

CORPORATE GOVERNANCE STATEMENT

In accordance with the provision of Article 70(5) of the Companies Act and the provisions of the Code of Ethics of the Luka Koper Group (adopted by the Management Board of Luka Koper d.d. on 14 February 2012), the Corporate Governance Code, the Corporate Governance Code for Companies with Capital Investments by the State and the Corporate Governance Policy Corporate Governance Code (adopted on 15 May 2013, valid from 19 December 2014), the Governance Code for Capital Investments by the Republic of Slovenia (adopted on 19 December 2014), Luka Koper d.d. is herein below providing its statement on the management of Luka Koper d.d. and the corporate governance report, both of which are available on the web page www.luka-kp.si/slo/za-vlagatelje/poslovna-porocila.

1. Statement on compliance with the provisions of the Code of Ethics of the Luka Koper Group

Luka Koper d.d. follows the recommendations of the Code of Ethics of the Luka Koper Group, which was adopted on 14 February 2012 by the Management Board of the company Luka Koper d.d and is available to the public on the web page www.luka-kp.si.

2. Statement on the compliance with the provisions of the Corporate Governance Code

Luka Koper d.d. follows the recommendations of the Corporate Governance Code of Public Limited Companies, adopted on 8 December 2009 by Ljubljanska borza d.d., the Association of Supervisory Board Members and the Association Manager, and is available to the public on the web pages of Ljubljanska borza d.d. (www.ljse.si).

The company's Management and Supervisory Boards state that in 2014 they observed the Corporate Governance Code of Public Limited Companies except in part of the signed statement that there are no conflicts of interests, in accordance with Annex 3 to the Corporate Governance Code of Public Limited Companies.

3. Statement of Compliance with the Provisions of the Governance Code for Capital Investments by the Republic of Slovenia (adopted on 15 May 2013, valid from 19 December 2014), and the Corporate Governance Code (adopted on 19 December 2014) and the Recommendations of the manager of direct and indirect capital investments of the Republic of Slovenia (adopted on March 2014, valid from December 2014) and the Recommendations and expectations of the Slovenian National Holding (adopted in December 2014)

Luka Koper d.d. follows the recommendation of the Corporate Governance Code with State equity investment (adopted on 19 December 2014) and other individual recommendations available to the public at the web pages www.sdh.si.

The company's Management and Supervisory Boards state that in 2014 they observed the provisions of the Governance Code for Capital Investments by the Republic of Slovenia (adopted on 15 May 2013, valid from 19 December 2014), and the Corporate Governance Code (adopted on 19 December 2014). They also observed the Recommendations of the manager of direct and indirect capital investments of the Republic of Slovenia (adopted on March 2013, valid from December 2014) and the Recommendations and expectations of the Slovenian National Holding (adopted in December 2014) except for those listed below.

4. Derogations from individual Recommendations of the manager of direct and indirect capital investments of the Republic of Slovenia (adopted on March 2014, valid from December 2014)

Luka Koper d.d. did not observe the following individual Recommendations of the manager of direct and indirect capital investments of the Republic of Slovenia:

