emergency response 22.8.7 Climate change, and related opportunities 22.12 Drinking water and groundwater management 22.13 Wastewater management	p. 145 p. 146 p. 152 p. 152 p. 154 p. 158 p. 170 p. 200 p. 203
GRI 303	303-1 Interactions with water as a shared resource	Luka Koper, d. d.	22.8.7 Climate change, and related opportunities 22.12 Drinking water and groundwater management	p. 170 p. 200
GRI 303	303-2 Management of water discharge-related impacts	Luka Koper, d. d.	22.12 Drinking water and groundwater management 22.13 Wastewater management	p. 200 p. 203
GRI 303	303-3 Water withdrawal	Luka Koper, d. d.	22.12 Drinking water and groundwater management	p. 200
GRI 303	303-4 Water discharge	Luka Koper, d. d.	22.5.1. Compliance with environmental legislation 22.12 Drinking water and groundwater management 22.13 Wastewater management	p. 152 p. 200 p. 203
GRI 303	303-5 Water consumption	Luka Koper, d. d.	22.8.7 Climate change, and related opportunities 22.12 Drinking water and groundwater management	p. 170 p. 200
MATERIAL TOPIC GRI 304: Biodiversity 2016				
GRI 3	3-3 Management approach	Luka Koper, d. d.	22.3 Living in harmony with the environment 22.15 Biodiversity	p. 146 p. 206
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.	22.3 Living in harmony with the environment 22.15 Biodiversity	p. 146 p. 206
GRI 304	304-2 Significant impacts of activities, products, and services on biodiversity	Luka Koper, d. d.	22.3 Living in harmony with the environment 22.15 Biodiversity	p. 146 p. 206
GRI 304	304-3 Habitats protected or restored	Luka Koper, d. d.	22.3 Living in harmony with the environment 22.15 Biodiversity	p. 146 p. 206
GRI 304	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Luka Koper, d. d.	22.3 Living in harmony with the environment 22.15 Biodiversity	p. 146 p. 206
MATERIAL TOPIC GRI 305: Emissions 2016				
GRI 3	3-3 Management approach	Luka Koper, d. d.	22.2 About the environmental management system 22.3 Living in harmony with the environment 22.4 Policy on safety and health in the port and energy efficiency 22.5 Compliance with environmental protection requirements 22.6 Public communication 22.7 Environmental risk management and emergency response 22.8 Emissions/immission from services 22.11 Energy use and energy efficiency	p. 145 p. 146 p. 152 p. 152 p. 154 p. 158 p. 162 p. 194

GRI 305	305-1 Direct (Scope 1) GHG emissions	Luka Koper, d. d.	22.8.8 Results of greenhouse gas emissions measurements	p. 173	
GRI 305	305-2 Energy indirect (Scope 2) GHG emissions	Luka Koper, d. d.	22.8.8 Results of greenhouse gas emissions measurements	p. 173	
GRI 305	305-3 Other indirect (Scope 3) GHG emissions	Luka Koper, d. d.	22.8.8 Results of greenhouse gas emissions measurements	p. 173	
GRI 305	305-6 Emissions of ozone-depleting substances (ODS)	Luka Koper, d. d.	22.8.8 Results of greenhouse gas emissions measurements	p. 173	Everything is converted to CO <sub>2</sub> equivalents, so that all contributions can be added up, which is why we did not perform the conversion in CFC-11.
GRI 305	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Luka Koper, d. d.	22.8.9 Volatile compound emissions measurement	p. 176	
GRI 305	Air	Luka Koper, d. d.	22.8.2 Total dust in the port 22.8.3 Concentrations of harmful particulate matter 22.8.4 Emissions of substances at key sources	p. 162 p. 163 p. 168	
GRI 305	Noise emissions	Luka Koper, d. d.	22.10 Noise emissions	p. 187	
GRI 305	Light pollution	Luka Koper, d. d.	22.14 Light pollution	p. 205	
<b>MATERIAL TOPIC GRI 306: Waste 2020</b>					
GRI 3	3-3 Management approach	Luka Koper, d. d.	22.2 About the environmental management system 22.3 Living in harmony with the environment 22.4 Policy on safety and health in the port and energy efficiency 22.5 Compliance with environmental protection requirements 22.6 Public communication 22.7 Environmental risk management and emergency response 22.9 Waste management	p. 145 p. 146 p. 152 p. 152 p. 154 p. 158 p. 178	
GRI 306	306-1 Waste generation and significant waste-related impacts	Luka Koper, d. d.	22.7 Environmental risk management and emergency response 22.7.1 Statistics for environmental incidents from 2020 to 2022 22.9 Waste management 22.9.2 Implementation of waste management improvement programmes 22.16 Sea water protection 22.16.1 Statistics for interventions at sea	p. 158 p. 159 p. 178 p. 186 p. 209 p. 211	
GRI 306	306-2 Management of significant waste-related impacts	Luka Koper, d. d.	22.7 Environmental risk management and emergency response 22.7.1 Statistics for environmental incidents from 2020 to 2022 22.9.1 Results in waste management 22.9.2 Implementation of waste management improvement programmes 22.16 Sea water protection 22.16.1 Statistics for interventions at sea	p. 158 p. 159 p. 179 p. 186 p. 209 p. 211	



GRI 306	306-3 Waste generated	Luka Koper, d. d.	22.9.1 Results in waste management	p. 179
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GRI 306	306-4 Waste diverted from disposal	Luka Koper, d. d.	22.9 Waste management 22.9.1 Results in waste management	p. 178 p. 179
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GRI 306	306-5 Waste directed to disposal	Luka Koper, d. d.	22.9 Waste management 22.9.1 Results in waste management	p. 178 p. 179
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#### MATERIAL TOPIC GRI 308 Supplier environmental assessment 2016

GRI 3	3-3 Management approach	Luka Koper, d. d.	24.1 Building relationships with suppliers 24.2.3 Assessing suppliers' environmental awareness	p. 223 p. 225
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GRI 308	308-2 Negative environmental impacts in the supply chain and actions taken	Luka Koper, d. d.	24.2.3 Assessing suppliers' environmental awareness	p. 225
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#### MATERIAL TOPIC GRI 401 Employment 2016

GRI 3	3-3 Management approach	Luka Koper, d. d.	21.1 Employee management system	p. 124
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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 21.1.8 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by age groups 21.1.9 Recruitment and departures in Luka Koper, d. d., and the Luka Koper Group by region of residence 21.1.10 Comparison of new employee hires, contract termination and fluctuation rate	p. 129 p. 129 p. 130 p. 130
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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. 130
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GRI 401	401-3 Parental leave	Luka Koper, d. d.	21.1.12 Number of Luka Koper, d. d. employees who took parental leave and returned to their workplace by gender	p. 132
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#### MATERIAL TOPIC GRI 403: Occupational Health and Safety 2018

GRI 3	3-3 Management approach	Luka Koper, d. d.	20.1 Occupational safety and health system 20.2.3 Hazard identification, risk assessment, and incident investigation 20.3 Occupational safety and health objectives	p. 114 p. 115 p. 117
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GRI 403	403-1 Occupational health and safety management system	Luka Koper, d. d.	20.1 Occupational safety and health system 20.2.2 Workers covered by an occupational health and safety management system	p. 114 p. 115
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GRI 403	403-2 Hazard identification, risk assessment, and incident investigation	Luka Koper, d. d.	20.2.3 Hazard identification, risk assessment, and incident investigation	p. 115
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GRI 403	403-3 Occupational health services	Luka Koper, d. d.	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health	p. 116
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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. 117
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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. 116
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GRI 403	403-6 Promotion of worker health	Luka Koper, d. d.	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health 20.8 Health promotion	p. 116 p. 122			
GRI 403	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Luka Koper, d. d.	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health 20.6 Loss events 20.7 Summary of major activities performed in the area of occupational health and safety in 2022	p. 116 p. 120 p. 121			
GRI 403	403-8 Workers covered by an occupational health and safety management system	Luka Koper, d. d.	20.2.2 Workers covered by an occupational health and safety management system	p. 115			
GRI 403	403-9 Work-related injuries	Luka Koper, d. d.	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 major activities performed in the area of occupational health and safety in 2022 20.9 Planned occupational health and safety activities in 2023	p. 115 p. 117 p. 118 p. 121 p. 123			
GRI 403	403-10 Work-related ill health	Luka Koper, d. d.	20.2.4 Implementation of health measures and prevention or mitigation of negative effects on health	p. 116			
<b>MATERIAL TOPIC GRI 404 Training and education 2016</b>							
GRI 3	3-3 Management approach	Luka Koper, d. d.	21.1 Employee management system 21.2.1 Employee training system	p. 124 p. 134			
GRI 404	404-1 Average hours of training per year per employee	Luka Koper, d. d.	21.2.1 Employee training system	p. 134			
GRI 404	404-2 Programs for upgrading employee skills and transition assistance programs	Luka Koper, d. d.	21.2.2 Introduced programmes	p. 135			
GRI 404	404-3 Percentage of employees receiving regular performance and career development reviews	Luka Koper, d. d.	21.2.3 Promotion and internal mobility of employees	p. 136			
<b>MATERIAL TOPIC GRI 405 Diversity and Equal Opportunity 2016</b>							
GRI 3	3-3 Management approach	Luka Koper, d. d.	19.4 Diversity policy	p. 112	The data is not systematically arranged.	In 2022, a new post of Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer was systematised. At the end of 2022, the Supervisory Board approved the additional duties of the person who will also perform duties related to human rights.	An evaluation of the management approach is under preparation. It will be reported on comprehensively in the 2023 report.

GRI 405	405-1 Diversity of governance bodies and employees	Luka Koper, d. d.	4.5 Supervisory Board of Luka Koper, d. d.	p. 31
			4.6 Management Board of Luka Koper d. d.	p. 35
			4.6.2 Presentation of members of the Management Board of Luka Koper, d. d. as at 31 December 2022	p. 36
			21.1.14 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by job category	p. 132
			21.1.15 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by gender	p. 133
			21.1.16 Diversity of employees in Luka Koper, d. d., and the Luka Koper Group by age groups	p. 133

#### MATERIAL TOPIC GRI 406 Non-discrimination 2016

GRI 3	3-3 Management approach	Luka Koper, d. d.	19.2 Human rights and discrimination	p. 108	The data is not systematically arranged.	In 2022, a new post of Corporate Integrity and Operations Compliance, Personal Data Protection and Human Rights Officer was systematised. At the end of 2022, the Supervisory Board approved the additional duties of the person who will also perform duties related to human rights.	An evaluation of the management approach is under preparation. It will be reported on comprehensively in the 2023 report.
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GRI 406	406-1 Incidents of discrimination and corrective actions taken	Luka Koper, d. d.	19.2 Human rights and discrimination	p. 108
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#### MATERIAL TOPIC GRI 413: Local Communities 2016

GRI 3	3-3 Management approach	Luka Koper, d. d.	18.1 Sustainable development strategy	p. 103
			23 Social environment	p. 220

RI 413	413-1 Operations with local community engagement, impact assessments, and development programs	Luka Koper, d. d.	7.5 Activities of the Luka Koper Group	p. 55
			8.3 Indirect impacts of operations of Luka Koper	p. 60
			22.6. Public communication	p. 154
			22.6.3 Registered and processed environmental complaints	p. 155
			22.10.1 Noise emission results	p. 188
			22.10.2 Implementation of noise reduction improvement programmes in 2022	p. 191
			22.10.3 Noise control improvement programmes scheduled for 2023	p. 193
			22.16.1 Statistics for interventions at sea	p. 211
			23 Social environment	p. 220
			23.1 Distribution of donations and sponsorships in 2022	p. 221
			23.2 Distribution and amount of donations and sponsorships in years 2020 to 2022	p. 222

GRI 413	413-2 Operations with significant actual and potential negative impacts on local communities	Luka Koper, d. d.	22.10.1 Noise emission results	p. 188
			22.10.2 Implementation of noise reduction improvement programmes in 2022	p. 191
			22.10.3 Noise control improvement programmes scheduled for 2023	p. 193
			23 Social environment	p. 220

MATERIAL TOPIC GRI 414 Supplier social assessment 2016				
GRI 3	3-3 Management approach	Luka Koper, d. d.	24.1 Building relationships with suppliers	p. 223
			24.2.3 Assessing suppliers' environmental awareness	p. 225
GRI 414	414-2 Negative social impacts in the supply chain and actions taken	Luka Koper, d. d.	24.2.3 Assessing suppliers' environmental awareness	p. 225

# 3

## FINANCIAL STATEMENTS



## 27 Financial statements of Luka Koper, d. d. and Luka Koper Group

### 27.1 Income Statement

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	2022	2021	2022	2021
Net sales	1	310,196,680	224,990,379	313,462,636	228,444,062
Capitalised own products and services	2	77,600	76,042	77,611	76,042
Other income	3	2,338,538	2,941,895	4,265,615	4,691,557
Cost of materials	4	-22,796,898	-15,999,667	-23,204,563	-16,355,259
Cost of services	5	-74,316,012	-61,823,212	-69,329,678	-58,465,253
Cost of labour	6	-93,577,828	-80,154,423	-101,241,289	-86,970,246
Depreciation	7	-30,799,846	-29,087,193	-31,487,994	-29,824,461
Other expenses	8	-9,392,711	-10,198,377	-9,427,804	-10,250,174
<b>Operating profit</b>		<b>81,729,523</b>	<b>30,745,444</b>	<b>83,114,534</b>	<b>31,346,268</b>
Finance income		6,349,703	4,898,610	3,867,468	3,470,537
Finance expenses		-1,244,790	-273,258	-764,667	-275,496
<b>Profit from financing activity</b>	<b>9</b>	<b>5,104,913</b>	<b>4,625,352</b>	<b>3,102,801</b>	<b>3,195,041</b>
Profit of associates		0	0	1,734,285	2,793,285
<b>Profit before taxes</b>		<b>86,834,436</b>	<b>35,370,796</b>	<b>87,951,620</b>	<b>37,334,594</b>
Income tax	10	-13,377,322	-5,159,085	-13,471,233	-5,232,125
Deferred taxes	10	-190,887	-291,381	-254,308	-308,942
<b>Net profit from continuing operations</b>		<b>73,266,227</b>	<b>29,920,330</b>	<b>74,226,079</b>	<b>31,793,528</b>
Net loss from discontinued operations		0	0	-66,280	0
<b>Net profit for the period</b>		<b>73,266,227</b>	<b>29,920,330</b>	<b>74,159,799</b>	<b>31,793,528</b>
<b>Net profit for the period attributable to the parent/controlling company</b>		<b>0</b>	<b>0</b>	<b>74,112,143</b>	<b>31,760,565</b>
<b>Net profit for the period attributable to non-controlling interests</b>		<b>0</b>	<b>0</b>	<b>47,656</b>	<b>32,963</b>
<b>Net earnings per share</b>	<b>11</b>	<b>5.23</b>	<b>2.14</b>	<b>5.29</b>	<b>2.27</b>

Notes to the Financial Statements form an integral part of the Financial Statements and should be read in conjunction with these.



## 27.2 Statement of other comprehensive income

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	2022	2021	2022	2021
<b>Net profit for the period</b>		<b>73,266,227</b>	<b>29,920,330</b>	<b>74,159,799</b>	<b>31,793,528</b>
Actuarial gains/losses from post-employment benefits	25	174,977	34,869	132,137	104,021
Deferred tax on actuarial gains or losses	19	-20,002	-7,652	-17,848	-14,953
Change in revaluation surplus of financial assets measured at fair value through equity	18	-11,619,416	11,404,384	-11,773,348	11,589,103
Deferred tax on revaluation of financial assets measured at fair value through equity	19	2,207,689	-2,166,832	2,236,936	-2,201,930
<b>Items not to be reclassified into profit/loss in future periods</b>		<b>-9,256,752</b>	<b>9,264,769</b>	<b>-9,422,123</b>	<b>9,476,241</b>
<b>Total comprehensive income for the period</b>		<b>64,009,474</b>	<b>39,185,099</b>	<b>64,737,676</b>	<b>41,269,769</b>
<b>Total comprehensive income attributable to owners of the company</b>		<b>64,009,474</b>	<b>39,185,099</b>	<b>64,690,020</b>	<b>41,236,806</b>
<b>Total comprehensive income of non-controlling interests</b>		<b>0</b>	<b>0</b>	<b>47,656</b>	<b>32,963</b>

In 2021, the Company/Group started the procedure of the orderly liquidation of Luka Koper Pristan, d.o.o. - in liquidation and successfully completed it with the company's removal from the companies register in December 2022. The discontinued operations had no impact on the Statement of Other Comprehensive Income in the 2022 financial year, and the Company/Group does not recognise the impact in the Statement of Other Comprehensive Income.



## 27.3 Statement of financial position

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
<b>ASSETS</b>					
Property, plant and equipment	12	446,106,451	425,978,241	457,645,315	438,877,277
Investment property	13	23,467,367	23,975,120	15,324,069	15,530,234
Intangible assets	14	870,086	1,250,530	942,603	1,372,176
Other assets	15	216,640	9,650,187	216,640	9,650,187
Shares and interests in Group companies	16	4,048,063	4,048,063	0	0
Shares and interests in associates	17	6,737,709	6,737,709	16,361,004	15,784,793
Other non-current investments	18	45,758,319	56,587,335	48,989,127	59,972,076
Deposits and loans given		0	1,717	5,557	7,260
Non-current operating receivables		39,991	39,991	39,991	39,991
Deferred tax assets	19	5,120,112	3,123,312	5,104,155	3,139,376
<b>Non-current assets</b>		<b>532,364,738</b>	<b>531,392,205</b>	<b>544,628,461</b>	<b>544,373,370</b>
Assets (disposal groups) held for sale	20	0	485,000	0	340,807
Inventories	21	1,596,208	1,422,438	1,596,208	1,422,438
Deposits and loans given		1,717	1,619	1,717	1,619
Trade and other receivables and other assets	22	59,622,532	46,773,388	60,178,626	47,326,339
Cash and cash equivalents	23	69,095,661	16,342,426	94,749,216	40,638,685
<b>Current assets</b>		<b>130,316,118</b>	<b>65,024,871</b>	<b>156,525,767</b>	<b>89,729,888</b>
<b>TOTAL ASSETS</b>		<b>662,680,856</b>	<b>596,417,076</b>	<b>701,154,228</b>	<b>634,103,258</b>
<b>EQUITY AND LIABILITIES</b>					
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		261,540,812	224,907,699	261,540,812	224,907,699
Reserves arising from valuation at fair value		20,471,436	29,692,618	20,670,418	30,036,801
Retained earnings		50,229,864	29,592,320	85,232,746	63,769,456
<b>Equity attributable to owners of the controlling company</b>		<b>480,225,780</b>	<b>432,176,305</b>	<b>515,427,644</b>	<b>466,697,624</b>
<b>Non-controlling interests</b>		<b>0</b>	<b>0</b>	<b>304,525</b>	<b>267,704</b>
<b>Total equity</b>	<b>24</b>	<b>480,225,780</b>	<b>432,176,305</b>	<b>515,732,169</b>	<b>466,965,328</b>
Provisions	25	20,348,498	19,150,740	21,037,710	19,754,689
Deferred income	26	31,277,675	28,878,641	32,406,391	30,137,376
Non-current loans and borrowings	27	54,315,463	60,688,522	54,315,463	60,688,522
Other non-current financial liabilities		741,361	967,048	698,507	967,241
Non-current operating liabilities	28	1,105,802	106,025	1,145,239	143,693
<b>Non-current liabilities</b>		<b>107,788,799</b>	<b>109,790,976</b>	<b>109,603,310</b>	<b>111,691,521</b>
Liabilities (disposal groups) held for sale		0	0	0	40,984
Current loans and borrowings	29	8,336,093	10,521,175	8,336,093	10,521,175
Other current financial liabilities		408,276	468,582	330,026	428,514
Income tax liabilities		9,842,953	3,130,837	9,866,267	3,130,790
Trade and other payables	30	56,078,955	40,329,201	57,286,363	41,324,946
<b>Current liabilities</b>		<b>74,666,277</b>	<b>54,449,795</b>	<b>75,818,749</b>	<b>55,446,409</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>662,680,856</b>	<b>596,417,076</b>	<b>701,154,228</b>	<b>634,103,258</b>

