

LUKA RIJEKA d.d.

ATTACHMENT ITEM 7 OF THE AGENDA

**Independent Report on the expression of Limited assurance of Examination of the
Report on remuneration for the Company Port of Rijeka**

Independent limited assurance report on Remuneration Report for the Company Luka Rijeka d.d.

To the Management board and Supervisory board of Luka Rijeka d.d.

Underlying Subject Matter

Based on the provisions of Article 272.r, paragraph 3 of the Companies Act and the contract concluded with Luka Rijeka d.d. ("the Company"), we have performed an engagement to express limited assurance on the enclosed Remuneration Report for the year ended 31 December 2023 ("Remuneration Report ") prepared by the Management and Supervisory Board of the Company.

Our limited assurance engagement relates to the subject matter whether the Remuneration Report contains information in accordance with Article 272.r, paragraphs 1 and 2 of the Companies Act.

Applicable Criteria

The applicable reporting criteria for identifying the individuals to be included in the Remuneration Report and the requirements related to the disclosure of their remuneration are contained in the provisions of Article 272.r, paragraphs 1 and 2 of the Companies Act.

Inherent Limitations

In the case of additional information or data provided to us, or in the case of misleading oral or written statements or explanations, our findings, interpretations, or conclusions in our limited assurance report may be incomplete or may result in the need for additional procedures that are not included within the scope of this engagement.

Independent limited assurance report on Remuneration Report for the Company Luka Rijeka d.d. (continued)

Special Purpose and Distribution of use

Our report is intended solely for the Management and Supervisory Board for the purposes of reporting to the General Assembly on the Remuneration Report that the Company prepared for the year ending 31 December 2023, in accordance with Article 272.r of the Companies Act.

Based on the procedures performed and described below, this report expresses a conclusion with limited assurance and is not intended to, nor does it, represent a legal opinion on compliance with Article 272.r of the Companies Act.

To the fullest extent permitted by law, we do not accept responsibility and do not agree to any obligations to any party other than the Company's Management board and Supervisory board, in connection with our work or this limited assurance report or the conclusions we have reached.

Management board and Supervisory board Responsibilities

The Company's Management board and Supervisory board are responsible for:

- preparing the Remuneration Report for the year 2023 in accordance with the disclosure requirements of Article 272r, paragraphs 1 and 2 of the Companies Act,
- identifying the individuals to be included in the Remuneration Report in accordance with Article 272r, paragraph 1 of the Companies Act,
- selecting and applying appropriate remuneration policies as well as making judgments and estimates that are reasonable in relation to the data disclosed in the Remuneration Report,
- measurement of remunerations for the year ended 31 December 2023 in accordance with the provisions of Article 272r, paragraphs 1 and 2 of the Companies Act, and
- publishing the Remuneration Report on the Company's website in accordance with the provisions of Article 272r, paragraph 4 of the Companies Act.

Independent limited assurance report on Remuneration Report for the Company Luka Rijeka d.d. (continued)

Management board and Supervisory board Responsibilities (continued)

The Company's Management board and Supervisory board are responsible for the design, implementation and maintenance of the internal control system which reasonably ensures that the previously described data do not contain material errors, whether due to fraud or error. In addition, the Company's Management board and Supervisory board are responsible for ensuring that the documentation provided to us is complete and accurate.

Our Responsibility

Our responsibility is to express a conclusion on the Remuneration Report in accordance with the requirements of Article 272.r, paragraph 3 of the Companies Act. We have undertaken an engagement to express limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) – *Engagements to perform assurance engagements other than audits or reviews of historical financial information*.

Applicable requirements for quality management

We apply the International Standard on Quality Management 1 (ISQM 1) and accordingly, we ensure the design, implementation, and operation of a quality management system, including policies and procedures related to compliance with ethical requirements and professional standards, as well as applicable legal and regulatory requirements.

Compliance with independence requirements and other ethical requirements

We comply with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants*, issued by the International Ethics Standards Board for Accountants (IESBA), which are based on fundamental principles of integrity, objectivity, professional competence and due diligence, confidentiality, and professional behavior.

Independent limited assurance report on Remuneration Report for the Company Luka Rijeka d.d. (continued)

Summary of performed procedures

In respect of the subject matter, we have performed the following procedures:

- inquired members of the Management board and Supervisory board and other persons within the Company, to gain understanding of remuneration policies and the process applied in preparing the Remuneration Report;
- received from the Company a list of all members of the Company's Management board and Supervisory board during 2023 and checked whether their remunerations are disclosed in the Remuneration Report;
- reconciled the remuneration data presented in the Remuneration Report with the Company's accounting records (general ledger and subledgers) for the year ended 31 December 2023
- reviewed, on a sample basis, the relevant documentation of the Company (contracts and payments) related to the remuneration data presented in the Remuneration Report; and
- checked whether the Remuneration Report contains all the data required by the provisions of Article 272r, paragraphs 1 and 2 of the Companies Act.

The nature and scope of our procedures were determined based on risk assessment and our professional judgment. In order to obtain limited assurance.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited conclusion.

Independent limited assurance report on Remuneration Report for the Company Luka Rijeka d.d. (continued)

Limited assurance conclusion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that Remuneration Report for the year ended 2023 prepared by Luka Rijeka d.d. does not contain data, in all material respects, in accordance with the Article 272r, paragraphs 1 and 2 of the Companies Act.