- Recommendation No. 2: Payments to external members of Committees of the Supervisory Board and other experts who cooperate with the Supervisory Board through their work, in part that the Supervisory Board determined the payment and reimbursement of costs to external members of Committees of the Supervisory Board. Luka Koper d.d. is unable to comply with this recommendation, since the Shareholders' Meeting of Luka Koper d.d., at its session of 8 July 2013, adopted a special resolution pursuant to Article 25 of the Articles of Association of Luka Koper d.d. by which it determined payments to the members of the Supervisory Board, to the members of Committees of the Supervisory Board and to external members of Committees of the Supervisory Board. Neither the Management Board of the Company nor the Supervisory Board have the competence to decide or modify the resolutions adopted at the Shareholders' Meeting and thus, the Company executed payments to the members of the Supervisory Board and to external members of Committees of the Supervisory Board in accordance with the resolution of the Shareholders' Meeting.
- Recommendation No. 6: Quarterly report on the operations of the company/group. The company Luka Koper d.d. publishes quarterly unaudited reports on the operations of the Luka Koper Group and Luka Koper d.d. but not within 25 days in the month following the completion of each quarter. For 2014, quarterly reports were published on 23 May, 22 August, 21 November of 2014 and on 20 February 2015. The companies SOD d.d. and SDH d.d. were delivered the reports in three days after their publication.
- Recommendation No. 7: Transparency of transaction conclusion procedures, which concern Company's expenditures. The company did not operate in accordance with Point 3 of the Recommendation concerning the publication of all donations and sponsorship until 17 April 2014. From 17 April onwards, Luka Koper d.d. is publishing them on its web pages, in accordance with the Act on amendments and supplements of the Public Information Access Act (ZDIJZ-C, Official Gazette of the RS No. 23/14 of 2 April 2014) which entered into force on 17 April 2014. The publications are carried out in accordance with Article 10.a (11) of the Public Information Access Act. The company also did not operate in accordance with Point 4 of the Recommendation since the information on other concluded transactions, referring to expenditure of the company, is regarded as a business secret and therefore the company does not publish individual transactions, selected contractor and the value of individual transaction. An exception is the transactions published on the web pages in accordance with Article 10.a (11) of the Public Information Access Act.
- Recommendation No. 8: Labour cost optimisation in 2013 and 2014, referring to the payment of the 13th salary. In accordance with the Corporate Collective Agreement, Luka Koper d.d. paid the 13th salary in the amount of 100% of the average monthly salary of an employee.
- Recommendation No. 8: Labour cost optimisation in 2013 and 2014, referring to public announcement of the binding collective agreement for the Company. At the end of 2011, Luka Koper d.d. called the representative trade unions to give their consent for the publication of the wording of the Collective Agreement of Luka Koper d.d. on its website. The trade unions did not agree with the public announcement of the text.
- Recommendation No. 11: Attainment of quality and excellence of performance of companies/groups. Luka Koper d.d. does not carry out self-assessments in line with the European EFQM excellence model.

- Recommendation No. 12: Shareholders' Meetings. The 2013 Annual Report was published on 4th April 2014 in accordance with the Companies Act (ZGD-1) and the Company's financial calendar.

5. The main characteristics of internal controls and risk management in the Company

The main characteristics of internal control systems and risk management in the Company, in relation to the financial reporting procedure, are described in the Report on Corporate Governance, in the sub-chapters titled System of Internal Controls, Internal Control and Risk Management Related to Financial Reporting, and Risk Management.

6. Data relating to the Takeover Act

Luka Koper d.d. is obligated to apply the Takeover Act, in accordance with the provision of Article 70 (§6) of ZGD-1. The Company was not subject to the relevant provisions of the Takeover Act in 2013, as the circumstances requiring the application of these provisions did not exist at the time.

7. Data relating to the work and key authorisations of the Shareholders' Meeting and the description of shareholders' rights

The functioning of the Shareholders' Meeting, its authorisations, rights of shareholders and their management are regulated by law and defined in detail in the company's Articles of Association, which is publicly available at the web page www.luka-kp.si. The functioning of the Shareholders' Meeting in 2014, key authorisations, shareholders' rights and the method of exercising these rights are described in the Report on Corporate Governance, in the sub-chapters titled Two-Tier Management System and the General Meeting of Shareholders.

8. Data relating to the composition and activities of the Management and Supervisory Bodies and their Committees

Data relating to the composition and activities of the Management and Supervisory Boards and their Committees are described in the Report on Corporate Governance, in the sub-chapters titled Supervisory Board and Management Board.

The management of Luka Koper d.d. and the Luka Koper Group complied with the applicable laws and internal organisational rules. We followed the guidelines designed to ensure transparent corporate governance for all our shareholders, employees and the general public, as provided by the Corporate Governance Code and recommended by the Association of Supervisory Board Members, the Corporate Governance Policy (adopted on 15 May 2013, valid from 19 December 2014) and the Corporate Governance Code for Companies with Capital Investments by the State (adopted on 19 December 2014) and observed the corporate governance policy which was adopted by the Supervisory Board in May 2010.



Dragomir Matic
President of the Management Board of Luka Koper d.d.



Alenka Žnidaršič Kranjc PhD
President of the Supervisory Board of Luka Koper d.d.

Koper, April 2015