## 27.4 Statement of Cash Flows

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Net profit for the period</b>	<b>73,266,227</b>	<b>29,920,330</b>	<b>74,159,799</b>	<b>31,793,528</b>
<b>Adjustments for:</b>				
Depreciation	30,799,846	29,087,193	31,487,994	29,824,461
Reversal and impairment losses on property, plant and equipment, and intangible assets	239,986	1,469,401	240,144	1,469,597
Gain on sale of property, plant and equipment, and investment property	-675,055	-1,104,899	-821,416	-1,105,202
Allowances for receivables	370,406	619,269	379,672	640,782
Collected impaired receivables and written-off liabilities	-395,150	-232,000	-409,644	-244,899
Reversal of provisions	-2,975	-490,646	-2,975	-534,656
Finance income	-6,349,703	-4,898,610	-3,867,468	-3,470,537
Finance expenses	1,244,790	273,258	764,667	275,496
Recognised result of subsidiaries under equity method	0	0	-1,734,285	-2,793,285
Income tax expense and income (expenses) from deferred taxes	13,568,209	5,450,466	13,725,541	5,541,067
<b>Profit before change in net current operating assets and taxes</b>	<b>112,066,581</b>	<b>60,093,762</b>	<b>113,922,029</b>	<b>61,396,351</b>
Change in other assets	9,433,547	-8,561,043	9,433,547	-8,561,043
Change in operating receivables	-12,852,528	-5,995,264	-13,146,786	-6,101,516
Change in inventories	-150,837	-59,670	-150,837	-59,669
Change in assets (disposal groups) held for sale	0	-485,000	340,807	-340,807
Change in liabilities (disposal groups) held for sale	0	0	40,984	40,984
Change in shares and interests in Group companies	0	485,000	0	0
Change in operating liabilities	12,636,012	9,097,893	12,880,018	9,234,867
Change in provisions	1,438,552	2,437,223	1,486,178	2,457,186
Change in non-current deferred income	2,399,034	4,725,335	2,269,015	4,600,212
<b>Cash generated in operating activities</b>	<b>124,970,361</b>	<b>61,738,236</b>	<b>127,074,955</b>	<b>62,666,565</b>
Interest expenses	-485,214	-282,361	-490,091	-284,599
Tax expenses	-6,665,206	-1,142,469	-6,735,756	-1,217,739
<b>Net cash flows from operating activities</b>	<b>117,819,941</b>	<b>60,313,406</b>	<b>119,849,108</b>	<b>61,164,227</b>
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>				
Interest received	175,991	252,498	191,362	260,738
Dividends received and profit sharing – subsidiaries	202,983	308,723	0	0
Dividends received and profit sharing – associates	1,158,075	1,177,179	1,158,075	1,177,179
Dividends received and profit sharing – other companies	2,524,888	2,200,407	2,580,434	2,249,996
Proceeds from sale of property, plant and equipment, and intangible assets	1,813,165	1,173,553	1,959,445	1,362,753
Proceeds from sale of investment property	2,886	199,266	2,886	10,573
Proceeds from sale, less investments and loans given	1,619	1,824	1,619	72,987
Acquisition of property, plant and equipment, and intangible assets	-46,043,710	-59,486,450	-46,701,498	-59,783,453
<b>Net cash flows from investing activities</b>	<b>-40,164,103</b>	<b>-54,173,000</b>	<b>-40,807,677</b>	<b>-54,649,227</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from non-current borrowings	36,100,000	0	36,100,000	0
Repayment of non-current borrowings	-12,250,000	0	-12,250,000	0
Repayment of current borrowings	-32,408,143	-10,521,175	-32,408,143	-10,521,175
Lease payments expense	-384,460	-368,275	-412,757	-416,562
Dividends paid	-15,960,000	-15,960,000	-15,960,000	-15,960,000
<b>Net cash flows from financing activities</b>	<b>-24,902,603</b>	<b>-26,849,450</b>	<b>-24,930,900</b>	<b>-26,897,737</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>52,753,235</b>	<b>-20,709,044</b>	<b>54,110,531</b>	<b>-20,382,737</b>
Opening balance of cash and cash equivalents	16,342,426	37,051,470	40,638,685	61,021,421
<b>Closing balance of cash and cash equivalents</b>	<b>69,095,661</b>	<b>16,342,426</b>	<b>94,749,216</b>	<b>40,638,685</b>

## 27.5 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	
<b>Balance at 31 December 2020</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>30,637,829</b>	<b>22,023,006</b>	<b>-1,640,830</b>	<b>386,889,959</b>
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000
<b>Changes in equity – transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>
Net profit or loss for the period	0	0	0	0	29,920,330	0	0	29,920,330
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	9,237,552	0	9,237,552
Change in actuarial gains/losses, less tax	0	0	0	0	0	0	27,217	27,217
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>29,920,330</b>	<b>9,237,552</b>	<b>27,217</b>	<b>39,185,099</b>
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	14,960,165	-14,960,165	0	0	0
Other movements within equity	0	0	0	0	-45,675	0	45,675	0
<b>Movements within equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,960,165</b>	<b>-15,005,840</b>	<b>0</b>	<b>45,675</b>	<b>0</b>
<b>Balance at 31 December 2021</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>206,142,584</b>	<b>29,592,319</b>	<b>31,260,558</b>	<b>-1,567,938</b>	<b>432,176,305</b>
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000
<b>Changes in equity – transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>
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
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>73,266,227</b>	<b>-9,411,727</b>	<b>154,974</b>	<b>64,009,474</b>
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
<b>Movements within equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,633,113</b>	<b>-36,668,682</b>	<b>0</b>	<b>35,569</b>	<b>0</b>
<b>Balance at 31 December 2022</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>242,775,697</b>	<b>50,229,864</b>	<b>21,848,831</b>	<b>-1,377,395</b>	<b>480,225,780</b>

## 27.6 Statement of Group Equity

(in EUR)	Share capital	Share premium	Legal reserves	Other revenue reserves	Retained earnings	Reserves arising from valuation at fair value		Total equity attributable to owners of controlling shares	Equity of non-controlling interests	Total equity
						Investments	Actuarial gains and losses			
<b>Balance at 31 December 2020</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>62,982,776</b>	<b>22,382,100</b>	<b>-1,874,915</b>	<b>441,421,164</b>	<b>239,522</b>	<b>441,660,686</b>
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000	-4,780	-15,964,780
<b>Changes in equity – transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>-4,780</b>	<b>-15,964,780</b>
Net profit or loss for the period	0	0	0	0	31,760,565	0	0	31,760,565	32,963	31,793,528
Change in revaluation surplus of financial assets, less tax	0	0	0	0	0	9,387,173	0	9,387,173	0	9,387,173
Change in actuarial gains/losses, less tax	0	0	0	0	0	0	89,068	89,068	0	89,068
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,760,565</b>	<b>9,387,173</b>	<b>89,068</b>	<b>41,236,806</b>	<b>32,963</b>	<b>41,269,769</b>
Other movements within equity	0	0	0	0	-53,375	0	53,375	0	0	0
<b>Movements within equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-53,375</b>	<b>0</b>	<b>53,375</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other changes in equity	0	0	0	0	-346	0	0	-346	0	-346
Other changes	0	0	0	0	-346	0	0	-346	0	-346
<b>Balance at 31 December 2021</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>191,182,419</b>	<b>78,729,620</b>	<b>31,769,273</b>	<b>-1,732,471</b>	<b>466,697,623</b>	<b>267,705</b>	<b>466,965,328</b>
Dividends paid	0	0	0	0	-15,960,000	0	0	-15,960,000	-10,835	-15,970,835
<b>Changes in equity – transactions with owners</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>0</b>	<b>0</b>	<b>-15,960,000</b>	<b>-10,835</b>	<b>-15,970,835</b>
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
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>74,112,143</b>	<b>-9,536,412</b>	<b>114,289</b>	<b>64,690,020</b>	<b>47,656</b>	<b>64,737,676</b>
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
<b>Movements within equity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,633,113</b>	<b>-36,688,852</b>	<b>0</b>	<b>55,739</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Balance at 31 December 2022</b>	<b>58,420,965</b>	<b>89,562,703</b>	<b>18,765,115</b>	<b>242,775,697</b>	<b>85,232,746</b>	<b>22,232,861</b>	<b>-1,562,443</b>	<b>515,427,644</b>	<b>304,525</b>	<b>515,732,169</b>

## 28 Notes to Financial Statements

### 28.1 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 2022 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%
- Luka Koper Pristan, d. o. o., – in liquidation, 100% (income statement up to 31 Aug 2022)
- 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%
- Adriaфин, d. o. o., 50%
- Avtoservis, d. o. o., 49%

Companies excluded from the consolidated financial statements as at 31 December 2022:

- 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 879,080 at 31 December 2022. Net sales for the business year amounted to EUR 105,319 (Adria Investicije, d. o. o.: EUR 84,028, and Logis-Nova, d. o. o.: EUR 21,291). 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.

#### 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 28 March 2023.

## Bases for measurement

Financial statements of the Company and the Group have been prepared on a going concern basis, because the Company/Group has operated with profit in the past and had immediate access to liquid assets.

Due to the war in Ukraine, the geopolitical situation have worsened sharply and continued to affect the economic developments in 2022. The consequences directly affected the increase in the price of energy products and raw materials, which the management monitors and reacts to in order to ensure the smooth operation of the Company/Group.

The statements have been prepared on the historical cost basis, except for investments, which were measured at fair value. Methods applied for fair value measurement are clarified in the note 33: 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.

## Estimates and judgements are used primarily with the following accounting items:

### Assessing the impairment of property, plant and equipment (Notes 12 and 13, and policy 29.1.2)

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 (significant technological changes, market changes, obsolescence or physical wear and tear of individual property, plant and equipment) of possible impairment. If such indication exists, the Company/Group is required to evaluate the recoverable value of the asset. Any asset is subject to impairment if its carrying amount exceeds its recoverable value. The recoverable value is the higher of the following two items: its fair value less selling expenses or its value in use.

### Assessing the formation of provisions for legal disputes (Notes 25 and 32, and policy 29.1.12)

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 useful lives of assets (Notes 12 and 14, and policies 29.1.2 and 29.1.3)

While assessing the useful lives of assets, the Company/Group considers the expected physical wear and economic and technical ageing. In this relation, the Company/Group regularly verifies the useful lives with significant assets and, in case of changed circumstances, the Company/Group changes the useful life and consequently changes the depreciation rate.

### **Assessing the adequacy of revenue recognition in contracts with customers (Note 1 and policy 29.1.22)**

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, and for hospitality and accommodation services by days and services rendered.

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 Impairment of financial instruments and non-financial assets**

Information on significant estimates about uncertainty and critical judgement drawn up by the management in applying accounting policies that has the most significant effect on the amounts recognised in the financial statements, was applied in the assessment of:

- Value of property, plant and equipment (Note 12),
- Value of investment property (Note 13),
- Valuation of investments in subsidiaries (the controlling company only), associates and other companies (Notes 16, 17 and 18), and
- Recognition of deferred tax assets (Note 19).

### **Assessing the possibility of using receivables for deferred taxes (Note 19 and policy 29.1.20)**

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,
- Differences arising on revaluation of available for sale investments,
- 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 applied for calculating deductible temporary differences is 19 percent, which is also the general tax rate for corporate income tax.

Deferred tax liabilities are recognised for temporary taxable differences arising on revaluation of other investments at fair value through equity (at fair value directly through equity) to a higher value, whereas deferred tax assets are recognised on revaluation of other investments to a lower value.

At the reporting date, the amount of deferred tax assets or liabilities is reassessed. If the company/Group does not have sufficient available taxable profits, the amount of deferred tax assets is reduced accordingly.

### **Assessment of provisions formed for retirement benefits and jubilee premiums (Note 25 and policy 29.1.12)**

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.



## 29 Summary of significant accounting policies and disclosures

### 29.1 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.

#### 29.1.1 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.

#### 29.1.2 Property, plant and equipment

The Company/Group applies the cost model in measuring the value of property, plant and equipment. Under the cost model, an item of property, plant and equipment is carried at its cost less accumulated depreciation and accumulated impairment losses. The manner and methods used in the valuation of assets due to impairment are described in Chapter 29.1.25.1 Impairment of property, plant and equipment. The cost of an item of property, plant and equipment is equal to the monetary price on the date of the asset's recognition.

Important parts of property, plant and equipment (buildings, storage and handling areas and handling equipment) with different useful lives are treated as individual assets that are depreciated during the estimated useful life.

Land is accounted for separately and is not subject to depreciation.

##### 29.1.2.1 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.

##### 29.1.2.2 Subsequent expenditure

Subsequent expenditure incurred to replace a component of an item of property, plant and equipment replaces its cost under the recognition principle. The replaced component is no longer subject to recognition. Other subsequent expenditure is capitalised only when it could potentially increase the future economic benefits embodied in the item of property, plant and equipment. All other expenditure is expensed when incurred.

### 29.1.2.3 Depreciation

In each period, depreciation charge is recognised in the income statement. An asset is subject to depreciation 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. The depreciation method used is reassessed at the end of each financial year. Land, assets being acquired, 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	2022	2021
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

### 29.1.2.4 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 profit or losses resulting from disposal of individual item of property, plant and equipment is determined as the differences between the revenue from disposal and the carrying amount and are included in profit or loss.

### 29.1.2.5 Investment property

Investment properties are held to bring rent and/or increase the value of the non-current investment. Investment property is measured 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	2022	2021
Buildings	16.67–66.67 years	16.67–66.67 years

### 29.1.2.6 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).

The Company/Group examines and analyses all lease contracts. 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.

Based on an analyses, the Company/Group estimates the values of the rights to use assets and lease liability. Estimations were 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.

### 29.1.3 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.

#### 29.1.3.1 Amortization

Amortization 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 final 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 amortization period and amortization method for an intangible asset with finite useful life is reviewed at least at each financial year-end. If the asset's expected useful life differs significantly from previous estimates, the amortization 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	2022	2021
Non-current property rights	3–10 years	3–10 years
Development costs	10 years	10 years

### 29.1.4 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 measured 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.

### 29.1.5 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 shares as financial instruments 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, gains or losses are recognised 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.

### **29.1.6 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.

### **29.1.7 Loans and receivables**

Loans and receivables are recognised by the Company/Group as at the settlement date and measured at amortised cost using the effective interest rate method. All advances given are secured by bank guarantees provided to the Company/Group by the supplier.

#### **29.1.7.1 Trade receivables**

In books of account, the Company/Group carries non-current and current receivables separately. 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 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 past due interest receivables 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 per cent). 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.

Impairment losses are charged to other operating expenses associated with receivables.

### **29.1.8 Assets held for sale**

Assets held for sale are assets for which the carrying amount will be recovered through sale rather than through continuing use. The sale of these assets must be highly probable and predicted over the next 12 months. The sale is very likely in the event that the Company/Group receives a binding offer to purchase the assets from the buyer.

Assets are reclassified to assets held for sale measured at the lower of the assets carrying amount and fair value less costs to sell. Assets classified as held for sale are not depreciated.

### **29.1.9 Cash**

Cash and cash equivalents of the company or the Group include cash on hand and sight deposits, bank deposits redeemable at notice or deposits with maturities of up to three months.

### **29.1.10 Inventories**

Inventories are measured 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.

## 29.1.11 Equity

### 29.1.11.1 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 2022, the nominal value of a share was EUR 4.17.

### 29.1.11.2 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.

### 29.1.11.3 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.

### 29.1.11.4 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.

### 29.1.11.5 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.

### 29.1.11.6 Authorised capital

At 31 December 2022, the Company/Group had no authorised capital.

## 29.1.12 Provisions

### 29.1.12.1 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.

### 29.1.12.2 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 2022, 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 2022, 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 2022. 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 2022 pursuant to Article 27 and 3rd indent of Article 28 Paragraph 1 of Pension and Disability Insurance Act (ZPIZ-2).
- For the 2023 and 2024 calculations, we used average salary increase rates for the Republic of Slovenia as outlined in the December forecast of the Bank of Slovenia published in December 2022. As of 2025, average salaries in Slovenia are expected to increase annually due to inflation (IMF, October 2022) and by 1.0% due to real growth. The calculation of the average gross salary in the Republic of Slovenia is based on the average gross salary from January to December 2019, increased by growth of 5.8% in 2020, of 6.1% in 2021 and of 4.3% in 2022 (trends in years 2020 to 2022 are not taken into account due to the epidemic), as they are aligned with the actuarial assumptions about 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 the period from November 2021 to October 2022 is taken into account.
- The following is taken into account: increase in basic salaries in line with annual inflation but no more than the average projected salary increase in the Republic of Slovenia; basic gross salary growth due to promotions at 0.5% p.a.; bonus for total years of service at 0.5% of the basic salary for each full year of service. With regard to three individual contracts, the bonus for total years in service does not apply. Accordingly, the nominal monthly salary growth rate – in view of inflation and actual growth – would be 6.4% next year, 4.0% in 2024, 2.9% in 2025, 2.7% in 2026, and 2.4% from 2027 onwards.
- The discount rate for the calculation as at 31 December 2022 is set at 3.9% based on the yield of high-quality corporate bonds (AA rating) as at 31 December 2022 denominated in EUR, and by interpolation with respect to the average weighted duration of the Company's commitments (according to the calculated amount of pre-discount commitments) from the balance sheet date to payments by individual type of earnings (14.4 years).

### 29.1.13 Non-current deferred income

Non-current deferred income is recognised if over a period exceeding one year, it covers the anticipated expenses.

The Company/Group forms non-current deferred income for regular maintenance of port infrastructure. Non-current deferred income for maintenance is formed if costs of the public utility service of regularly maintaining the port infrastructure are formed up to the amount that corresponds to the amount of revenues from port dues. In the event of costs exceeding revenues from port dues, non-current deferred income is derecognised in the amount of the surplus.

#### 29.1.14 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.

#### 29.1.15 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 (ZPFOLERD-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 ordinary 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 4 percent of the controlling company's operating income and are a constituent part thereof. The amount of port dues is defined by Luka Koper, d. d. in agreement with the government. The remaining 96 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.

#### **29.1.16 Public utility services of collecting waste from vessels in the Koper port area**

Public utility services of collecting waste from vessels in the Koper port area are 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 RS, No. 59/2005), and the Decree on port reception facilities for ship-generated waste and cargo residues (Official Gazette of RS, 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.

#### **29.1.17 Financial liabilities**

On initial recognition, borrowings are carried 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.

#### **29.1.18 Operating liabilities**

Non-current operating liabilities recognised by the Company/Group include collaterals received for rented business premises and for the operation of the tax warehouse. Current trade payables and current payables to the state and employees are shown separately under current liabilities. Other operating liabilities include short-term deferred income and short-term accrued costs or expenses.

#### **29.1.19 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 2022, income tax liability was calculated at the rate of 19 percent.

### 29.1.20 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. Temporary differences are subdivided into taxable and deductible differences. Taxable temporary differences increased the taxable amounts and deferred tax liabilities. Deductible temporary differences decreased the taxable amounts and increased deferred tax assets.

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.

### 29.1.21 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.

### 29.1.22 Revenue

#### 29.1.22.1 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 the new 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/Group 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 and therefore does not recognise income and expense 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.

#### 29.1.22.2 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.

### 29.1.22.3 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.

### 29.1.23 Finance income and finance expenses

Finance income comprises interest income from loans, 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.

### 29.1.24 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.

### 29.1.25 Impairment of assets

#### 29.1.25.1 Impairment of non-financial assets

If there is any indication that an asset may be impaired, the asset's recoverable amount is assessed in accordance with IAS 36. When the asset's recoverable amount cannot be assessed, the Company/Group determines the recoverable amount of the cash-generating unit to which the asset belongs. Impairment loss is recognised in the income statement. Impairment losses should be reversed if the estimates used to determine the asset's recoverable amount have changed. Impairment loss is reversed up to the amount to which the increased book value of an asset does not exceed the book value that would have been established after deducting depreciation if impairment loss on the asset had not been recognised in previous years. The reversal of the impairment loss is recognised as revenue in profit or loss.

#### 29.1.25.2 Impairment of financial assets

On each reporting date, financial assets are tested for impairment using the criteria set out in the accounting manual in order to determine whether there is any objective evidence of financial asset's potential impairment. If such objective evidence exists, the Company/Group calculates the amount of impairment loss.

When the Company/Group determines that investments carried at amortised cost should be impaired, the amount of the loss is measured as the difference between the investment's carrying amount and the present value of expected future cash flows discounted at the original effective interest rate. The amount of impairment loss is recognised in profit or loss. When the reasons for impairment of an investment cease to exist, the reversal of the impairment of the investment carried at amortised cost is recognised in profit or loss.

When the Company/Group determines that investments in subsidiaries and associates carried at cost should be impaired, any impairment loss is recognised as financial expenditure in profit or loss as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows (or other assessed value) discounted at the current market rate of return for similar financial assets.

### **29.1.26 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 inclusive of items that will be reclassified to profit and loss at a future date and those that will never be reclassified to profit or loss in accordance with the provisions and requirements of other IFRSs.

### **29.1.27 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 2022 and 31 December 2021, as well as items in the income statement for the financial year then ended, inclusive of any necessary adjustments of the cash flow.

### **29.1.28 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.

### **29.1.29 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 33 'Financial instruments and financial risk management'.

#### **29.1.29.1 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 33: 'Financial instruments and financial risk management'.

### **29.1.30 Basis for consolidation**

#### **29.1.30.1 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.

#### **29.1.30.2 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 their share, the book value of the Group's share is reduced to zero, whereas the share in further losses is no longer recognised.

#### **29.1.30.3 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.

### **29.1.31 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.

#### 29.1.31.1 Adopted standards, amendments to standards and interpretations not yet effective

##### ■ **Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies –**

IAS 1 contains two amendments, i.e. the amendment related to the presentation of current and non-current liabilities and the amendment related to the disclosure of accounting policies. In January 2020, the IFRIC issued amendments to IAS 1, clarifying how an entity classifies financial liabilities as current or non-current in particular circumstances. The amendments clarify that classifying as current or non-current is based on whether the entity has the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' involves the transfer of cash, goods, services or equity instruments, unless the obligation to transfer equity instruments arises from a conversion option recognized separately from the liability as an equity component of a compound financial instrument. The amendments initially applied to annual reporting periods beginning on or after 1 January 2022, but in May 2020, the validity date was postponed to annual reporting periods beginning on 1 January 2023. The amendment to IAS 1 related to the disclosure of accounting policies introduces the disclosure of material and not only significant accounting policies and provides guidance on when accounting policy information is likely to be material.

The Company/Group does not expect for these amendments to have a significant impact on its financial statements.

##### ■ **Amendments to IAS 8 – Definition of Accounting Estimates –** The amendments introduce the definition of accounting estimates and includes other amendments 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.

The Company/Group does not expect for these amendments to have a significant impact on its financial statements.

##### ■ **IFRS 17 Insurance Contracts and Amendments to IFRS 17**, which refer to the first application of IFRS 17 and comparable information under IFRS 9.

The Company/Group does not expect for these amendments to have a significant impact on its financial statements.

##### ■ **Amendments to IAS 12 – Income taxes –** Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amended standard clarifies whether the initial recognition exemption applies to certain transactions that are recognized as both an asset and a liability (e.g., 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.

The Company/Group does not expect for these amendments to have a significant impact on its financial statements.

#### 29.1.31.2 New standards and interpretations not yet adopted by the European Union

##### ■ **Amendments to IAS 1 – Presentation of Financial Statements –**

- a) Classification of Liabilities as Current or Non-current. The amendment requires that the company's right to defer settlement of obligations for at least 12 months after the reporting date must have substance 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 an 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 on 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 contains a clarification of the term 'settlement' for the purpose of classifying liabilities as current or non-current.

The Company/Group does not expect for these amendments to have a significant impact on its financial statements.

- **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' so that the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use they retain.

The Company/Group does not expect for these amendments to have a significant impact on its financial statements.

### 29.1.31.3 Newly adopted standards and interpretations effective for periods beginning on 1 January 2022

- **Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The changes relate to the clarification that in the case of an onerous contract, the costs of fulfilling the contract include all costs directly related to the contract.

The above amendments had no impact on the Company's/Group's financial statements.

- **Amendments to IAS 16 – Property, Plant and Equipment (Property, Plant and Equipment: Income before Intended Use - Proceeds before Intended Use)** – Proceeds from selling an asset (e.g. samples) before it is available for the intended use can no longer be deducted from the purchase price of the fixed asset, but is recognized in the income statement together with production costs. In doing so, the Company/Group will have to distinguish between the costs of production and sales before the fixed asset is available for its intended use and the costs associated with preparing the fixed asset for its intended use.

The above amendments had no impact on the Company's/Group's financial statements.

- **Amendments to IFRS 3 – Business Combinations** – Reference to the Conceptual Framework; Amendments relate to the updated reference to the 2018 Conceptual Framework and which introduces new exceptions to recognition and measurement under IFRS 3 in order to ensure that the new reference does not change the provisions as to which assets and liabilities qualify as business combinations.

The above amendments had no impact on the Company's/Group's financial statements.

- **Annual Improvements IFRS 2018–2020 (amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)** – The Annual Improvements include the amendment to IFRS 1 – First-time Adoption of IFRSs, which simplifies the introduction of IFRSs in a subsidiary that applies IFRSs for the first time; the amendment to IFRS 9 – Financial Instruments, which clarifies which fees an entity includes when it applies the '10 per cent' test for derecognition of financial liabilities; amendments to the illustrative example to IFRS 16 – Leases, and amendments to IAS 41 – Agriculture, which removes the requirement to exclude taxation cash flows when measuring fair value to ensure consistency with the requirements in IFRS 13.

The above amendments had no impact on the Company's/Group's financial statements.



## 30 Additional Notes to the Income Statement

### Note 1. Revenue

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
<b>Revenue generated on sales with domestic customers from contracts with customers</b>	<b>96,070,727</b>	<b>64,804,476</b>	<b>99,146,628</b>	<b>67,929,669</b>
■ services	95,871,210	64,797,850	98,947,111	67,923,043
■ goods and material	199,517	6,626	199,517	6,626
<b>Revenue generated on sales with foreign customers from contracts with customers</b>	<b>206,177,480</b>	<b>152,443,699</b>	<b>206,906,522</b>	<b>153,155,156</b>
■ services	206,177,480	152,443,699	206,906,522	153,155,156
<b>Revenue generated on sales with customers from contracts with customers</b>	<b>302,248,207</b>	<b>217,248,175</b>	<b>306,053,150</b>	<b>221,084,825</b>
<b>Revenue from collected port dues</b>	<b>5,924,861</b>	<b>5,968,846</b>	<b>5,924,861</b>	<b>5,968,846</b>
<b>Revenue generated on sales from rentals</b>	<b>2,023,612</b>	<b>1,773,358</b>	<b>1,484,625</b>	<b>1,390,391</b>
<b>TOTAL</b>	<b>310,196,680</b>	<b>224,990,379</b>	<b>313,462,636</b>	<b>228,444,062</b>

The higher net turnover achieved is the result of an increased volume of transshipment, a greater volume of additional services, price growth, and above all, higher revenue from storage fees due to the extended time the goods are kept in the warehouse. With the gradual normalization of the situation, a decline in revenues from storage fees is expected.

In 2022, in the Company and in the Group, the item of total 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

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 capitalized.

## Note 3. Other income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
<b>Other operating income</b>	<b>1,073,180</b>	<b>1,827,545</b>	<b>2,955,296</b>	<b>3,505,486</b>
<b>Reversal of provisions</b>	<b>2,975</b>	<b>490,646</b>	<b>2,975</b>	<b>534,656</b>
<b>Subsidies, grants and similar income</b>	<b>0</b>	<b>0</b>	<b>1,721,261</b>	<b>1,620,729</b>
<b>Revaluation operating income</b>	<b>1,070,205</b>	<b>1,336,899</b>	<b>1,231,060</b>	<b>1,350,101</b>
Income on sale of property, plant and equipment, and investment property	675,055	1,104,899	821,416	1,105,202
Collected impaired receivables and written-off liabilities	395,150	232,000	409,644	244,899
<b>Other income</b>	<b>1,265,358</b>	<b>1,114,350</b>	<b>1,310,319</b>	<b>1,186,071</b>
Compensations and damages	279,278	376,874	296,070	402,223
Subsidies and other income not related to services	696,355	707,841	696,355	707,841
Other revenue	289,725	29,635	317,894	76,007
<b>TOTAL</b>	<b>2,338,538</b>	<b>2,941,895</b>	<b>4,265,615</b>	<b>4,691,557</b>

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.

Income generated on sales of property, plant and equipment and investment property is lower than in the previous year, mainly due to lower proceeds in 2022 from the sale of property outside the port area, realized by the controlling company in both business years.

Compensation and penalties received refer to compensation received due to loss events. In line with the reduction in compensation received, the costs for compensation paid, shown under other expenses, also decreased.

Subsidies and other non-business income are mostly composed of income for covering the costs from EU projects.

Other revenue was higher in 2022 compared to the previous year, mainly due to the state aid received in 2022 due to the increase in energy prices. Other income also includes charged contractual penalties and reimbursement of judicial costs.

## Note 4. Cost of material

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
Cost of material	0	0	0	696
Costs of auxiliary material	2,373,081	2,006,751	2,478,382	2,121,974
Cost of spare parts	8,275,244	6,320,879	8,280,505	6,298,282
Cost of energy	11,700,819	7,179,567	11,966,426	7,400,119
Costs of electricity	4,827,136	2,483,402	4,878,047	2,530,124
Costs of fuel	6,747,777	4,530,041	6,959,860	4,702,698
Other energy costs	125,906	166,124	128,519	167,297
Cost of office stationery	113,652	165,369	124,258	178,324
Other cost of material	334,102	327,101	354,992	355,864
<b>TOTAL</b>	<b>22,796,898</b>	<b>15,999,667</b>	<b>23,204,563</b>	<b>16,355,259</b>

The increase in the cost of spare parts is partly due to a greater volume of maintenance of fixed assets and partly due to an increase in the price of spare parts. The costs of electricity and fuel increased mainly due to the increase in prices on the energy market and the increased volume of business in 2022.

## Note 5. Cost of services

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
Cost of port services	34,834,133	28,522,171	31,798,340	26,421,501
Cost of transportation	430,726	472,987	175,334	154,806
Cost of maintenance	7,287,790	7,278,321	7,096,165	7,148,927
Rentals	204,357	159,581	196,965	188,228
Reimbursement of labour-related costs	319,159	193,883	336,862	203,730
Costs of payment processing, bank charges and insurance premiums	1,296,884	1,419,329	1,438,912	1,592,269
Costs of intellectual and personal services	1,162,338	1,249,757	1,257,531	1,307,161
Advertising, trade fairs and hospitality	1,258,125	978,128	1,278,686	992,798
Costs of services provided by individuals not performing business activities	333,726	292,600	369,370	309,905
Sewage and disposal services	1,550,878	1,418,246	1,022,598	770,772
Information support	4,500,214	3,704,639	4,673,659	3,864,826
Concession-related costs	10,682,667	7,729,718	10,682,667	7,729,718
Transshipment fee	6,084,315	5,265,145	6,084,315	5,265,145
Cost of other services	4,370,700	3,138,707	2,918,274	2,515,467
<b>TOTAL</b>	<b>74,316,012</b>	<b>61,823,212</b>	<b>69,329,678</b>	<b>58,465,253</b>

As in previous years, the cost of port services amounting to EUR 34,834,133 in the Company and EUR 31,798,340 in the Group account for the largest portion among the cost of services. Among the costs of port services in the financial year 2022, the Company discloses EUR 15,846,169 of costs of agency workers (2021: EUR 13,489,898), and the Group discloses EUR 15,993,365 of such costs (2021: EUR 14,118,323). Also under costs of port services in the financial year 2022, the Company discloses EUR 11,582,465 of costs of services by external contractors (2021: EUR 8,586,288), and the Group discloses EUR 11,952,588 of such costs (2021: EUR 8,324,026). The increased costs are due to a larger volume of services provided by agency workers and external contractors. The costs of maintenance services refer mainly to the costs of maintaining equipment and public port infrastructure. In 2022, the costs of information support were higher compared to the previous year due to the introduction of the new Edifact center 2 platform at the container terminal and additional solutions in the field of IT security. Concession costs and transshipment fees have increased due to higher revenue and transshipment in 2022, on the basis of which these costs are calculated. The increase in the costs of other services is mainly the result of increased costs incurred by the subsidiary Luka Koper INPO, d. o. o., which are eliminated in the consolidation, as well as the costs of extermination and fumigation charged to the final customers of the services provided, increased security costs and higher costs of student labour.

## Note 6. Cost of labour

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
Wages and salaries	61,319,742	51,711,326	66,064,515	55,901,192
Salary compensations	8,586,719	7,569,374	9,396,336	8,300,338
Costs of additional pension insurance	2,565,962	2,341,926	2,808,165	2,569,412
Employer's contributions on employee benefits	11,577,922	9,901,759	12,479,435	10,703,751
Annual holiday pay, reimbursements and other costs	9,527,483	8,630,038	10,492,838	9,495,553
<b>TOTAL</b>	<b>93,577,828</b>	<b>80,154,423</b>	<b>101,241,289</b>	<b>86,970,246</b>

In 2022, the average number of employees in the Company increased by 54 against the average in 2021, while the average number of employees in the Group increased by 52 employees between the two compared years. The increase in labour costs compared to the corresponding period last year is mainly due to the adjustment of wages to the growth of the consumer price index, higher variable benefits paid to employees due to the company's/Group's operations exceeding the planned, and due to new hires.

In December 2022, 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 Christmas bonus for the 2022 business year in December 2022 or January 2023.

For the 20th 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 2022, the annual holiday pay amounted to EUR 2,008 per employee in all companies of the Group, whereas in the preceding year, it was EUR 2,010.

### *Average number of employees by education*

	Luka Koper, d. d.		Luka Koper Group	
Level of education	2022	2021	2022	2021
VIII/2	1	1	1	1
VIII/1	25	28	27	30
VII	126	125	134	133
VI/2	236	227	242	230
VI/1	112	106	119	113
V	461	461	503	501
IV	491	456	546	513
III	17	17	28	29
I–II	119	113	150	148
<b>TOTAL</b>	<b>1,588</b>	<b>1,534</b>	<b>1,750</b>	<b>1,698</b>

## Note 7. Amortisation and depreciation expense

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
Depreciation of buildings	14,742,278	13,008,208	15,181,494	13,479,115
Depreciation of equipment and spare parts	14,672,512	14,410,596	15,159,149	14,895,610
Depreciation of small tools	19,666	21,365	19,975	21,742
Depreciation of investment property	586,800	601,738	264,909	272,930
Amortisation of intangible assets	390,106	670,208	439,233	725,840
Depreciation of investment into foreign-owned assets	11,667	11,667	17,743	17,743
Depreciation of right-of-use assets	376,817	363,411	405,491	411,481
<b>TOTAL</b>	<b>30,799,846</b>	<b>29,087,193</b>	<b>31,487,994</b>	<b>29,824,461</b>

## Note 8. Other expenses

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
Provisions	75,665	17,897	75,665	33,584
Impairment costs, write-offs and losses on property, plant and equipment and investment property	239,986	1,469,401	240,144	1,469,597
Expenses for allowances for receivables	370,406	619,269	379,672	640,782
Levies that are not contingent upon cost of labour and other types of cost	7,486,773	6,851,152	7,496,411	6,859,799
Donations	354,800	355,374	359,580	358,624
Environmental levies	148,310	158,977	139,874	144,533
Awards and scholarships to students inclusive of tax	6,987	3,247	6,987	3,247
Awards and scholarship to students	23,142	3,761	23,142	3,761
Other costs and expenses	686,642	719,299	706,329	736,247
<b>TOTAL</b>	<b>9,392,711</b>	<b>10,198,377</b>	<b>9,427,804</b>	<b>10,250,174</b>

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 are lower in 2022 mainly due to the write-offs of ongoing investments in 2021 that will not be realized in the future, which were recognized by the controlling company. Among these expenses, companies also show expenses due to the replacement of parts of fixed assets that have not yet been fully depreciated.

In 2022, expenses for forming the value adjustment of receivables decreased mainly in the controlling company, which was due to a better age structure of receivables from customers and better management of receivables. 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.

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	
	2022	2021	2022	2021
<b>Finance income from shares and interests</b>	<b>6,180,097</b>	<b>4,646,112</b>	<b>3,676,106</b>	<b>3,209,799</b>
Finance income from shares and interests in Group companies	1,401,462	308,723	0	0
Finance income from shares and interests in associate companies	1,158,075	1,177,179	0	0
Finance income from shares and interests in other companies	2,524,888	2,200,407	2,580,434	2,249,996
Finance income from other investments	1,095,672	959,803	1,095,672	959,803
<b>Finance income – interest</b>	<b>11,428</b>	<b>245</b>	<b>24,716</b>	<b>337</b>
Interest income – other	11,428	245	24,716	337
<b>Finance income from operating receivables</b>	<b>158,178</b>	<b>252,253</b>	<b>166,646</b>	<b>260,401</b>
Finance income from operating receivables due from others	149,512	159,829	154,953	164,350
Net exchange differences	8,666	92,424	11,693	96,051
<b>Total finance income</b>	<b>6,349,703</b>	<b>4,898,610</b>	<b>3,867,468</b>	<b>3,470,537</b>
<b>Finance expenses for financial investments</b>	<b>-790,272</b>	<b>0</b>	<b>-305,272</b>	<b>0</b>
<b>Finance expenses – interest</b>	<b>-405,344</b>	<b>-254,312</b>	<b>-404,967</b>	<b>-254,529</b>
Interest expenses – banks	-397,701	-249,448	-397,701	-249,448
Finance expenses for lease liability to others	-6,992	-4,644	-7,266	-5,081
Finance expenses for lease liability to Group companies	-651	-220	0	0
<b>Finance expenses for operating liabilities</b>	<b>-49,174</b>	<b>-18,946</b>	<b>-54,428</b>	<b>-20,967</b>
Finance expenses for trade payables	-26	-532	-45	-705
Finance expenses for other operating liabilities	-49,148	-18,414	-54,383	-20,262
<b>Total finance expenses</b>	<b>-1,244,790</b>	<b>-273,258</b>	<b>-764,667</b>	<b>-275,496</b>
<b>Net financial result</b>	<b>5,104,913</b>	<b>4,625,352</b>	<b>3,102,801</b>	<b>3,195,041</b>

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 52,801, Adria Terminali, d. o. o., in the amount of EUR 71,472, Adria Investicije, d. o. o., in the amount of EUR 44,703, Logis-Nova, d. o. o. in the amount of EUR 10,843, TOC, d. o. o. in the amount of EUR 23,164, and EUR 1,198,479 of income realized by the company at the end of the liquidation proceedings of the company Luka Koper Pristan, d. o. o. - in liquidation, which was completed on 14 December 2022 with the removal of the company from the companies register.

Finance income from shares and interests in associates recorded by the controlling company in 2022 refer to sharing of profits of companies Adria-Tow, d.o.o. (EUR 315,000), Adria Transport, d.o.o. (EUR 200,000), Avtoservis, d. o. o. (EUR 463,737), and Adriaфин, d. o. o. (EUR 179,338).

Finance income from shares and interests in other entities recorded by the Company/Group mainly refers to div-

idends 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.

Financial income from other investments refers to the recognised higher value of investments valued at fair value through profit or loss.

Financial income from operating receivables relate 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 through the income statement. The company additionally shows the derecognition of an investment in a subsidiary in the amount of EUR 485,000 due to the completion of the liquidation of Luka Koper Pristan, d. o. o. - in liquidation, which was eliminated as part of the Group's consolidation process.

Finance expenses arising on interest in 2022 amounted to EUR 405,344 in the Company, whereas the Group recorded EUR 404,967. Financial interest expenses to banks increased, mainly due to the increase in variable interest rates in 2022, lower capitalization of interest and costs related to refinancing. The Company/Group capitalizes interest on earmarked loans for fixed asset investments, using the weighted average interest rate on non-current borrowings to capitalise interest.

The Company/Group mainly recognises as financial expenses from trade payables the expenses from the actuarial calculation prepared by a certified actuary.

## Note 10. Taxes and effective tax rate

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
<b>Profit before tax</b>	<b>86,834,436</b>	<b>35,370,796</b>	<b>87,951,620</b>	<b>37,334,594</b>
<b>Income tax (19%)</b>	<b>16,498,543</b>	<b>6,720,451</b>	<b>16,710,808</b>	<b>6,845,079</b>
Non-taxable income and increase in expenditure	-306,173	-147,501	-369,201	-152,908
Non-taxable dividends received	-738,330	-700,399	-680,062	-700,399
Tax incentives	-2,698,089	-1,184,026	-2,857,012	-1,224,227
Non-deductible expense	759,984	630,822	876,874	594,406
Impairment loss not recognised for tax purposes	0	0	0	41,603
Other reduction in the tax base	0	0	-8,140	-368
Other increase in the tax base	52,274	38,333	52,274	45,095
Tax calculated under tax uncertainty	0	92,786	0	92,786
<b>Total tax expenditure</b>	<b>13,568,209</b>	<b>5,450,466</b>	<b>13,725,541</b>	<b>5,541,067</b>
<b>Effective tax rate</b>	<b>15.63%</b>	<b>15.41%</b>	<b>15.61%</b>	<b>14.84%</b>

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 2022, the Company reported net profit in the amount of EUR 73,266,227 (2021: EUR 29,920,330). The Group reported net profit in the amount of EUR 74,159,799 (2021: EUR 31,793,528), whereof EUR 74,112,143 is attributable to the owner of the controlling company (2021: EUR 31,760,565) and EUR 47,656 to owners of non-controlling interests (2021: EUR 32,963). The non-controlling interest belongs to the co-owner of subsidiary TOC, d. o. o.

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Net profit for the period	73,266,227	29,920,330	74,112,143	31,760,565
Total number of shares	14,000,000	14,000,000	14,000,000	14,000,000
<b>Basic and diluted earnings per share</b>	<b>5.23</b>	<b>2.14</b>	<b>5.29</b>	<b>2.27</b>

## 31 Additional Notes to the Statement of Financial Position

### Note 12. Property, plant and equipment

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Land	20,138,595	20,138,595	23,287,917	23,287,917
Buildings	288,263,091	268,278,064	294,658,334	275,989,445
Plant and equipment	106,427,539	98,532,159	108,530,087	100,589,752
Property, plant and equipment being acquired	30,151,426	37,649,656	30,168,276	37,670,656
Rights to use assets	1,125,800	1,379,767	1,000,701	1,339,507
<b>TOTAL</b>	<b>446,106,451</b>	<b>425,978,241</b>	<b>457,645,315</b>	<b>438,877,277</b>

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 2022 equalled zero, is recorded in the Company at EUR 291,503,400 (31 Dec 2021: EUR 282,513,422). In the Group, such assets amounted to purchase price of EUR 299,250,747 as at 31 December 2022 (31 Dec 2021: EUR 290,636,870).

As at 31 December 2022, the Company/Group presented commitments to purchase property, plant and equipment in the amount of EUR 37,419,048 (in 2021, 54,432,512 at the Company/Group level).

As at 31 December 2022, the outstanding trade payables of the Company to suppliers of items of property, plant and equipment amounted to EUR 15,032,463 (2021: EUR 10,918,944), and the Group recoded such payables at EUR 15,038,666 (2021: 10,955,721).

In 2022, investments in property, plant and equipment amounted to a total of EUR 50,144,988 in the Company, and EUR 50,772,202 in the Group. The largest investments comprise:

- Continued construction of a new external truck terminal at the Sermin entrance,
- Purchase of two SPPX cranes for the container terminal,
- Continued extension of Pier I – completed construction of 7D berth, continued construction of storage areas,
- Purchase of 5 new multi-purpose vehicles for the container terminal,
- Purchase and installation of an OCR portal over two railway tracks,
- Purchase of a new 8 ton forklift for the general cargo terminal,
- Setting up several new plugs for reefer containers,
- Implemented upgrade of the anti-dust system at the bulk cargo terminal,
- Completed construction of the 50G warehouse for the general cargo terminal,
- Continued set-up of premises for the container terminal, the car terminal and for the needs of internal rail transport,
- Construction of a new tank for the liquid cargo terminal,
- Initiated purchase of three E-RTG cranes the container terminal,

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 were no changes in circumstances. The Company/Group divides important assets into 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 2022 - Company*

(in EUR)	Land	Buildings	Plant and equipment	Assets being acquired	Total
<b>Cost</b>					
<b>Balance at 31 Dec 2021</b>	<b>20,138,595</b>	<b>540,212,421</b>	<b>337,792,237</b>	<b>37,649,656</b>	<b>935,792,909</b>
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
<b>Balance at 31 Dec 2022</b>	<b>20,138,595</b>	<b>574,194,757</b>	<b>354,039,484</b>	<b>30,151,427</b>	<b>978,524,263</b>
<b>Allowances</b>					
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>271,934,357</b>	<b>239,260,078</b>	<b>0</b>	<b>511,194,435</b>
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
<b>Balance at 31 Dec 2022</b>	<b>0</b>	<b>285,931,666</b>	<b>247,611,945</b>	<b>0</b>	<b>533,543,611</b>
<b>Carrying amount</b>					
<b>Balance at 31 Dec 2021</b>	<b>20,138,595</b>	<b>268,278,064</b>	<b>98,532,159</b>	<b>37,649,656</b>	<b>424,598,474</b>
<b>Balance at 31 Dec 2022</b>	<b>20,138,595</b>	<b>288,263,091</b>	<b>106,427,539</b>	<b>30,151,427</b>	<b>444,980,652</b>

*Movements in property, plant and equipment in 2021 - Company*

(in EUR)	Land	Buildings	Plant and equipment	Assets being acquired	Total
<b>Cost</b>					
<b>Balance at 31 Dec 2020</b>	<b>20,187,007</b>	<b>493,622,056</b>	<b>330,568,290</b>	<b>48,050,979</b>	<b>892,428,332</b>
Additions	0	0	0	51,817,762	51,817,762
Transfer from investments in course of construction	0	49,026,154	11,191,470	-60,217,624	0
Disposals	0	-576,401	-2,558,307	-969,513	-4,104,221
Write-offs	0	-1,846,150	-1,409,216	0	-3,255,366
Transfer to intangible assets	0	0	0	-21,665	-21,665
Transfer to investment property	-48,412	-13,238	0	-1,010,283	-1,071,933
<b>Balance at 31 Dec 2021</b>	<b>20,138,595</b>	<b>540,212,421</b>	<b>337,792,237</b>	<b>37,649,656</b>	<b>935,792,909</b>
<b>Allowances</b>					
<b>Balance at 31 Dec 2020</b>	<b>0</b>	<b>261,202,675</b>	<b>228,378,908</b>	<b>0</b>	<b>489,581,583</b>
Depreciation	0	13,019,875	14,431,961	0	27,451,836
Disposals	0	-439,189	-2,494,975	0	-2,934,164
Write-offs	0	-1,831,552	-1,055,816	0	-2,887,368
Transfer from investment properties	0	-17,452	0	0	-17,452
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>271,934,357</b>	<b>239,260,078</b>	<b>0</b>	<b>511,194,435</b>
<b>Carrying amount</b>					
<b>Balance at 31 Dec 2020</b>	<b>20,187,007</b>	<b>232,419,381</b>	<b>102,189,382</b>	<b>48,050,979</b>	<b>402,846,749</b>
<b>Balance at 31 Dec 2021</b>	<b>20,138,595</b>	<b>268,278,064</b>	<b>98,532,159</b>	<b>37,649,656</b>	<b>424,598,474</b>

*Movements in property, plant and equipment in 2022 - Group*

(in EUR)	Land	Buildings	Plant and equipment	Assets being acquired	Total
<b>Cost</b>					
<b>Balance at 31 Dec 2021</b>	<b>23,287,916</b>	<b>555,061,052</b>	<b>349,638,972</b>	<b>37,670,657</b>	<b>965,658,597</b>
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
<b>Balance at 31 Dec 2022</b>	<b>23,287,916</b>	<b>587,710,773</b>	<b>365,340,554</b>	<b>30,168,278</b>	<b>1,006,507,521</b>
<b>Allowances</b>					
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>279,071,607</b>	<b>249,049,221</b>	<b>0</b>	<b>528,120,828</b>
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 property, plant and equipment	0	-1,833	0	0	-1,833
Transfer from investment properties	0	133,636	0	0	133,636
<b>Balance at 31 Dec 2022</b>	<b>0</b>	<b>293,052,440</b>	<b>256,810,467</b>	<b>0</b>	<b>549,862,907</b>
<b>Carrying amount</b>					
<b>Balance at 31 Dec 2021</b>	<b>23,287,916</b>	<b>275,989,445</b>	<b>100,589,751</b>	<b>37,670,657</b>	<b>437,537,769</b>
<b>Balance at 31 Dec 2022</b>	<b>23,287,916</b>	<b>294,658,333</b>	<b>108,530,087</b>	<b>30,168,278</b>	<b>456,644,614</b>

## Movements in property, plant and equipment in 2021 - Group

(in EUR)	Land	Buildings	Plant and equipment	Assets being acquired	Total
<b>Cost</b>					
<b>Balance at 31 Dec 2020</b>	<b>23,428,971</b>	<b>509,091,874</b>	<b>342,249,002</b>	<b>48,065,431</b>	<b>922,835,278</b>
Additions	0	18,797	235,916	51,824,312	52,079,025
Transfer from investments in course of construction	0	49,026,155	11,191,470	-60,217,625	0
Disposals	-168,614	-1,234,051	-2,569,527	-969,513	-4,941,705
Write-offs	0	-1,846,150	-1,467,889	0	-3,314,039
Transfer from property, plant and equipment	75,971	17,665	0	0	93,636
Transfer to intangible assets	0	0	0	-21,665	-21,665
Transfer to investment property	-48,412	-13,238	0	-1,010,283	-1,071,933
<b>Balance at 31 Dec 2021</b>	<b>23,287,916</b>	<b>555,061,052</b>	<b>349,638,972</b>	<b>37,670,657</b>	<b>965,658,597</b>
<b>Allowances</b>					
<b>Balance at 31 Dec 2020</b>	<b>-8,260</b>	<b>268,500,513</b>	<b>237,752,152</b>	<b>0</b>	<b>506,244,405</b>
Depreciation	0	13,496,858	14,917,353	0	28,414,211
Disposals	0	-1,076,759	-2,506,010	0	-3,582,769
Write-offs	0	-1,831,553	-1,114,274	0	-2,945,827
Transfer to investment property	8,260	-17,452	0	0	-9,192
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>279,071,607</b>	<b>249,049,221</b>	<b>0</b>	<b>528,120,828</b>
<b>Carrying amount</b>					
<b>Balance at 31 Dec 2020</b>	<b>23,437,231</b>	<b>240,591,361</b>	<b>104,496,850</b>	<b>48,065,431</b>	<b>416,590,873</b>
<b>Balance at 31 Dec 2021</b>	<b>23,287,916</b>	<b>275,989,445</b>	<b>100,589,751</b>	<b>37,670,657</b>	<b>437,537,769</b>

## Rights to use assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Land	956,040	1,224,381	956,040	1,224,381
Buildings	156,972	149,278	12,442	43,302
Equipment	12,788	6,108	32,219	71,824
<b>TOTAL</b>	<b>1,125,800</b>	<b>1,379,767</b>	<b>1,000,701</b>	<b>1,339,507</b>

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.

### Movements in the rights to use assets in 2022 - Company

(in EUR)	Land	Buildings	Plant and equipment	Total
<b>Cost</b>				
<b>Balance at 31 Dec 2021</b>	<b>1,987,392</b>	<b>381,793</b>	<b>51,610</b>	<b>2,420,795</b>
Additions	0	109,494	13,355	122,849
<b>Balance at 31 Dec 2022</b>	<b>1,987,392</b>	<b>491,288</b>	<b>64,965</b>	<b>2,543,644</b>
<b>Allowances</b>				
<b>Balance at 31 Dec 2021</b>	<b>763,011</b>	<b>232,515</b>	<b>45,502</b>	<b>1,041,028</b>
Depreciation	268,341	101,800	6,675	376,817
<b>Balance at 31 Dec 2022</b>	<b>1,031,352</b>	<b>334,316</b>	<b>52,177</b>	<b>1,417,845</b>
<b>Carrying amount</b>				
<b>Balance at 31 Dec 2021</b>	<b>1,224,381</b>	<b>149,278</b>	<b>6,108</b>	<b>1,379,767</b>
<b>Balance at 31 Dec 2022</b>	<b>956,040</b>	<b>156,972</b>	<b>12,788</b>	<b>1,125,800</b>

### Movements in the rights to use assets in 2021 - Company

(in EUR)	Land	Buildings	Plant and equipment	Total
<b>Cost</b>				
<b>Balance at 31 Dec 2020</b>	<b>921,004</b>	<b>193,997</b>	<b>51,610</b>	<b>1,166,612</b>
Additions	1,066,388	187,796	0	1,254,183
<b>Balance at 31 Dec 2021</b>	<b>1,987,392</b>	<b>381,793</b>	<b>51,610</b>	<b>2,420,795</b>
<b>Allowances</b>				
<b>Balance at 31 Dec 2020</b>	<b>494,097</b>	<b>154,270</b>	<b>29,251</b>	<b>677,618</b>
Depreciation	268,914	78,246	16,251	363,411
<b>Balance at 31 Dec 2021</b>	<b>763,011</b>	<b>232,515</b>	<b>45,502</b>	<b>1,041,028</b>
<b>Carrying amount</b>				
<b>Balance at 31 Dec 2020</b>	<b>426,907</b>	<b>39,728</b>	<b>22,359</b>	<b>488,994</b>
<b>Balance at 31 Dec 2021</b>	<b>1,224,381</b>	<b>149,278</b>	<b>6,108</b>	<b>1,379,767</b>



### Movements in the rights to use assets in 2022 - Group

(in EUR)	Land	Buildings	Plant and equipment	Total
<b>Cost</b>				
<b>Balance at 31 Dec 2021</b>	<b>1,987,392</b>	<b>164,213</b>	<b>314,839</b>	<b>2,466,444</b>
Additions	0	19,204	52,538	71,742
Disposals, write-offs	0	0	-59,544	-59,544
<b>Balance at 31 Dec 2022</b>	<b>1,987,392</b>	<b>183,417</b>	<b>307,833</b>	<b>2,478,642</b>
<b>Allowances</b>				
<b>Balance at 31 Dec 2021</b>	<b>763,011</b>	<b>120,911</b>	<b>243,015</b>	<b>1,126,937</b>
Depreciation	268,341	50,063	87,087	405,491
Disposals, write-offs	0	0	-54,487	-54,487
<b>Balance at 31 Dec 2022</b>	<b>1,031,352</b>	<b>170,974</b>	<b>275,615</b>	<b>1,477,941</b>
<b>Carrying amount</b>				
<b>Balance at 31 Dec 2021</b>	<b>1,224,381</b>	<b>43,302</b>	<b>71,824</b>	<b>1,339,507</b>
<b>Balance at 31 Dec 2022</b>	<b>956,040</b>	<b>12,443</b>	<b>32,219</b>	<b>1,000,701</b>

### Movements in the rights to use assets in 2021 - Group

(in EUR)	Land	Buildings	Plant and equipment	Total
<b>Cost</b>				
<b>Balance at 31 Dec 2020</b>	<b>921,004</b>	<b>137,561</b>	<b>202,714</b>	<b>1,261,279</b>
Additions	1,066,388	26,652	112,125	1,205,165
<b>Balance at 31 Dec 2021</b>	<b>1,987,392</b>	<b>164,213</b>	<b>314,839</b>	<b>2,466,444</b>
<b>Allowances</b>				
<b>Balance at 31 Dec 2020</b>	<b>494,097</b>	<b>80,032</b>	<b>141,327</b>	<b>715,457</b>
Depreciation	268,914	40,879	101,688	411,480
<b>Balance at 31 Dec 2021</b>	<b>763,011</b>	<b>120,911</b>	<b>243,015</b>	<b>1,126,937</b>
<b>Carrying amount</b>				
<b>Balance at 31 Dec 2020</b>	<b>426,907</b>	<b>57,529</b>	<b>61,387</b>	<b>545,822</b>
<b>Balance at 31 Dec 2021</b>	<b>1,224,381</b>	<b>43,302</b>	<b>71,824</b>	<b>1,339,507</b>

## Note 13. Investment property

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Investment property – land	14,405,808	14,405,808	11,256,486	11,256,486
Investment property – buildings	9,061,559	9,569,312	4,067,583	4,273,748
<b>TOTAL</b>	<b>23,467,367</b>	<b>23,975,120</b>	<b>15,324,069</b>	<b>15,530,234</b>

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	
	2022	2021	2022	2021
Rental income on investment property	1,238,055	1,157,080	755,128	658,831
Depreciation of investment property	586,800	601,738	264,909	272,930
Maintenance costs of investment property	393,477	400,748	319,132	332,129
Other expenditure	179,977	208,657	122,164	140,966

Investment properties are not pledged as collateral.

The fair value of investment property was last checked in 2021, when it amounted to EUR 25,059,015 in the company and EUR 15,842,375 in the Group. The valuation was prepared by a certified property appraiser for the financial reporting purposes. The valuation was carried out on the basis of the cost and yield-based method, using the required yield of 8.41 percent for buildings and 5.46 percent for land. The management estimates that the fair value at 31 December 2022 is unchanged from the value at 31 December 2021.

The Company/Group assesses the fair value of part of investment property based on valuation, and for a smaller part of investment property, it uses the method of the total value of expected future cash flows generated through renting.

## Movements in investment property in 2022 – Company

(in EUR)	Land	Buildings	Total
<b>Cost</b>			
<b>Balance at 31 Dec 2021</b>	<b>14,405,808</b>	<b>17,749,328</b>	<b>32,155,136</b>
Disposals, write-offs	0	-13,847	-13,847
Transfer from property, plant and equipment	0	86,354	86,354
Transfer to property, plant and equipment	0	-138,057	-138,057
<b>Balance at 31 Dec 2022</b>	<b>14,405,808</b>	<b>17,683,778</b>	<b>32,089,586</b>
<b>Allowances</b>			
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>8,180,017</b>	<b>8,180,017</b>
Depreciation	0	586,799	586,799
Disposals, write-offs	0	-10,961	-10,961
Transfer to property, plant and equipment	0	-133,636	-133,636
<b>Balance at 31 Dec 2022</b>	<b>0</b>	<b>8,622,219</b>	<b>8,622,219</b>
<b>Carrying amount</b>			
<b>Balance at 31 Dec 2021</b>	<b>14,405,808</b>	<b>9,569,311</b>	<b>23,975,119</b>
<b>Balance at 31 Dec 2022</b>	<b>14,405,808</b>	<b>9,061,559</b>	<b>23,467,367</b>

### Movements in investment property in 2021 – Company

(in EUR)	Land	Buildings	Total
<b>Cost</b>			
<b>Balance at 31 Dec 2020</b>	<b>14,498,451</b>	<b>17,430,771</b>	<b>31,929,222</b>
Disposals, write-offs	-168,614	-677,405	-846,019
Transfer from property, plant and equipment	75,971	995,962	1,071,933
<b>Balance at 31 Dec 2021</b>	<b>14,405,808</b>	<b>17,749,328</b>	<b>32,155,136</b>
<b>Allowances</b>			
<b>Balance at 31 Dec 2020</b>	<b>-8,260</b>	<b>8,215,841</b>	<b>8,207,581</b>
Depreciation	0	601,737	601,737
Disposals, write-offs	0	-646,753	-646,753
Transfer from property, plant and equipment	8,260	9,192	17,452
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>8,180,017</b>	<b>8,180,017</b>
<b>Carrying amount</b>			
<b>Balance at 31 Dec 2020</b>	<b>14,506,711</b>	<b>9,214,930</b>	<b>23,721,641</b>
<b>Balance at 31 Dec 2021</b>	<b>14,405,808</b>	<b>9,569,311</b>	<b>23,975,119</b>

### Movements in investment property in 2022 – Group

(in EUR)	Land	Buildings	Total
<b>Cost</b>			
<b>Balance at 31 Dec 2021</b>	<b>11,256,486</b>	<b>8,104,304</b>	<b>19,360,790</b>
Disposals, write-offs	0	-13,847	-13,847
Transfer from property, plant and equipment	0	65,394	65,394
Transfer to property, plant and equipment	0	-135,568	-135,568
<b>Balance at 31 Dec 2022</b>	<b>11,256,486</b>	<b>8,020,283</b>	<b>19,276,769</b>
<b>Allowances</b>			
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>3,830,557</b>	<b>3,830,557</b>
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
<b>Balance at 31 Dec 2022</b>	<b>0</b>	<b>3,952,701</b>	<b>3,952,701</b>
<b>Carrying amount</b>			
<b>Balance at 31 Dec 2021</b>	<b>11,256,486</b>	<b>4,273,747</b>	<b>15,530,233</b>
<b>Balance at 31 Dec 2022</b>	<b>11,256,486</b>	<b>4,067,582</b>	<b>15,324,068</b>

### Movements in investment property in 2021 – Group

(in EUR)	Land	Buildings	Total
<b>Cost</b>			
<b>Balance at 31 Dec 2020</b>	<b>11,256,486</b>	<b>7,145,763</b>	<b>18,402,249</b>
Disposals, write-offs	0	-19,756	-19,756
Transfer from property, plant and equipment	0	978,297	978,297
<b>Balance at 31 Dec 2021</b>	<b>11,256,486</b>	<b>8,104,304</b>	<b>19,360,790</b>
<b>Allowances</b>			
<b>Balance at 31 Dec 2020</b>	<b>0</b>	<b>3,557,619</b>	<b>3,557,619</b>
Depreciation	0	273,929	273,929
Disposals, write-offs	0	-9,183	-9,183
Transfer from property, plant and equipment	0	9,192	9,192
<b>Balance at 31 Dec 2021</b>	<b>0</b>	<b>3,830,557</b>	<b>3,830,557</b>
<b>Carrying amount</b>			
<b>Balance at 31 Dec 2020</b>	<b>11,256,486</b>	<b>3,588,144</b>	<b>14,844,630</b>
<b>Balance at 31 Dec 2021</b>	<b>11,256,486</b>	<b>4,273,747</b>	<b>15,530,233</b>

## Note 14. Intangible assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Long-term property rights and long-term deferred development costs	870,086	1,250,530	942,603	1,372,176
<b>TOTAL</b>	<b>870,086</b>	<b>1,250,530</b>	<b>942,603</b>	<b>1,372,176</b>

In the Company, the cost of the intangible assets in use, of which the carrying value as at 31 December 2022 equalled zero, is recorded at EUR 9,730,305 (2021: EUR 9,249,282). In the Group, such assets amounted to purchase price of EUR 10,159,536 as at 31 December 2022 (31 Dec 2021: EUR 9,255,503).

As at 31 December 2022, like at the previous year-end, the Company/Group recorded no commitments to purchase intangible assets.

Intangible assets were not pledged as collateral as at 31 December 2022.

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 2022 - Company

(in EUR)	Industrial property and other rights	Intangible assets being acquired	Total
<b>Cost</b>			
<b>Balance at 31 Dec 2021</b>	<b>13,151,878</b>	<b>33,988</b>	<b>13,185,866</b>
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
<b>Balance at 31 Dec 2022</b>	<b>13,181,858</b>	<b>13,670</b>	<b>13,195,528</b>
<b>Allowances</b>			
<b>Balance at 31 Dec 2021</b>	<b>11,935,336</b>	<b>0</b>	<b>11,935,336</b>
Depreciation	390,106	0	390,106
<b>Balance at 31 Dec 2022</b>	<b>12,325,442</b>	<b>0</b>	<b>12,325,442</b>
<b>Carrying amount</b>			
<b>Balance at 31 Dec 2021</b>	<b>1,216,542</b>	<b>33,988</b>	<b>1,250,530</b>
<b>Balance at 31 Dec 2022</b>	<b>856,416</b>	<b>13,670</b>	<b>870,086</b>

### Movements in intangible assets in 2021 – Company

(in EUR)	Industrial property and other rights	Intangible assets being acquired	Total
<b>Cost</b>			
<b>Balance at 31 Dec 2020</b>	<b>12,997,876</b>	<b>185,485</b>	<b>13,183,361</b>
Additions	0	17,490	17,490
Transfer from investments in course of construction	168,987	-168,987	0
Disposals	-36,649	0	-36,649
Transfer from property, plant and equipment	21,664	0	21,664
<b>Balance at 31 Dec 2021</b>	<b>13,151,878</b>	<b>33,988</b>	<b>13,185,866</b>
<b>Allowances</b>			
<b>Balance at 31 Dec 2020</b>	<b>11,301,777</b>	<b>0</b>	<b>11,301,777</b>
Depreciation	670,208	0	670,208
Disposals	-36,649	0	-36,649
<b>Balance at 31 Dec 2021</b>	<b>11,935,336</b>	<b>0</b>	<b>11,935,336</b>
<b>Carrying amount</b>			
<b>Balance at 31 Dec 2020</b>	<b>1,696,099</b>	<b>185,485</b>	<b>1,881,584</b>
<b>Balance at 31 Dec 2021</b>	<b>1,216,542</b>	<b>33,988</b>	<b>1,250,530</b>

### Movements in intangible assets in 2022 – Group

(in EUR)	Development costs	Industrial property and other rights	Intangible assets being acquired	Total
<b>Cost</b>				
<b>Balance at 31 Dec 2021</b>	<b>390,746</b>	<b>13,390,603</b>	<b>41,873</b>	<b>13,823,222</b>
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
<b>Balance at 31 Dec 2022</b>	<b>390,746</b>	<b>13,420,583</b>	<b>21,555</b>	<b>13,832,884</b>
<b>Allowances</b>				
<b>Balance at 31 Dec 2021</b>	<b>351,672</b>	<b>12,099,375</b>	<b>0</b>	<b>12,451,047</b>
Depreciation	39,074	400,160	0	439,234
<b>Balance at 31 Dec 2022</b>	<b>390,746</b>	<b>12,499,535</b>	<b>0</b>	<b>12,890,281</b>
<b>Carrying amount</b>				
<b>Balance at 31 Dec 2021</b>	<b>39,074</b>	<b>1,291,228</b>	<b>41,873</b>	<b>1,372,175</b>
<b>Balance at 31 Dec 2022</b>	<b>0</b>	<b>921,048</b>	<b>21,555</b>	<b>942,603</b>

### Movements in intangible assets in 2021 – Group

(in EUR)	Development costs	Industrial property and other rights	Intangible assets being acquired	Total
<b>Cost</b>				
<b>Balance at 31 Dec 2020</b>	<b>390,746</b>	<b>13,236,601</b>	<b>193,370</b>	<b>13,820,717</b>
Additions	0	0	17,490	17,490
Transfer from investments in course of construction	0	190,651	-168,987	21,664
Disposals	0	-36,649	0	-36,649
<b>Balance at 31 Dec 2021</b>	<b>390,746</b>	<b>13,390,603</b>	<b>41,873</b>	<b>13,823,222</b>
<b>Allowances</b>				
<b>Balance at 31 Dec 2020</b>	<b>312,597</b>	<b>11,449,259</b>	<b>0</b>	<b>11,761,856</b>
Depreciation	39,075	686,765	0	725,840
Disposals	0	-36,649	0	-36,649
<b>Balance at 31 Dec 2021</b>	<b>351,672</b>	<b>12,099,375</b>	<b>0</b>	<b>12,451,047</b>
<b>Carrying amount</b>				
<b>Balance at 31 Dec 2020</b>	<b>78,149</b>	<b>1,787,342</b>	<b>193,370</b>	<b>2,058,861</b>
<b>Balance at 31 Dec 2021</b>	<b>39,074</b>	<b>1,291,228</b>	<b>41,873</b>	<b>1,372,175</b>

## Note 15. Other assets

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
<b>Balance at 1 Jan</b>	<b>9,650,187</b>	<b>1,089,144</b>	<b>9,650,187</b>	<b>1,089,144</b>
Increases	13,756,103	10,544,939	13,756,103	10,544,939
Transfer to property, plant and equipment	-23,189,650	-1,983,896	-23,189,650	-1,983,896
<b>Balance at 31 Dec</b>	<b>216,640</b>	<b>9,650,187</b>	<b>216,640</b>	<b>9,650,187</b>

Under non-current assets, the Company/Group records advances given for purchase of property, plant and equipment.

The decrease in other non-current assets is due to the transfer to use, i.e. under 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 4,048,063 as at 31 December 2022.

On 14 December 2022, the controlling company completed the orderly liquidation proceedings of the subsidiary Luka Koper Pristan, d. o. o. - in liquidation, by removing the company from the register. Upon completion of the liquidation of the company, it transferred to itself the remaining property, receivables and liabilities of the liquidated company, thereby recognising financial income of EUR 1,198,479 and financial expenses of EUR 485,000 from the derecognition of the investment in the subsidiary. Both financial income and financial expenses incurred on the liquidation of the company were eliminated on consolidation.

Investments in subsidiaries are not pledged as collateral.

Detailed presentation of transactions with subsidiaries is provided in Note 32 of this report.

### Investments in subsidiaries

(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	2,291	12,483	0
TOC, d. o. o.	68.13%	0	955,566	609,907	149,539	5
<b>TOTAL</b>		<b>4,048,063</b>				



(in EUR)	Equity interest	Investments at 31 Dec 2021	Equity at 31 Dec 2021	Net sales revenue in 2021	Net profit or loss for 2021	No of employees 31 Dec 2021
Luka Koper INPO, d. o. o.	100%	1,336,288	24,221,143	6,375,923	267,848	131
Adria Terminali, d. o. o.	100%	226,000	1,442,065	3,007,325	214,417	25
Adria Investicije, d. o. o.	100%	1,775,775	157,418	84,028	44,703	0
Logis-Nova, d. o. o.	100%	710,000	703,041	20,671	11,414	0
TOC, d. o. o.	68.13%	0	840,027	523,903	103,433	5
<b>TOTAL</b>		<b>4,048,063</b>				

## Note 17. Shares and interests in associates

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Shares and interests in associates	6,737,709	6,737,709	16,361,004	15,784,793
<b>TOTAL</b>	<b>6,737,709</b>	<b>6,737,709</b>	<b>16,361,004</b>	<b>15,784,793</b>

The Company's/Group's shares and interests in associates are not pledged as collateral. In 2022, there was no change in ownership of associates.

### *Movements in shares and interests in associates - Group*

(in EUR)	2022	2021
<b>Balance at 1 Jan</b>	<b>15,784,793</b>	<b>14,168,687</b>
Attributable profits	1,734,285	2,793,285
Dividends paid	-1,158,075	-1,177,179
<b>Balance at 31 Dec</b>	<b>16,361,004</b>	<b>15,784,793</b>

Significant data on associates in 2022

(in EUR)	Equity interest	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	Number 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
Adriaфин, 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
<b>TOTAL</b>								<b>1,734,285</b>		<b>1,158,075</b>	

Significant data on associates in 2021

(in EUR)	Equity interest	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	Number of employees 31 Dec 2021
Adria Transport, d. o. o.	50%	9,986,687	6,859,788	5,367,991	4,340,731	12,986,031	2,770,295	1,385,148	2,778,340	129,250	39
Adria Transport Croatia, d. o. o.	50%	5,291	367,754	250,052	12,927	0	-70,348	-35,174	-70,348	0	0
Adria-Tow, d. o. o.	50%	6,684,858	7,440,883	194,639	1,847,655	5,703,945	1,599,348	799,674	1,606,023	336,000	36
Adriaфин, d. o. o.	50%	8,165,499	2,449,205	85,025	22,196	316,678	358,489	179,245	358,489	175,000	0
Avtoservis, d. o. o.	49%	767,394	2,958,019	97,712	498,463	5,308,593	947,740	464,392	944,828	536,929	38
<b>TOTAL</b>								<b>2,793,285</b>		<b>1,177,179</b>	

## Note 18. Other non-current investments

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Other investments measured at fair value through profit or loss	4,205,892	3,415,492	6,691,667	5,901,267
Other investments measured at fair value through equity	41,552,427	53,171,843	42,297,460	54,070,809
<b>TOTAL</b>	<b>45,758,319</b>	<b>56,587,335</b>	<b>48,989,127</b>	<b>59,972,076</b>

Other non-current investment primarily comprise investments in securities and equity interests.

Other investments measured at fair value through equity include investments in shares in Krka, d. d. and Intereuropa, d. d.

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 and are not consolidated due to insignificance within the Group.

### *Movements in other non-current investments of the Company*

(in EUR)	2022	2021
<b>Balance at 1 Jan</b>	<b>56,587,335</b>	<b>44,223,149</b>
Increases		
Revaluation to fair value through equity	0	11,404,384
Revaluation to fair value through profit or loss	1,095,672	959,802
Decreases		
Revaluation to fair value through equity	-11,619,416	0
Revaluation to fair value through profit or loss	-305,272	0
<b>Balance at 31 Dec</b>	<b>45,758,319</b>	<b>56,587,335</b>

### *Movements in other non-current investments of the Group*

(in EUR)	2022	2021
<b>Balance at 1 Jan</b>	<b>59,972,076</b>	<b>47,423,171</b>
Increases		
Revaluation to fair value through equity	0	11,589,103
Revaluation to fair value through profit or loss	1,095,671	959,802
Decreases		
Reclassification within cost and valuation allowance	-11,773,348	0
Revaluation to fair value through profit or loss	-305,272	0
<b>Balance at 31 Dec</b>	<b>48,989,127</b>	<b>59,972,076</b>

## Note 19. Deferred tax assets and deferred tax liabilities

(in EUR)

	Luka Koper, d. d.				Luka Koper Group			
	Receivables		Liabilities		Receivables		Liabilities	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
<b>Deferred tax assets and deferred tax liabilities relating to:</b>								
■ impairment of investments in subsidiaries	298,562	509,689	0	0	298,562	509,689	0	0
■ impairment of other investments and deductible temporary differences arising on securities	8,740,460	8,740,582	5,125,034	7,332,723	8,761,627	8,761,750	5,215,116	7,452,051
■ allowances for trade receivables	244,056	236,118	0	0	247,424	292,968	0	0
■ provisions for termination benefits	423,855	438,550	0	0	468,598	490,518	0	0
■ provisions for jubilee premiums	73,071	77,113	0	0	77,918	82,520	0	0
■ provisions for legal disputes	11,159	0	0	0	11,159	0	0	0
■ non-current accrued costs and deferred income for public utility service	453,983	453,983	0	0	453,983	453,983	0	0
<b>TOTAL</b>	<b>10,245,146</b>	<b>10,456,035</b>	<b>5,125,034</b>	<b>7,332,723</b>	<b>10,319,271</b>	<b>10,591,428</b>	<b>5,215,116</b>	<b>7,452,051</b>
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,125,034	-7,332,723	-5,125,034	-7,332,723	-5,215,116	-7,452,051	-5,215,116	-7,452,051
<b>TOTAL</b>	<b>5,120,112</b>	<b>3,123,312</b>	<b>0</b>	<b>0</b>	<b>5,104,155</b>	<b>3,139,377</b>	<b>0</b>	<b>0</b>

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. The bases from which deferred taxes are formed do not have a limited period of validity. In 2022, deferred taxes decreased the Company's operating result by EUR 190,887 (2021: EUR 291,381), and the Group's operating result by EUR 254,308 (2021: EUR 308,942).

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.

As at the 31 December 2022, the Company conducted an off-set of part of its deferred tax liabilities with receivables in the amount of EUR 5,125,034 (2021: EUR 7,332,723), whereas in the Group the off-set amount was EUR 5,215,116 (2021: EUR 7,452,051).

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
<b>Deferred tax assets and deferred tax liabilities relating to:</b>							
■ 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	453,983	0	0	453,983	0	0	0
<b>TOTAL</b>	<b>10,456,035</b>	<b>-190,887</b>	<b>-20,002</b>	<b>10,245,147</b>	<b>7,332,723</b>	<b>-2,207,688</b>	<b>5,125,035</b>
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
<b>Deferred tax assets in the Company's statement of financial position</b>	<b>3,123,312</b>	<b>-190,887</b>	<b>2,187,686</b>	<b>5,120,112</b>	<b>0</b>	<b>0</b>	<b>0</b>

Movements in deferred tax assets and deferred tax liabilities in 2021 – Luka Koper, d. d.

(in EUR)	Receivables				Liabilities		
	Balance at 31 Dec 2020	Recognised in the income statement	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2021	Balance at 31 Dec 2020	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2021
<b>Deferred tax assets and deferred tax liabilities relating to:</b>							
■ impairment of investments in subsidiaries	509,689	0	0	509,689	0	0	0
■ impairment of other investments and deductible temporary differences arising on securities	9,156,152	-415,570	0	8,740,582	5,165,890	2,166,833	7,332,723
■ allowances for trade receivables	153,661	82,457	0	236,118	0	0	0
■ provisions for termination benefits	405,177	41,024	-7,652	438,550	0	0	0
■ provisions for jubilee premiums	76,405	708	0	77,113	0	0	0
■ non-current accrued costs and deferred income for public utility service	453,983	0	0	453,983	0	0	0
<b>TOTAL</b>	<b>10,755,067</b>	<b>-291,381</b>	<b>-7,652</b>	<b>10,456,035</b>	<b>5,165,890</b>	<b>2,166,833</b>	<b>7,332,723</b>
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,165,890	0	-2,166,833	-7,332,723	-5,165,890	-2,166,833	-7,332,723
<b>Deferred tax assets in the Company's statement of financial position</b>	<b>5,589,177</b>	<b>-291,381</b>	<b>-2,174,485</b>	<b>3,123,312</b>	<b>0</b>	<b>0</b>	<b>0</b>

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
<b>Deferred tax assets and deferred tax liabilities relating to:</b>							
■ 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
<b>TOTAL</b>	<b>10,591,428</b>	<b>-254,308</b>	<b>-17,848</b>	<b>10,319,272</b>	<b>7,452,050</b>	<b>-2,236,934</b>	<b>5,215,116</b>
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
<b>Deferred tax assets in the Group's statement of financial position</b>	<b>3,139,377</b>	<b>-254,308</b>	<b>2,219,086</b>	<b>5,104,155</b>	<b>0</b>	<b>0</b>	<b>0</b>

Movements in deferred tax assets and deferred tax liabilities in 2021 - Luka Koper Group

(in EUR)	Receivables			Liabilities			
	Balance at 31 Dec 2020	Recognised in the income statement	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2021	Balance at 31 Dec 2020	Recognised in the statement of other comprehensive income	Balance at 31 Dec 2021
<b>Deferred tax assets and deferred tax liabilities relating to:</b>							
■ impairment of investments in subsidiaries	509,689	0	0	509,689	0	0	0
■ impairment of other investments and deductible temporary differences arising on securities	9,177,320	-415,570	0	8,761,750	5,250,121	2,201,929	7,452,050
■ allowances for trade receivables	229,100	63,868	0	292,968	0	0	0
■ provisions for termination benefits	463,234	42,237	-14,954	490,517	0	0	0
■ provisions for jubilee premiums	81,994	526	0	82,520	0	0	0
■ non-current accrued costs and deferred income for public utility service	453,983	0	0	453,983	0	0	0
<b>TOTAL</b>	<b>10,915,320</b>	<b>-308,939</b>	<b>-14,954</b>	<b>10,591,427</b>	<b>5,250,121</b>	<b>2,201,929</b>	<b>7,452,050</b>
Off-set with deferred tax liabilities relating to impairment of other investments and deductible temporary differences arising on securities	-5,250,121	0	-2,201,928	-7,452,050	-5,250,121	-2,201,929	-7,452,050
<b>Deferred tax assets in the Group's statement of financial position</b>	<b>5,665,198</b>	<b>-308,939</b>	<b>-2,216,882</b>	<b>3,139,377</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Note 20. Assets held for sale

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Investment in a subsidiary	0	485,000	0	0
Trade and other receivables and cash and cash equivalents	0	0	0	340,807
<b>TOTAL</b>	<b>0</b>	<b>485,000</b>	<b>0</b>	<b>340,807</b>

Items from 2021 were finally written off in accordance with the conclusion of the orderly liquidation of Luka Koper Pristan, d. o. o. - in liquidation, which was completed on 14 December 2022 with the removal from the companies register.

## Note 21. Inventories

As at 31 December 2022, inventories in the Company/Group were recorded at EUR 1,596,208 (2021: EUR 1,422,438). A larger portion thereof relates to maintenance material and spare parts, as well as to overhead-related material and auxiliary material.

## Note 22. Trade and other receivables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Current operating receivables:				
■ domestic market	29,409,231	20,146,338	30,189,532	20,831,878
■ foreign markets	21,646,631	18,873,816	21,800,778	19,034,849
Current operating receivables due from Group companies	568,139	504,373	0	0
Current operating receivables due from associates	413,994	143,570	413,994	143,570
<b>Current trade receivables</b>	<b>52,037,995</b>	<b>39,668,097</b>	<b>52,404,304</b>	<b>40,010,297</b>
Advances and collaterals given	86,991	41,176	87,616	41,681
Current receivables related to finance income	6,385	0	12,410	0
Receivables due from the state	3,467,266	2,296,840	3,608,808	2,434,252
Other current receivables	203,473	407,257	237,797	473,325
<b>Trade receivables</b>	<b>55,802,110</b>	<b>42,413,370</b>	<b>56,350,935</b>	<b>42,959,555</b>
Current deferred costs and expenses	3,544,481	3,700,938	3,551,751	3,707,705
Accrued income	275,941	340,741	275,940	340,740
Assets from contracts with customers	0	318,339	0	318,339
<b>Other receivables</b>	<b>3,820,422</b>	<b>4,360,018</b>	<b>3,827,691</b>	<b>4,366,784</b>
<b>TOTAL</b>	<b>59,622,532</b>	<b>46,773,388</b>	<b>60,178,626</b>	<b>47,326,339</b>

As at 31 December 2022, the value of trade and other receivables in the Company was EUR 59,622,532 which is an increase by EUR 12,849,144 from the previous year-end. The Group presented EUR 60,178,626 of trade and other receivables at the end of 2022, which is an increase by EUR 12,852,287 from the previous year-end.



With most trade receivables, the Company/Group has an option to enforce a legal lien over the stored goods in its possession. In 2022, the company took out a perpetual insurance policy for trade receivables, which insures a major part of its short-term trade receivables from customers arising from 1 November 2022 onwards. As at 31 December 2022, 65.4 percent of the Company's outstanding current trade receivables from customers are secured by a trade receivables insurance policy, 19 percent are covered by bank guarantees or cash collateral, and 15.6 percent of current trade receivables from customers are unsecured.

The Company/Group checks its overdue receivables pursuant to the Accounting Manual, and regularly forms related allowances in the event of delayed payments. In accordance with IFRS 9 – Financial Instruments and based on its accounting policy, the Company/Group forms revaluation adjustment for receivables for not matured claims per key risk criteria. On that basis, the Company/Group had less than one percent of such outstanding and not matured claims that included the risk of default. In 2022, the Company and the Group formed allowances for receivables in the amount of EUR 347,413 and EUR 448,758 respectively, and eliminated the allowance for collected or written-off receivables amounting to EUR 381,393 and EUR 293,552 respectively. During the liquidation of the subsidiary Luka Koper Pristan, d. o. o. - in liquidation, the company transferred part of the receivables and the already formed revaluation adjustment to its statements, thereby increasing the total amount of the revaluation adjustment for receivables. In 2022, the Group transferred part of its receivables and revaluation adjustment for receivables contributed to the Group by Luka Koper Pristan, d. o. o. - in liquidation, from assets (disposal groups) held for sale to current operating receivables.

As at 31 December 2022, the Company/Group recorded no receivables from Members of the Management Board or the Supervisory Board.

Other receivables of the Company/Group include short-term accrued income in the amount of EUR 275,941, which refer to income arising on expenses for European development projects, co-financed by European institutions, and short-term deferred costs in the amount of EUR 3,544,481 for the Company and EUR 3,551,751 for the Group. 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 and expenses 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.

In 2022, the Company/Group discloses no assets from contracts with customers, whereas they disclosed EUR 318,339 of such assets at the year-end of 2021, which represents accrued revenues for invoices not yet issued, but for services that have already been provided to customers under IFRS 15.

## Maturity of current trade receivables and receivables relating to finance income

### Luka Koper, d. d.

	31 Dec 2022			31 Dec 2021		
(in EUR)	Gross value	Allowances	Net value	Gross value	Allowances	Net value
<b>Outstanding and undue trade receivables</b>	<b>47,764,501</b>	<b>-189,119</b>	<b>47,575,382</b>	<b>35,523,666</b>	<b>-130,115</b>	<b>35,393,551</b>
<b>Past due trade receivables</b>	<b>5,389,535</b>	<b>-926,922</b>	<b>4,462,613</b>	<b>5,218,692</b>	<b>-944,146</b>	<b>4,274,546</b>
Of which overdue:						
■ up to 30 days	3,377,788	-35,409	3,342,379	3,225,694	-32,227	3,193,467
■ 31 to 60 days	590,043	-63,243	526,800	765,724	-77,252	688,472
■ 61 to 90 days	524,158	-106,696	417,462	117,651	-23,388	94,263
■ 91 to 180 days	217,437	-78,575	138,862	221,451	-86,295	135,156
■ more than 181 days	680,109	-642,999	37,110	888,172	-724,984	163,188
<b>TOTAL</b>	<b>53,154,036</b>	<b>-1,116,041</b>	<b>52,037,995</b>	<b>40,742,358</b>	<b>-1,074,261</b>	<b>39,668,097</b>

Note: the amount comprises trade receivables and receivables due from subsidiaries and associates.

### Luka Koper Group

	31 Dec 2022			31 Dec 2021		
(in EUR)	Gross value	Allowances	Net value	Gross value	Allowances	Net value
<b>Outstanding and undue trade receivables</b>	<b>47,885,008</b>	<b>-192,045</b>	<b>47,692,963</b>	<b>35,641,742</b>	<b>-132,948</b>	<b>35,508,794</b>
<b>Past due trade receivables</b>	<b>5,653,064</b>	<b>-941,723</b>	<b>4,711,341</b>	<b>5,742,025</b>	<b>-1,240,522</b>	<b>4,501,503</b>
Of which overdue:						
■ up to 30 days	3,575,096	-37,426	3,537,670	3,398,625	-34,003	3,364,622
■ 31 to 60 days	644,934	-68,856	576,078	820,247	-82,810	737,437
■ 61 to 90 days	530,858	-107,967	422,891	128,273	-25,534	102,739
■ 91 to 180 days	221,369	-79,081	142,288	222,404	-86,743	135,661
■ more than 181 days	680,807	-648,393	32,414	1,172,476	-1,011,432	161,044
<b>TOTAL</b>	<b>53,538,072</b>	<b>-1,133,768</b>	<b>52,404,304</b>	<b>41,383,767</b>	<b>-1,373,470</b>	<b>40,010,297</b>

Note: the amount comprises trade receivables and receivables due from associates.

As at 31 December 2022, the Company disclosed allowances for receivables amounting to EUR 1,116,041, an increase from the preceding year end by EUR 41,780. As at 31 December 2022, the Group recorded EUR 1,133,768 of allowances for receivables, which is EUR 239,702 less than in the previous year and is mainly due to the final write-off of receivables in one of the Group's companies as a result of the closure of insolvency proceedings against the customers.

## Movements in allowances

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	2022	2021	2022	2021
<b>Balance at 1 Jan</b>	<b>1,074,261</b>	<b>640,275</b>	<b>1,373,470</b>	<b>1,037,328</b>
Increase:				
Formation of allowances in the year	347,413	619,240	356,681	640,471
Transfer upon liquidation of Pristan	92,077	0	0	0
Transfer from assets held for sale – Luka Koper Pristan	0	0	92,077	0
Decrease:				
Collected receivables written off	-381,393	-183,734	-394,907	-194,123
Transfer to assets held for sale	0	0	0	-103,957
Definitive write-off (elimination) of receivables	-16,317	-1,520	-293,552	-6,249
<b>Balance at 31 Dec</b>	<b>1,116,041</b>	<b>1,074,261</b>	<b>1,133,769</b>	<b>1,373,470</b>

## Note 23. Cash and cash equivalents

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Cash in hand	228	1,687	18,403	16,191
Bank balances	19,091,183	15,340,739	20,746,563	37,642,494
Current deposits	50,004,250	1,000,000	73,984,250	2,980,000
<b>TOTAL</b>	<b>69,095,661</b>	<b>16,342,426</b>	<b>94,749,216</b>	<b>40,638,685</b>

The Company/Group places its surplus cash in short-term deposits with banks, the maturity of which is adjusted to the assessment of the liquidity needs of the Company/Group and the current supply of deposits on the banking market.

## Note 24. 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, Section 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 2022, the controlling company formed additional other revenue reserves in the amount of a half of net profit or loss, which equalled EUR 36,633,113.

(in EUR)	31 Dec 2022	31 Dec 2021
Share premium	89,562,703	89,562,703
Legal reserves	18,765,115	18,765,115
Other profit reserves	242,775,697	206,142,584
<b>TOTAL</b>	<b>351,103,515</b>	<b>314,470,402</b>

#### Reserves arising from valuation at fair value

At the year-end of 2022, 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 25,451,881 in the Company, and EUR 25,721,519 in the Group. After deducting deferred taxes, they are recorded at EUR 20,471,436 and EUR 20,670,417 respectively.

#### Retained earnings

Retained earnings consist of the unappropriated portion of the net profit for the period, which as at 31 December 2022 amounted to EUR 36,633,113 in the Company and EUR 37,479,059 in the Group, and net profit brought forward that was recorded at EUR 13,596,751 and EUR 47,753,717 respectively.

#### Use of accumulated profit from 31 December 2021

In 2022, the Management and Supervisory Board proposed to the Shareholders' Meeting to appropriate the accumulated profit, which as at 31 December 2021 amounted to EUR 29,592,320, as follows:

- A portion in the amount of EUR 9,940,000 is to be used for dividend pay-out in the gross value of EUR 0.71 per ordinary share,
- A portion of EUR 14,632,155 is transferred to other profit reserves
- The residual amount of accumulated profit in the amount of EUR 5,020,165 to remain unappropriated.
- During the 35th Shareholders' Meeting of Luka Koper, d. d. on 6 June 2022, the counter-proposal proposed by Slovenian Sovereign Holding on its own behalf and on behalf of the Republic of Slovenia was approved, which specified:
- A portion in the amount of EUR 15,960,000 is to be used for dividend pay-out in the gross value of EUR 1.14 per ordinary share,
- The residual amount of accumulated profit in the amount of EUR 13,632,320 to remain unappropriated.

The statement of accumulated profit for the financial year 2022 is provided in Section 32, 'Statement of accumulated profit'.

## Note 25. Provisions

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Provisions for pensions and similar liabilities	8,955,719	7,784,631	9,644,931	8,388,580
Provisions for legal disputes	11,392,779	11,366,109	11,392,779	11,366,109
<b>TOTAL</b>	<b>20,348,498</b>	<b>19,150,740</b>	<b>21,037,710</b>	<b>19,754,689</b>

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 2022, the Company/Group recorded EUR 2,927,480 liabilities under post-employment benefits, which are paid by some companies in the Group.

Based on actuarial calculation, in the Company, the unrealised actuarial loss from the current and preceding year with respect to termination benefits amounting to EUR 174,977 was recorded in other comprehensive income, whereas the Group recorded EUR 132,137 of actuarial loss. The Company/Group recognised in the income statement the current service cost with respect to termination benefits and jubilee premiums in the amount of EUR 782,144 in the Company, and EUR 887,843 in the Group, and the interest cost amounting to EUR 46,845, and EUR 51,867 respectively. In 2022, payments under jubilee premiums and termination benefits amounted to EUR 197,232 in the Company, and EUR 279,194 in the Group.

On 31 December 2022, provisions for lawsuits in the Company/Group were higher by EUR 26,670, which is the net effect of the additionally created provisions for legal liabilities drawn down in 2022. The Group/Company has several lawsuits for which in accordance with Article 92 of IAS 37 – Provisions, Contingent Liabilities and Contingent Assets, does not disclose information on its legal obligations as such disclosure would result in a judgement on the position of the Company/Group in disputes with other parties. The balance of provisions as at 31 December 2022 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)			
		jubilejne nagrade na dan		odpravnine ob upokojitvi na dan	
		31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Rate of return	+0.5	-46,472	-39,478	-278,572	-305,628
	-0.5	49,912	42,778	304,444	338,230
Salary growth	+0.5	51,879	42,178	305,854	332,484
	-0.5	-48,619	-39,831	-279,807	-305,050
Fluctuation	+0.5	-48,629	-40,249	-290,802	-310,929
	-0.5	38,671	32,524	137,473	160,834

#### *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 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Rate of return	+0.5	-49,534	-41,846	-294,975	-323,895
	-0.5	53,181	45,328	324,237	358,086
Salary growth	+0.5	55,294	44,693	325,579	352,000
	-0.5	-51,840	-42,221	-298,123	-323,456
Fluctuation	+0.5	-51,834	-42,661	-310,069	-329,556
	-0.5	41,026	34,342	144,361	168,459

*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
<b>Amount of present value of commitments at 31 Dec 2020</b>	<b>804,263</b>	<b>4,265,020</b>	<b>5,069,283</b>	<b>863,101</b>	<b>4,876,149</b>	<b>5,739,250</b>
Interest costs	2,250	12,345	<b>14,595</b>	2,409	14,037	<b>16,446</b>
Ongoing service costs	119,781	505,122	<b>624,903</b>	126,776	548,305	<b>675,080</b>
Past service costs	6,448	0	<b>6,448</b>	7,900	0	<b>7,900</b>
Actuarial gains (-) and losses (+) – movement in actuarial assumptions and experience	-54,084	-16,106	<b>-70,190</b>	-53,101	-77,814	<b>-130,915</b>
Actuarial gains – reversal	-8,460	-27,862	<b>-36,323</b>	-9,727	-37,526	<b>-47,253</b>
Actuarial losses – formation and use	0	9,099	<b>9,099</b>	0	9,706	<b>9,706</b>
Liabilities for earnings in the period 1 Jan 2021 - 31 Dec 2021	-58,485	-131,302	<b>-189,787</b>	-68,731	-169,506	<b>-238,237</b>
<b>Amount of present value of commitments at 31 Dec 2021</b>	<b>811,713</b>	<b>4,616,315</b>	<b>5,428,028</b>	<b>868,626</b>	<b>5,163,351</b>	<b>6,031,977</b>
Interest costs	6,861	39,983	<b>46,845</b>	7,332	44,535	<b>51,867</b>
Ongoing service costs	166,324	624,907	<b>791,231</b>	176,971	682,441	<b>859,412</b>
Past service costs	-3,028	-6,059	<b>-9,087</b>	4,853	23,578	<b>28,431</b>
Actuarial gains (-) and losses (+) – movement in actuarial assumptions and experience	152,564	-132,178	<b>20,386</b>	166,853	-91,045	<b>75,808</b>
Actuarial gains – reversal	-9,822	-53,020	<b>-62,842</b>	-10,446	-57,599	<b>-68,045</b>
Actuarial losses – formation and use	689	10,222	<b>10,911</b>	689	16,507	<b>17,196</b>
Liabilities for earnings in the period 1 Jan 2022 - 31 Dec 2022	-42,548	-154,685	<b>-197,232</b>	-48,443	-230,751	<b>-279,194</b>
<b>Amount of present value of commitments at 31 Dec 2022</b>	<b>1,082,754</b>	<b>4,945,486</b>	<b>6,028,240</b>	<b>1,166,435</b>	<b>5,551,017</b>	<b>6,717,452</b>

### 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	<b>-1,759,376</b>	-225,376	-1,624,855	<b>-1,850,231</b>
Actuarial gains or losses from experience adjustments	357,105	1,370,726	<b>1,727,831</b>	382,472	1,492,718	<b>1,875,190</b>
<b>Total actuarial gains (-) and losses (+) in the period</b>	<b>143,431</b>	<b>-174,977</b>	<b>-31,545</b>	<b>157,096</b>	<b>-132,137</b>	<b>24,959</b>

### Breakdown of actuarial gains and losses in the 2021 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	-67,970	-402,220	<b>-470,189</b>	-72,112	-428,686	<b>-500,798</b>
Actuarial gains or losses from experience adjustments	5,426	367,350	<b>372,776</b>	10,550	326,544	<b>337,094</b>
<b>Total actuarial gains (-) and losses (+) in the period</b>	<b>-62,544</b>	<b>-34,870</b>	<b>-97,413</b>	<b>-61,562</b>	<b>-102,142</b>	<b>-163,704</b>

### Maturity of liabilities for jubilee premiums and termination benefits 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	<b>463,281</b>	58,873	583,196	<b>642,069</b>
2024	62,279	236,627	<b>298,905</b>	65,096	298,901	<b>363,997</b>
2025	73,969	235,251	<b>309,221</b>	84,111	261,419	<b>345,530</b>
2026	72,689	266,451	<b>339,140</b>	77,433	311,268	<b>388,701</b>
2027	98,710	143,922	<b>242,632</b>	109,161	177,378	<b>286,539</b>
Over 5 years	724,095	3,650,965	<b>4,375,061</b>	771,760	3,918,856	<b>4,690,616</b>
<b>Total actuarial gains (-) and losses (+) in the period</b>	<b>1,082,754</b>	<b>4,945,486</b>	<b>6,028,240</b>	<b>1,166,435</b>	<b>5,551,017</b>	<b>6,717,452</b>



*Maturity of liabilities for jubilee premiums and termination benefits due by calendar years as at 31 Dec 2021*

(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	36,091	351,883	<b>387,973</b>	40,121	499,733	<b>539,854</b>
2024	35,269	99,191	<b>134,460</b>	40,009	153,920	<b>193,929</b>
2025	40,550	174,853	<b>215,404</b>	42,410	221,339	<b>263,750</b>
2026	50,131	159,018	<b>209,150</b>	56,727	176,438	<b>233,165</b>
2027	51,557	197,278	<b>248,836</b>	53,566	230,788	<b>284,354</b>
Over 5 years	598,114	3,634,093	<b>4,232,207</b>	635,792	3,881,133	<b>4,516,926</b>
<b>Total actuarial gains (-) and losses (+) in the period</b>	<b>811,713</b>	<b>4,616,315</b>	<b>5,428,028</b>	<b>868,626</b>	<b>5,163,351</b>	<b>6,031,977</b>

*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
<b>Balance at 31 Dec 2020</b>	<b>4,265,020</b>	<b>804,263</b>	<b>1,601,811</b>	<b>6,671,094</b>	<b>10,601,960</b>	<b>17,273,054</b>
<b>Movement:</b>						
■ Formation	510,460	74,395	1,012,000	1,596,855	1,258,949	2,855,804
■ Transfer	0	0	-710	-710	0	-710
■ Use	-131,303	-58,485	-256,498	-446,286	-6,454	-452,740
■ Reversal	-27,862	-8,460	0	-36,322	-488,346	-524,668
<b>Balance at 31 Dec 2021</b>	<b>4,616,315</b>	<b>811,713</b>	<b>2,356,603</b>	<b>7,784,631</b>	<b>11,366,109</b>	<b>19,150,740</b>
<b>Movement:</b>						
■ 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
<b>Balance at 31 Dec 2022</b>	<b>4,945,485</b>	<b>1,082,754</b>	<b>2,927,480</b>	<b>8,955,719</b>	<b>11,392,779</b>	<b>20,348,498</b>

## 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
<b>Balance at 31 Dec 2020</b>	<b>4,876,150</b>	<b>863,101</b>	<b>1,601,811</b>	<b>7,341,062</b>	<b>10,601,960</b>	<b>17,943,022</b>
<b>Movement:</b>						
■ Formation	494,233	83,984	1,012,000	1,590,217	1,258,949	2,849,166
■ Use	-163,607	-68,732	-257,208	-489,547	-6,454	-496,001
■ Reversal	-43,425	-9,727	0	-53,152	-488,346	-541,498
<b>Balance at 31 Dec 2021</b>	<b>5,163,351</b>	<b>868,626</b>	<b>2,356,603</b>	<b>8,388,580</b>	<b>11,366,109</b>	<b>19,754,689</b>
<b>Movement:</b>						
■ 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
<b>Balance at 31 Dec 2022</b>	<b>5,551,017</b>	<b>1,166,434</b>	<b>2,927,480</b>	<b>9,644,931</b>	<b>11,392,779</b>	<b>21,037,710</b>

## Note 26. Deferred income

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Non-current deferred income for regular maintenance	24,341,825	21,642,989	24,341,825	21,642,989
Non-refundable grants received	6,935,850	7,235,652	7,026,485	7,376,030
Other non-current deferred income	0	0	1,038,081	1,118,357
<b>TOTAL</b>	<b>31,277,675</b>	<b>28,878,641</b>	<b>32,406,391</b>	<b>30,137,376</b>

Non-current deferred income of the Company/Group comprises deferred income on regular maintenance since in compliance with the Concession Agreement, 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 non-refundable grants and advance payments received with respect to non-refundable funds for investments 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 salaries 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
<b>Balance at 31 Dec 2020</b>	<b>19,973,192</b>	<b>4,180,114</b>	<b>24,153,306</b>
<b>Movement:</b>			
■ Formation	1,669,797	3,508,669	5,178,466
■ Transfer to other liabilities	0	-13,638	-13,638
■ Use	0	-439,493	-439,493
<b>Balance at 31 Dec 2021</b>	<b>21,642,989</b>	<b>7,235,652</b>	<b>28,878,641</b>
<b>Movement:</b>			
■ Formation	2,698,836	64,559	2,763,395
■ Transfer to other liabilities	0	-812	-812
■ Use	0	-363,549	-363,549
<b>Balance at 31 Dec 2022</b>	<b>24,341,825</b>	<b>6,935,850</b>	<b>31,277,675</b>

### 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
<b>Balance at 31 Dec 2020</b>	<b>19,973,192</b>	<b>4,319,834</b>	<b>1,244,138</b>	<b>25,537,164</b>
<b>Movement:</b>				
■ Formation	1,669,797	4,964,960	0	6,634,757
■ Transfer to other liabilities	0	-13,638	0	-13,638
■ Use	0	-1,895,126	-125,781	-2,020,907
<b>Balance at 31 Dec 2021</b>	<b>21,642,989</b>	<b>7,376,030</b>	<b>1,118,357</b>	<b>30,137,376</b>
<b>Movement:</b>				
■ 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
<b>Balance at 31 Dec 2022</b>	<b>24,341,825</b>	<b>7,026,485</b>	<b>1,038,081</b>	<b>32,406,391</b>

## Note 27. Non-current loans and borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Non-current borrowings from banks in Slovenia	54,315,463	40,606,555	54,315,463	40,606,555
Non-current borrowings from banks abroad	0	20,081,967	0	20,081,967
<b>TOTAL</b>	<b>54,315,463</b>	<b>60,688,522</b>	<b>54,315,463</b>	<b>60,688,522</b>

At the year-end of 2022, non-current borrowings from banks in the Company/Group amounted to EUR 54,315,463, and have thus decreased by 10.5 percent or EUR 6,373,059 as compared to the year-end of 2021. The decrease is due to the net effect of the refinancing of part of the loans amounting to EUR 36,100,000, which the controlling company carried out in July 2022 to reduce the interest margin and extend the repayment period of the loans, and to transfer part of the loans maturing 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 two non-current loan agreements in the total amount of EUR 80,000,000, which have not yet been drawn down as of 31 December 2022. One contract in the amount of EUR 60,000,000 was concluded with a banking syndicate of two banks, and the other on in the amount of EUR 20,000,000 with the subsidiary Luka Koper INPO, d. o. o.

### *Movements in non-current borrowings*

#### **Luka Koper, d. d.**

(in EUR)	Lender	
	Banks	TOTAL
<b>Balance at 31 Dec 2020</b>	<b>71,209,697</b>	<b>71,209,697</b>
Transfer to current borrowings – the portion that matures within 1 year	-10,521,175	-10,521,175
<b>Balance at 31 Dec 2021</b>	<b>60,688,522</b>	<b>60,688,522</b>
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
<b>Balance at 31 Dec 2022</b>	<b>54,315,463</b>	<b>54,315,463</b>

#### **Luka Koper Group**

(in EUR)	Lender	
	Banks	TOTAL
<b>Balance at 31 Dec 2020</b>	<b>71,209,697</b>	<b>71,209,697</b>
Transfer to current borrowings – the portion that matures within 1 year	-10,521,175	-10,521,175
<b>Balance at 31 Dec 2021</b>	<b>60,688,522</b>	<b>60,688,522</b>
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
<b>Balance at 31 Dec 2022</b>	<b>54,315,463</b>	<b>54,315,463</b>

## Loan principals (non-current and current borrowings) by type of interest rate

### Luka Koper, d. d.

#### Balance at 31 December 2022

(in EUR)	Currency of loan	Interest rate	Date of maturity	Approved principal amount	Principal at 31 Dec 2022
Loans A	EUR	from 0.440 to 0.850	from 31 Dec 2028 to 31 Dec 2031	123,716,356	28,356,555
Loans B	EUR	Euribor3m + 0.320	to 30 Apr 2032	36,100,000	34,295,000
<b>TOTAL</b>				<b>159,816,356</b>	<b>62,651,555</b>
■ whereof current portion				<b>8,336,093</b>	<b>8.336.093</b>

#### Balance at 31 December 2021

(in EUR)	Currency of loan	Interest rate	Date of maturity	Approved principal amount	Principal 31 Dec 2021
Loans A	EUR	from 0.555 to 0.850	from 31 Dec 2028 to 31 Dec 2031	63,716,356	33,082,648
Loans B	EUR	Euribor3m + from 0.650 to 0.706	from 30 Jun 2026 to 21 Jul 2031	63,000,000	38,127,049
<b>TOTAL</b>				<b>126,716,356</b>	<b>71,209,697</b>
■ whereof current portion					<b>10,521,175</b>

### Luka Koper Group

#### Balance at 31 December 2022

(in EUR)	Currency of loan	Interest rate	Date of maturity	Approved principal amount	Principal at 31 Dec 2022
Loans A	EUR	from 0.440 to 0.850	from 31 Dec 2028 to 31 Dec 2031	103,716,356	28,356,555
Loans B	EUR	Euribor3m + 0.320	to 30 Apr 2032	36,100,000	34,295,000
<b>TOTAL</b>				<b>139,816,356</b>	<b>62,651,555</b>
■ whereof current portion					<b>8,336,093</b>

#### Balance at 31 December 2021

(in EUR)	Currency of loan	Interest rate	Date of maturity	Approved principal amount	Principal 31 Dec 2021
Loans A	EUR	0.850	31 Dec 2028	43,716,356	33,082,648
Loans B	EUR	Euribor3m + from 0.650 to 0.706	from 30 Jun 2026 to 21 Jul 2031	63,000,000	38,127,049
<b>TOTAL</b>				<b>106,716,356</b>	<b>71,209,697</b>
■ whereof current portion					<b>10,521,175</b>

## Balance of non-current and current borrowings from banks at par value and by their maturity

### Luka Koper, d. d., and the Luka Koper Group

(in EUR)	Principal at 31 Dec 2022	2023	2024	2025	2026	2027	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
<b>TOTAL</b>	<b>67,546,137</b>	<b>9,391,895</b>	<b>9,261,501</b>	<b>9,125,818</b>	<b>8,992,779</b>	<b>8,859,741</b>	<b>21,914,402</b>

(in EUR)	Principal at 31 Dec 2021	2022	2023	2024	2025	2026	Period 2027-2031
Balance of received loan principals by maturity	71,209,697	10,521,175	10,521,175	10,521,175	10,521,175	8,771,175	20,353,824
Expected interest	1,429,862	394,099	326,128	260,366	192,875	127,784	128,610
<b>TOTAL</b>	<b>72,639,559</b>	<b>10,915,273</b>	<b>10,847,303</b>	<b>10,781,541</b>	<b>10,714,050</b>	<b>8,898,958</b>	<b>20,482,435</b>

## Note 28. Non-current operating liabilities

Non-current operating liabilities comprise non-current collaterals for the operation of the tax warehouse at the liquid and bulk cargoes terminal and non-current collaterals received for leased premises. As at 31 December 2022, they amounted to EUR 1,105,802 (2021: EUR 106,025) in the Company, and EUR 1,145,239 (2021: 143,693) in the Group. The increase in 2022 mainly refers to the collateral received for one of the customers with whom the company/Group started doing business.

## Note 29. Current loans and borrowings

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Current borrowings from banks in Slovenia	8,336,093	8,226,093	8,336,093	8,226,093
Current borrowings from banks abroad	0	2,295,082	0	2,295,082
<b>TOTAL</b>	<b>8,336,093</b>	<b>10,521,175</b>	<b>8,336,093</b>	<b>10,521,175</b>

Current borrowings from banks as at 31 December 2022 refer to the portion of non-current principal amounts which mature in 2023 according to amortisation schedules.

### Movements in current loans and borrowings

(in EUR)	Luka Koper, d. d.	Luka Koper Group
	Lender Banks	Lender Banks
<b>Balance at 31 Dec 2020</b>	<b>10,521,175</b>	<b>10,521,175</b>
Repayments	-10,521,175	-10,521,175
Transfer from non-current borrowings – the portion that matures within 1 year	10,521,175	10,521,175
<b>Balance at 31 Dec 2021</b>	<b>10,521,175</b>	<b>10,521,175</b>
Repayments	-32,408,143	-32,408,143
Transfer from non-current borrowings – the portion that matures within 1 year	30,223,061	30,223,061
<b>Balance at 31 Dec 2022</b>	<b>8,336,093</b>	<b>8,336,093</b>

### Note 30. Trade and other payables

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Current trade payables to domestic suppliers	27,630,541	24,306,362	28,308,157	24,965,306
Current trade payables to foreign suppliers	416,588	793,099	462,015	835,045
Current liabilities to Group companies	777,047	677,951	0	0
Current liabilities to associates	78,865	51,492	78,865	51,492
Current liabilities from advances	11,245,495	2,623,337	11,461,426	2,826,077
Current liabilities to employees	6,515,540	5,735,227	6,968,339	6,150,732
Current liabilities to the state and other institutions	24,295	444	60,714	17,240
<b>Total operating liabilities</b>	<b>46,688,371</b>	<b>34,187,912</b>	<b>47,339,516</b>	<b>34,845,892</b>
<b>Other operating liabilities</b>	<b>9,390,584</b>	<b>6,141,289</b>	<b>9,946,847</b>	<b>6,479,054</b>
<b>TOTAL</b>	<b>56,078,955</b>	<b>40,329,201</b>	<b>57,286,363</b>	<b>41,324,946</b>

As at 31 December 2022, current trade and other payables increased year-on-year both in the Company and in the Group. The largest increase is observed in current liabilities on account of advances, where the increase is mainly due to advances received for EU subsidised projects recorded in the controlling company. Another increase was observed in other operating liabilities, where the Company/Group also discloses 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 31. Contingent liabilities

(in EUR)	Luka Koper, d. d.		Luka Koper Group	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Securities given	729,849	1,837,640	729,849	1,837,640
Contingent liabilities under legal disputes	23,618,984	23,968,442	23,618,984	23,968,442
<b>Total contingent liabilities</b>	<b>27,458,833</b>	<b>28,916,082</b>	<b>27,728,747</b>	<b>29,192,405</b>

The guarantees given do not meet the conditions to disclose, and as such the Company/Group does not disclose them.

Securities in the amount of EUR 729,849 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 as at 31 December 2022 disclosed no outstanding instalments.

As at 31 December 2022, contingent liabilities under legal disputes amounted EUR 23,618,984, down EUR 349,457 from the preceding year-end. The decrease relates to settled lawsuits that the Company/Group assessed in prior periods 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 32. Related party transactions

*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, Worker Director since 1 Mar 2018	165,140	27,615	2,008	316	6,896	201,975
<b>TOTAL</b>	<b>581,384</b>	<b>115,450</b>	<b>7,028</b>	<b>1,078</b>	<b>23,226</b>	<b>728,166</b>

*Remuneration of Members of the Management Board in the company Luka Koper, d. d. in 2021 (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	0	0	167	0	0	167
Dimitrij Zadel, President of the Management Board from 29 Dec 2017 to 15 Nov 2021	160,779	86,274	2,010	216	88,343	337,622
Irma Gubanec, Member from 29 Dec 2017 to 15 Nov 2021	144,202	77,709	2,010	216	81,319	305,456
Metod Podkrižnik, Member from 29 Dec 2017 to 15 Nov 2021	144,646	77,561	2,010	216	85,939	310,372
Robert Rožac, Member since 16 Nov 2021	6,267	0	167	11	709	7,154
Vojko Rotar, Worker Director since 1 Mar 2018	134,047	34,257	2,010	227	7,608	178,149
<b>TOTAL</b>	<b>589,941</b>	<b>275,801</b>	<b>8,374</b>	<b>886</b>	<b>263,918</b>	<b>1,138,920</b>

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 indicators, which contribute to the non-current interests of the Company.

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 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 (ten members)	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
<b>TOTAL</b>	<b>3,591,564</b>	<b>58,042</b>	<b>3,815</b>	<b>237,002</b>	<b>3,890,423</b>

*Remuneration of groups of persons in the company Luka Koper, d. d. in 2021 (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	865,742	8,374	886	263,918	1,138,920
Members of the Supervisory Board	274,166	0	2,043	9,454	285,663
Employees with individual employment contracts	2,746,489	56,597	0	171,050	2,974,136
<b>TOTAL</b>	<b>3,886,397</b>	<b>64,971</b>	<b>2,929</b>	<b>444,422</b>	<b>4,398,719</b>

*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 (ten members)	260,073	0	2,737	4,000	266,810
Members of the Audit Committee (five members) - 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
<b>TOTAL</b>	<b>3.964.543</b>	<b>66.074</b>	<b>3.815</b>	<b>154.068</b>	<b>4.188.500</b>

*Remuneration of groups of persons in the Luka Koper Group in 2021 (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	865,742	8,374	886	263,918	1,138,920
Members of the Supervisory Board	274,166	0	2,043	9,454	285,663
Employees with individual employment contracts	2,803,073	58,606	0	175,791	3,037,470
Managing Directors of subsidiaries	284,180	8,040	0	18,621	310,841
<b>TOTAL</b>	<b>4,227,161</b>	<b>75,020</b>	<b>2,929</b>	<b>467,784</b>	<b>4,772,894</b>

*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, Member 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, Member 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 12 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
<b>TOTAL</b>	<b>200,893</b>	<b>2,734</b>	<b>63,183</b>	<b>266,810</b>

*Gross remuneration of Members of the Supervisory Board and its Committees in Luka Koper, d. d., in 2021 (in EUR)*

Name and surname	Performance of function	Insurance premium benefits (SB)	Attendance fees and reimbursement of costs	Total gross earnings
Andraž Lipolt, Member from 1 Jul 2017 to 1 Jul 2021	12,691	132	3,190	16,013
Andrej Koprivec, Member since 2 Jul 2021	9,113	95	3,555	12,763
Barbara Nose, Member from 1 Jul 2017 to 1 Jul 2021	12,435	132	6,402	18,969
Božidar Godnjavec, Member since 2 Jul 2021	9,113	95	5,279	14,487
Franci Matoz, Member since 2 Jul 2021	11,109	95	3,207	14,411
Mateja Treven, External Member of the SB's Audit Committee from 23 Feb 2019 to 11 Jul 2021	4,045	0	1,716	5,761
Mehrudin Vuković, Member since 19 Jan 2020	17,899	227	6,600	24,726
Mladen Jovičić, Member since 8 Apr 2009	19,351	227	6,380	25,958
Milan Jelenc, Member from 1 Jul 2017 to 1 Jul 2021	12,435	132	7,282	19,849
Nevenka Črešnar Pergar, Member since 2 Jul 2021	9,694	95	5,422	15,211
Rado Antolovič, Member since 7 Oct 2013	19,351	227	13,987	33,565
Rok Parovel, Member since 12 Sep 2016	20,101	227	6,941	27,269
Simon Kolenc, External Member of the SB's Audit Committee since 12 Jul 2021	2,555	0	994	3,549
Simona Razvornik Škofič, External Member of the SB's Nomination Committee from 22 Mar 2021 to 28 May 2021	696	0	660	1,356
Tamara Kozlovič, Member since 22 Aug 2019	21,548	227	10,252	32,027
Uroš Ilić, Member from 1 Jul 2017 to 2 Jul 2021	16,207	132	3,410	19,749
<b>TOTAL</b>	<b>198,343</b>	<b>2,043</b>	<b>85,277</b>	<b>285,663</b>

Remuneration in 2022 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 2022 the Supervisory Board allocated EUR 573 for training of its Members.

### *Transactions with the Government of the Republic of Slovenia*

Luka Koper, d. d.				
(in EUR)	Payments in 2022	Costs/expenses in 2022	Payments in 2021	Costs/expenses in 2021
Concessions and the water fee	7,849,917	10,682,667	6,992,444	7,729,718
Transshipment fee	5,994,238	6,084,315	5,200,080	5,265,145
Dividends	8,139,600	0	8,139,600	0
Corporate income tax (taxes and advance payments)	6,665,206	13,377,322	1,142,469	5,159,085
Other taxes and contributions	11,896,076	11,577,922	9,867,531	9,901,759
<b>TOTAL</b>	<b>40,545,037</b>	<b>41,722,226</b>	<b>31,342,124</b>	<b>28,055,707</b>

Luka Koper Group				
(in EUR)	Payments in 2022	Costs/expenses in 2022	Payments in 2021	Costs/expenses in 2021
Concessions and the water fee	7,849,917	10,682,667	6,992,444	7,729,718
Transshipment fee	5,994,238	6,084,315	5,200,080	5,265,145
Dividends	8,139,600	0	8,139,600	0
Corporate income tax (taxes and advance payments)	6,735,756	13,471,233	1,217,739	5,232,125
Other taxes and contributions	12,196,106	12,479,435	10,094,934	10,703,751
<b>TOTAL</b>	<b>40,915,617</b>	<b>42,717,650</b>	<b>31,644,797</b>	<b>28,930,739</b>

In 2022, 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 1,775,957 and Kapitalska družba, d. d. in the amount of EUR 794,100.

No other transactions between the Government of the Republic of Slovenia and the Company/Group were recorded.

### **Transactions with natural persons**

In the business year 2022, there were no transactions between the Company/Group and Members of the Management and Supervisory Boards.

### **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/seznam-nalozb>).

In 2022, sales transactions conducted between Luka Koper, d. d. and entities in which the state has directly dominant influence were recorded at EUR 13,482,255 and purchasing transactions amounted to EUR 5,399,834, whereas the transactions between the Luka Koper Group and such entities were recorded at EUR 13,577,864 and EUR 5,528,913 respectively. The majority of sale referred to services related to port activity, whereas major purchasing included costs of railway transport, purchases of energy and insurance costs. As at 31 December 2022 Luka Koper, d. d. recorded receivables of EUR 1,784,101 and liabilities of EUR 50,491,111 to such entities and the Luka Koper Group

recorded EUR 1,865,205 and EUR 50,508,561 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)	2022	2021
<b>Sale to subsidiaries:</b>		
■ Luka Koper INPO, d. o. o.	378,189	386,963
■ Luka Koper Pristan, d. o. o.	6,000	27,602
■ Adria Terminali, d. o. o.	609,623	568,292
■ TOC, d. o. o.	4,200	4,200
■ Adria Investicije, d. o. o.	828	828
■ Logis-Nova, d. o. o.	1,200	1,200
<b>Sale to associates:</b>		
■ Adria Transport, d. o. o.	357,283	352,926
■ Adria-Tow, d. o. o.	111,723	105,699
■ Avtoservis, d. o. o.	1,598,573	712,218
■ Adriaфин, d. o. o.	13,440	13,440
<b>TOTAL</b>	<b>3,081,059</b>	<b>2,173,367</b>

(in EUR)	2022	2021
<b>Purchase from subsidiaries:</b>		
■ Luka Koper INPO, d. o. o.	7,222,771	5,659,483
■ Luka Koper Pristan, d. o. o.	105	1,038
■ Adria Terminali, d. o. o.	14,400	14,400
■ TOC, d. o. o.	20,925	18,251
■ Adria Investicije, d. o. o.	79,082	84,028
<b>Purchase from associates:</b>		
■ Adria Transport, d. o. o.	800	4,000
■ Adria-Tow, d. o. o.	73,701	37,888
■ Avtoservis, d. o. o.	879,555	915,558
<b>TOTAL</b>	<b>8,291,339</b>	<b>6,734,646</b>

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 2022	31 Dec 2021
<b>Trade and other receivables due from subsidiaries:</b>		
■ Luka Koper INPO, d. o. o.	514,104	446,991
■ Luka Koper Pristan, d. o. o.	0	4,377
■ Adria Terminali, d. o. o.	53,608	52,578
■ TOC, d. o. o.	127	427
■ Adria Investicije, d. o. o.	84	84
■ Logis-Nova, d. o. o.	122	122
<b>Trade and other receivables due from associates:</b>		
■ Adria Transport, d. o. o.	33,236	39,934
■ Adria-Tow, d. o. o.	13,170	6,681
■ Avtoservis, d. o. o.	366,221	95,588
■ Adriaфин, d. o. o.	1,366	1,366
<b>TOTAL</b>	<b>982,038</b>	<b>648,149</b>

(in EUR)	31 Dec 2022	31 Dec 2021
<b>Trade payables due to subsidiaries:</b>		
■ Luka Koper INPO, d. o. o.	791,702	693,307
■ Adria Terminali, d. o. o.	1,464	1,464
■ TOC, d. o. o.	3,900	3,199
<b>Trade payables due to associates:</b>		
■ Adria Transport, d. o. o.	0	976
■ Adria-Tow, d. o. o.	7,211	7,557
■ Avtoservis, d. o. o.	71,653	42,959
<b>TOTAL</b>	<b>875,930</b>	<b>749,462</b>

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*

<b>Income statement items from transactions with associates</b>	<b>Luka Koper Group</b>	
(in EUR)	2022	2021
Net revenue from sales to associates	2,506,031	1,198,018
Cost of material purchased from associates	86,506	92,380
Cost of services performed by associates	869,810	872,474
Profit of associates	1,734,285	2,793,284

<b>Items of the statement of financial position to associates</b>	<b>Luka Koper Group</b>	
(in EUR)	2022	2021
Non-current investments except loans to associates	16,361,004	15,784,793
Current operating receivables due from associates	413,994	143,570
Current operating liabilities to associates	78,865	51,492



## Note 33. Financial instruments and financial risk management.

Financial risks to which the Company/Group is exposed to include:

1. Risk of change in fair value,
2. Interest rate risk,
3. Liquidity risk,
4. Currency risk,
5. Credit risk, and
6. 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

	Luka Koper, d. d.		Luka Koper Group	
(in EUR)	Carrying amount as at 31 Dec 2022	Carrying amount as at 31 Dec 2021	Carrying amount as at 31 Dec 2022	Carrying amount as at 31 Dec 2021
<b>Non-derivative financial assets at fair value</b>				
Financial assets at fair value through profit or loss	4,205,892	3,415,492	6,691,667	5,901,267
Financial assets at fair value through other comprehensive income	41,552,427	53,171,843	42,297,460	54,070,809
<b>Non-derivative financial assets at amortised cost</b>				
Financial claims	1,717	3,336	7,274	8,879
Operating receivables (excluding receivables due from the state, advances and collaterals given)	52,517,409	40,416,095	52,918,041	40,824,362
Assets from contracts with customers	0	318,339	0	318,339
Cash and cash equivalents	69,095,661	16,342,426	94,749,216	40,638,685
<b>Total non-derivative financial assets</b>	<b>167,373,106</b>	<b>113,667,531</b>	<b>196,663,658</b>	<b>141,762,341</b>
<b>Non-derivative financial liabilities at amortized cost</b>				
Bank loans and other financial liabilities	62,651,556	71,209,697	62,651,556	71,209,697
Lease liabilities	1,128,073	1,383,370	1,006,969	1,343,495
Operating liabilities (excluding other non-current and current liabilities, current liabilities to the state, employees and from advances and collaterals)	28,903,041	25,828,904	28,849,037	25,851,843
<b>Total non-derivative financial liabilities</b>	<b>92,682,670</b>	<b>98,421,971</b>	<b>92,507,562</b>	<b>98,405,035</b>

## 1. Risk management and change in fair value

### Luka Koper, d. d. Company

At the end of 2022, 6.9% of the Company's assets were financial investments measured at fair value (2021: 9.5%). 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, whereas 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 2022, the value of non-current investments at fair value amounted to EUR 45,758,319.

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 2022

Luka Koper, d. d.					
	Carrying amount as at 31 Dec 2022	Fair value as at 31 Dec 2022	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
■ Other non-current investments*	45,758,319	45,758,319	44,098,319	0	1,660,000
■ Non-current loans given**	0	0	0	0	0
■ Non-current operating receivables**	39,991	39,991	0	0	39,991
<b>Current financial assets</b>					
■ Current loans given**	1,717	1,717	0	0	1,717
<b>Non-current financial liabilities</b>					
■ 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
<b>Current financial liabilities</b>					
■ 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.

## Fair value hierarchy in 2021

	Luka Koper, d. d.				
	Carrying amount as at 31 Dec 2021	Fair value as at 31 Dec 2021	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
■ Other non-current investments*	56,587,335	56,587,335	55,675,350	0	911,985
■ Non-current loans given**	1,717	1,717	0	0	1,717
■ Non-current operating receivables**	39,991	39,991	0	0	39,991
<b>Current financial assets</b>					
■ Current loans given**	1,619	1,619	0	0	1,619
<b>Non-current financial liabilities</b>					
■ Non-current loans and borrowings**	60,688,522	60,688,522	0	0	60,688,522
■ Non-current operating liabilities	106,025	106,025	0	0	106,025
<b>Current financial liabilities</b>					
■ Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
■ Other current financial liabilities**	52,260	52,260	0	0	52,260

\* 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 2022, the fair value of the Other non-current investments classified as Level 3 was verified by the Company through a valuation carried out by an independent certified business valuator. The valuation reports for financial reporting purposes have been prepared in accordance with the Valuation Code Hierarchy, the International Standards on Valuation and the guidelines of the Slovenian Institute of Auditors, based on public data on the operations and assets of the company being valued, the company's publicly disclosed and published strategic policies, and the findings of analyses of industry trends and indicators. The valuation was based on the discounted cash flow method 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 2022, 7.0% of the Group's assets were financial investments measured at fair value (year-end of 2021: 9.5%). 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, whereas 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 2022, the value of non-current investments at fair value amounted to EUR 48,989,127.

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 2022*

	Luka Koper Group				
	Carrying amount as at 31 Dec 2022	Fair value as at 31 Dec 2022	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
■ 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
<b>Current financial assets</b>					
■ Current loans given**	1,717	1,717	0	0	1,717
<b>Non-current financial liabilities</b>					
■ 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
<b>Current financial liabilities</b>					
■ 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.

## Fair value hierarchy in 2021

	Luka Koper Group				
	Carrying amount as at 31 Dec 2021	Fair value as at 31 Dec 2021	Direct stock market quotation (Level 1)	Value based on comparable market inputs (Level 2)	No observable market inputs (Level 3)
<b>Non-current financial assets</b>					
■ Other non-current investments*	59,972,076	59,972,076	56,574,316	0	3,397,760
■ Non-current loans given**	7,260	7,260	0	0	7,260
■ Non-current operating receivables**	39,991	39,991	0	0	39,991
<b>Current financial assets</b>					
■ Current loans given**	1,619	1,619	0	0	1,619
<b>Non-current financial liabilities</b>					
■ Non-current loans and borrowings**	60,688,522	60,688,522	0	0	60,688,522
■ Non-current operating liabilities	143,693	143,693	0	0	143,693
<b>Current financial liabilities</b>					
■ Current loans and borrowings**	10,521,175	10,521,175	0	0	10,521,175
■ Other current financial liabilities**	52,260	52,260	0	0	52,260

\* 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 2022, the fair value of the Other non-current investments classified as Level 3 was verified by the Group through a valuation carried out by an independent certified business valuator. The valuation reports for financial reporting purposes have been prepared in accordance with the Valuation Code Hierarchy, the International Standards on Valuation and the guidelines of the Slovenian Institute of Auditors, based on public data on the operations and assets of the company being valued, the company's publicly disclosed and published strategic policies, and the findings of analyses of industry trends and indicators. The valuation was based on the discounted cash flow method 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 2022, the percentage of financial liabilities (excluding other financial liabilities) decreased in the overall structure of the Company's liabilities from 11.9% at the year-end of 2021 to 9.5% in 2022. 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 54.7% (year-end of 2021: 53.5%) of Company's total borrowings. The remaining 45.3% of borrowings were concluded with a fixed interest rate.

### Overview of exposure

(in EUR)	31 Dec 2022	Exposure 2022	31 Dec 2021	Exposure 2021
Borrowings received at a variable interest rate (without interest rate hedge)	34,295,000	54.7%	38,127,049	53.5%
Borrowings received at a nominal interest rate	28,356,556	45.3%	33,082,648	46.5%
<b>TOTAL</b>	<b>62,651,556</b>	<b>100.0%</b>	<b>71,209,697</b>	<b>100.0%</b>

### 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
<b>Balance at 31 Dec 2022</b>				
3M EURIBOR	34,295,000	51,443	85,738	171,475
<b>Total effect on interest expenses</b>	<b>34,295,000</b>	<b>51,443</b>	<b>85,738</b>	<b>171,475</b>
<b>Balance at 31 Dec 2021</b>				
3M EURIBOR	38,127,049	33,566	55,943	111,885
<b>Total effect on interest expenses</b>	<b>38,127,049</b>	<b>33,566</b>	<b>55,943</b>	<b>111,885</b>

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 and 50 base points. At the year-end of 2022, the Company's borrowings subject to the movement of the 3M Euribor were not hedged against interest rate risk.

### Luka Koper Group

As at 31 December 2022, the share of financial liabilities (excluding other financial liabilities) decreased in the overall structure of the Group's liabilities from the initial 11.2% in 2021 to 8.9% at the year-end 2022. 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 54.7% (2021: 53.5%) of Group's total borrowings. The remaining 45.3% 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 are 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.

	Luka Koper, d. d.					
	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	TOTAL
<b>31 Dec 2022</b>						
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
Other operating liabilities	9,390,584	0	0	0	0	9,390,584
<b>TOTAL</b>	<b>47,239,947</b>	<b>7,393,684</b>	<b>9,587,742</b>	<b>27,393,458</b>	<b>21,914,402</b>	<b>113,529,232</b>
<b>31 Dec 2021</b>						
Loans and borrowings	2,630,294	7,890,881	10,521,175	29,813,524	20,353,824	71,209,697
Expected interest on all borrowings	104,564	289,535	326,128	581,025	128,610	1,429,862
Lease liabilities	91,292	325,030	231,003	736,045	0	1,383,370
Other financial liabilities	52,260	0	0	0	0	52,260
Total operating liabilities	31,564,575	0	0	0	0	31,564,575
Other operating liabilities	6,141,289	0	0	0	0	6,141,289
<b>TOTAL</b>	<b>40,584,273</b>	<b>8,505,446</b>	<b>11,078,306</b>	<b>31,130,594</b>	<b>20,482,435</b>	<b>111,781,053</b>



	Luka Koper Group					
	Up to 3 months	3 to 12 months	1 to 2 years	3 to 5 years	Over 5 years	TOTAL
<b>31 Dec 2022</b>						
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
Other operating liabilities	9,946,847	0	0	0	0	9,946,847
<b>TOTAL</b>	<b>48,211,699</b>	<b>7,025,220</b>	<b>9,272,014</b>	<b>26,800,704</b>	<b>21,620,764</b>	<b>112,930,400</b>
<b>31 Dec 2021</b>						
Loans and borrowings	2,630,294	7,890,881	10,521,175	29,813,524	20,353,824	71,209,697
Expected interest on all borrowings	104,564	289,535	326,128	581,025	128,610	1,429,862
Lease liabilities	107,194	269,060	284,707	682,534	0	1,343,495
Other financial liabilities	52,260	0	0	0	0	52,260
Total operating liabilities	32,019,815	0	0	0	0	32,019,815
Other operating liabilities	6,479,054	0	0	0	0	6,479,054
<b>TOTAL</b>	<b>41,393,180</b>	<b>8,449,476</b>	<b>11,132,010</b>	<b>31,077,083</b>	<b>20,482,435</b>	<b>112,534,184</b>

#### 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 types of receivables are secured by the Company/Group with collaterals, which are returned to the customer upon payment in full or upon termination of the relationship. In 2022, the Company took out a permanent Trade Receivables Insurance Policy to insure a major part of its current trade receivables from customers arising from 1 November 2022 onwards.

## Exposure to credit risk

(in EUR)		Luka Koper, d. d.		Luka Koper Group	
	Note	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Non-current loans given		0	1,717	5,557	7,260
Non-current operating receivables		39,991	39,991	39,991	39,991
Current loans given		1,717	1,619	1,717	1,619
Current trade receivables	22	52,037,995	39,668,097	52,404,304	40,010,297
Other receivables	22	3,764,115	2,745,273	3,946,631	2,949,258
Cash and cash equivalents	23	69,095,661	16,342,426	94,749,216	40,638,685
<b>TOTAL</b>		<b>124,939,479</b>	<b>58,799,123</b>	<b>151,147,416</b>	<b>83,647,110</b>

## 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.

(in EUR)		Luka Koper, d. d.				Luka Koper Group			
		31 Dec 2022		31 Dec 2021		31 Dec 2022		31 Dec 2021	
		in EUR	share (%)	in EUR	share (%)	in EUR	share (%)	in EUR	share (%)
Own funds		480,225,780	72.5%	432,176,305	72.5%	515,732,169	73.6%	466,965,328	73.6%
Non-current liabilities		107,788,799	16.3%	109,790,976	18.4%	109,603,310	15.6%	111,691,521	17.6%
Current liabilities		74,666,277	11.3%	54,449,795	9.1%	75,818,749	10.8%	55,446,409	8.7%
<b>Equity and liabilities</b>		<b>662,680,856</b>	<b>100.0%</b>	<b>596,417,076</b>	<b>100.0%</b>	<b>701,154,228</b>	<b>100.0%</b>	<b>634,103,258</b>	<b>100.0%</b>

## Note 34. Transactions with the audit firm

The contractual value of auditing the annual report, rendered for the Company for the financial year 2022 by BDO revizija d. o. o., is recorded at EUR 24,805 (exclusive of VAT), whereas the value of auditing the annual report for the Group amounted to EUR 43,337 (exclusive of VAT). BDO revizija, d. o. o. provided the Company with other services of 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 and auditing based on the ESEF standard, as well as auditing the calculation and compliance with financial commitments, the total value of which was EUR 11,200 (exclusive of VAT). Other auditing services for the financial year 2022 for the Group amounting to EUR 12,266 (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 EUR)		Luka Koper, d. d.		Luka Koper Group	
		2022	2021	2022	2021
Auditing the annual report		24,805	24,805	43,337	43,337
Audit services		11,200	6,740	12,266	7,806
<b>TOTAL</b>		<b>36,005</b>	<b>31,545</b>	<b>55,603</b>	<b>51,143</b>

## 32 Statement of Accumulated Profit

In 2022, the controlling company Luka Koper, d. d. generated a net profit of EUR 73,266,227. At the year-end of 2022, the Company's Management Board earmarked half of the profit in the amount of EUR 36,633,114 to other revenue reserves pursuant to Article 230, Paragraph 3 of the Companies Act. The company established that the accumulated profit in 2022 was EUR 50,229,864.

(in EUR)	31 Dec 2022	31 Dec 2021
Retained net profit	13,596,751	14,632,155
Profit for the period	73,266,227	29,920,330
Increase in revenue reserves	-36,633,114	-14,960,165
<b>Total accumulated profit</b>	<b>50,229,864</b>	<b>29,592,320</b>

## 33 Relevant events after the end of the financial year

### FEBRUARY 2023

- 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 Koprivc 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 its 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.

## 34 Independent Auditor's Report



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### INDEPENDENT AUDITOR'S REPORT to the shareholders of the company LUKA KOPER, d.d. (translation from the original in Slovene language)

#### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

##### Opinion

We have audited the separate financial statements of the company Luka Koper, d.d. (hereinafter »the Company«) and the consolidated financial statements of the Luka Koper Group (hereinafter »the Group«), which comprise the separate and the consolidated statement of financial position as at 31 December 2022, the separate and the consolidated income statement, the separate and the consolidated statement of other comprehensive income, the separate and the consolidated statement of changes in equity and the separate and the consolidated cash flow statement for the year then ended and the summary of significant accounting policies, and other explanatory 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 31 December 2022, and their financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (hereinafter »IFRS as adopted in EU«).

##### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities (hereinafter the »Regulation«). Our responsibilities under those rules 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 of 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 separate and the consolidated financial statements in Slovenia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IEASBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

##### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the separate and the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled all our obligations described in the *Auditor's Responsibilities for the Audit of the Separate and the Consolidated Financial Statements*, including those related to these matters. Therefore, the audit comprised the performance of the procedures designed to respond to our assessment of the risks of material misstatement in the separate and the consolidated financial statements. The results of our audit procedures, including the procedures performed in relation to the matters stated hereinafter, serve as the basis for issuing our audit opinion about the accompanying separate and consolidated financial statements.

#### Revenue recognition in the separate and consolidated financial statements

##### Key audit matter

Net sales revenue for the year ended 31 December 2022, amounted to EUR 310.196.680 for the Company and EUR 313.462.636 for the Group (2021: EUR 224.990.379 for the Company and EUR 228.444.062 for the Group).

The Group's core activities include transshipment of goods and rendering other accompanying and

##### 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

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Okržno sodišče v Ljubljani, v št. 1/25892/20, osnovni kapital: 9.736,66 EUR, matična št.: 5913691, ID št. za DDV: SI94637920.

supporting services.

Revenue from these core 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. The Company or the Group performs a large volume of individual transactions, which are predominantly smaller, therefore it is very important that their completeness is 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 this area to be a key audit matter.

Disclosures regarding revenue recognition are included in the *Note 29 Summary of key accounting policies and disclosures*, more precisely in the Note 29.1.22 *Revenue* and in the Note 30 *Additional disclosures to the income statement - Disclosure 1 Net sales revenue*.

whether the policy is in accordance with relevant financial reporting standards.

- Based on our inspection of a sample of contracts with key customers, we assessed, among other things, how the Company defines the components of an individual contract and assessed the selected revenue recognition pattern for the defined components of an individual contract with regard to accounting policies;
- Critically evaluating the Company's identification of the stage of completion of the services by inspecting of contracts and supporting documents in the end of December 2021.
- Review of issued invoices just before the end of 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, which are 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 items, 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.

#### **Provisions for lawsuits in the separate and consolidated financial statements**

##### Key audit matter

The carrying amount of provisions for lawsuits as at 31 December 2022 is EUR 11.392.779 for the Company and for the Group (2021: EUR 11.366.109 for the Company and for the Group); contingent liabilities arising from lawsuits as at 31 December 2022 EUR 23.618.984 for the Company and for the Group (2021: EUR 23.968.442 for the Company and for the Group).

Provisions for legal cases represent accounting estimate. The Company and the Group are exposed to significant contingent claims from legal disputes, filed in court. There is a great deal of uncertainty when assessing whether claims represent contingent liabilities or whether provisions for claims should be recognized. In deciding this, management uses assumptions and judgments. The amounts of claims constitute an important commitment and the assessment of the need to make provisions is largely subjective and is based on the future unfolding of events. As a result of all of the above, we have identified provisions for lawsuits as a key audit matter.

##### Our response

Our audit procedures included among other:

- Inspecting the minutes of those charged with governance.
- Obtaining, reading and review of lawyers' letters relating to actions against the Company or the Group.
- Assessment of the adequacy of the legal bases for the recognition and release of provisions. We assessed the adequacy of estimates and assumptions made by the Company or by the Group in connection with the recording of provisions or the disclosure of contingent liabilities arising from lawsuits. In the assessment, we focused on the management's judgement of the probability of unfavourable result and on the reliability of the assessment of the amount of the claims.
- We evaluated the range of values and the assumptions included in the management's assessment of potential outflows of benefits and discussed the management judgement with the Company's Management Board.
- We have assessed whether the Company's or Group's disclosures regarding provisions for



We refer to Note 29 *Summary of key accounting policies and disclosures*, more precisely to the note 29.1.12 *Provisions* and to the Note 25 *Provisions* as well as 32 *Contingent liabilities*, which describe the Company's exposure to claims.

#### Investments in property, plant and equipment

##### Key audit matter

The carrying amount of property, plant and equipment as at 31 December 2022 is EUR 446.106.451 for the Company and EUR 457.645.315 for the Group (2021: EUR 425.978.241 for the Company and EUR 438.877.277 for the Group); costs of maintenance services for the year ended as at 31 December 2022 amounted to EUR 7.287.790 for the Company and EUR 7.096.165 for the Group (2021: EUR 7.278.321 for the Company and EUR 7.148.927 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 in profit or loss as soon as they are incurred. The distinction between items that meet the conditions for recognition of property, plant and equipment and items that are immediately recognized in profit or loss 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. When deciding on this, the Company and The Group applies significant assumptions and judgments related to meeting the conditions for recognizing property, plant and equipment as set out in IFRS as adopted in EU.

We refer to the Note 30 *Summary of key accounting policies and disclosures*, more precisely to the Note 30.1.2 *Property, plant and equipment*, to the Note 12 *Property, plant and equipment* within the Note 32 *Additional disclosures to the statement of financial position* and to the Note 5 *Cost of services* within the Note 31 *Additional disclosures to the income statement*, which define investments in property, plant and equipment and maintenance costs.

##### Other Information

Management is responsible for the other information. Other information comprises the information included in the Annual Report other than the separate and the consolidated financial statements and the auditor's report thereon. Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Other information was obtained before the date of the auditor's report, with the exception of the Supervisory Board report, which will be available after that date.

lawsuits were appropriate considering the IFRS as adopted in EU.

##### 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.
- 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.
- 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 basis from the persons responsible for the investments;
  - we conducted interviews with the persons responsible for investments;
  - 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.



In connection with our audit of the separate and the consolidated financial statements, our responsibility is to read other information and, in doing so, assess whether the other information is materially inconsistent with the separate and the consolidated financial statements, legal requirements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, on the basis of the work done, we conclude that there is a material misstatement of other information, we must report such circumstances. Based on the procedures performed, we report that:

- The other information is in all material respect consistent with audited financial statements;
- The other information is prepared in compliance with applicable law or regulation.

Our responsibility is to report, based on the knowledge and understanding of the Company and the Group obtained in the audit, on whether the other information contains any material misstatement. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement.

#### ***Responsibilities of the Management and Supervisory Board for the Separate and Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRSs, 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 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.

The Supervisory Board is responsible for overseeing the Company's and the Group's financial reporting process and the approval of the annual report.

#### ***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 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and 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 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 internal controls of the Company and the Group.
- 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 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 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 Company or the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and 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 separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for audit opinion.

We communicate with the Supervisory Board and the Audit Committee, among other matters, the planned scope and timing of the audit and significant findings from the audit, including significant deficiencies in internal control we have identified during our audit.

We also provide the Supervisory Board and 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 with the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the separate and 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 NF OTHER LEGAL AND REGULATORY REQUIREMENTS**

##### **Other reporting obligations as required by EU Regulation No. No 537/2014 of the European Parliament and of the Council**

In compliance with Article 10 (2) of EU Regulation No. 537/2014 of the European Parliament the Council, we provide the following information in our Independent Auditor's Report, which is required in addition to the requirements of International Standards on Auditing:

##### *Appointment of the Auditor and the Period of Engagement*

We were appointed as the statutory auditor of the Company by the shareholders at the General Shareholders' Meeting held on 26 August 2020 for the financial years 2020 - 2022. Chairman of the Supervisory Board signed the engagement letter on 24 November 2020. We have been performing the statutory audit of separate and consolidated financial statements for the sixth year. Engagement partner responsible for the audit on behalf of BDO Revizija d.o.o. is Maruša Hauptman, certified auditor.

##### *Consistence with the Additional Report to the Audit Committee*

We confirm that our audit opinion on the separate and the consolidated financial statements expressed herein is consistent with the additional report issued to the Audit Committee of the Company on 13 April 2023.

##### *Prohibited Services*

We confirm that we have not performed any prohibited services referred to in the Article 5(1) of EU Regulation No. 537/2014 of the European Parliament and the Council. We declare that we ensure our independence from the Company and Group.

##### *Other Audit Services*

In addition to the statutory audit services and services disclosed in the annual report and separate and consolidated financial statements, we have not provided any other services for the Company and its subsidiaries.

***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 2022 (hereinafter: the audited separate and the consolidated financial statements), which are published in the electronic file 549300H1G05N7BK34P37-2022-12-31-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 2022 (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 2022, have been prepared, in all material respects, in accordance with the requirements of the Delegated Regulation.

Ljubljana, 13 April 2023

BDO Revizija d.o.o.  
Cesta v Mestni log 1, Ljubljana  
(Signature on original Slovene independent auditor's report)



Maruša Hauptman,  
Certified Auditor