Kulić & Sperk d.o.o.

Radnička cesta 52

10 000 Zagreb

Croatia

Zagreb, 11 July 2024

Janja Kulić

Director, Certified Auditor

Report on remuneration of the members of the Management and Supervisory Board of the Company the PORT OF RIJEKA j.s.c for the year 2023

Pursuant to Article 272. r of the Companies Act, the Management Board and the Supervisory Board of the Port of Rijeka j.s.c, Rijeka, Riva 1 have compiled and submitted to the General Assembly the following:

REPORT ON REMUNERATION OF THE MEMBERS OF THE MANAGEMENT AND SUPERVISORY BOARD OF THE COMPANY THE PORT OF RIJEKA J.S.C FOR THE YEAR 2023

1. Fixed and variable parts of remuneration of members of the Management Board for 2023

Fixed remuneration of members of the Management Board is considered to be an annual fixed salary, car use, insurance, compensation for separate living and housing costs, compensation for unused annual leave, the right to use an official car and laptop and relocation costs. Variable remuneration refers to an annual bonus. The amount of the annual bonus is determined according to the valid employment contracts, and is related to the realized EBITDA, i.e. earnings before interest, taxes and depreciation. The payment of the variable part follows the date of approval of the annual audited reports for the previous year.

During 2023, the members of the Management Board were paid the following amounts of gross and fixed compensations as shown in the table below in EUR:

Name and surname	Regular work	Car use and associated costs	Total
Duško Grabovac	98.944	10.465	109.409
Marina Cesarac Dorčić	50.636	3.937	54.574
Total	149.581	14.402	163.983

During 2023, there were no payments to members of the Management Board based on variable remuneration.

The ratio of paid and contracted fixed and variable remuneration of members of the Management Board for 2023. is shown in the table below in EUR:

Name and surname	Fixed compensation	Variable compensation	Total compensations	% Fixed compensation	% Variable compensation
Duško Grabovac	109.409	0	109.409	100%	0%
Marina Cesarac Dorčić	54.574	0	54.574	100%	0%
Total	163.983	0	163.983	100%	0%



**Report on remuneration of the members of the
Management and Supervisory Board of the Company
the PORT OF RIJEKA j.s.c for the year 2023**

**1. Fixed and variable parts of remuneration of members of the Management Board for 2023
(continued)**

Note:

The term of office of the President of the Management Board, Mr. Duško Grabovac, begins with Appendix 1 to the Employment contract from January 17, 2020, which extends the term of office of the Deputy President of the Management Board until April 30, 2020. On May 1, 2020, Mr. Duško Grabovac becomes the President of the Management Board on the basis of an Employment contract concluded on April 27, 2020 for a period of 5 years. Upon expiration of the term of office or in case of appointment of a third person, Mr. Grabovac will continue his employment with the Company, at the position of the Advisor to the Management Board until the end of his term. The President of the Management Board, in accordance with the Employment contract, and depending on the decision of the Supervisory Board, may be entitled to a variable remuneration, bonus. As of the date of this report, no such decision has been made.

The mandate of the board member Mrs. Marina Cesarac Dorčić began on 1 December 2022. based on the employment contract concluded for a period of 3 years, and the aforementioned duty and appointment of the member of the Company's Board was confirmed by the Supervisory Board at its session on 3 November 2022. The employment contract defines that Ms. Cesarac Dorčić will start work on 2 January 2023. Management Board member Marina Cesarac Dorčić, in accordance with the employment contract, and depending on the decision of the Supervisory Board, may be entitled to variable remuneration, bonus.

Report on remuneration of the members of the Management and Supervisory Board of the Company the PORT OF RIJEKA j.s.c for the year 2023

2. Fixed and variable parts of remuneration of members of the Supervisory Board for 2023.

Members of the Supervisory Board are entitled to remuneration for the work of the Supervisory Board in the amount of EUR 796 net per month. The decision on the amount of remuneration was adopted on August 7, 2018 at the General Assembly. Pursuant to Article 6 of the Rules of Procedure of the Supervisory Board, members of the Supervisory Board are entitled to reimbursement of expenses (per diems, travel expenses, etc.) in connection with the work in the Supervisory Board or committees of the Supervisory Board. The Supervisory Board of the Port of Rijeka j.s.c has five members, four of whom are elected by the General Assembly of the company, and one is appointed by the Workers' Council and represents the company's employees.

The tabular presentation of the remuneration of the members of the Supervisory Board in 2023 is given below and presented in EUR in gross I amount:

Name and surname	for period		Fixed compensation	Other expenses (travel expenses, per diems, etc.)	Total
	from	to			
Alen Jugović	January 01	December 31	13.715	0	13.715
Pauković Hrvoje	January 01	December 31	13.898	0	13.898
Penić Tomislav	January 01	August 24	9.004	0	9.004
Rusinec Witold	January 01	August 25	8.924	0	8.924
Vraljen Dragica	January 01	December 31	13.272	268	13.540
Kjaedegaard Jesper	August 25	December 31	4.894	2.003	6.897
Jašek Ondrej	August 25	December 31	4.931	1.336	6.267
Total			68.638	3.607	72.245

**Report on remuneration of the members of the
Management and Supervisory Board of the Company
the PORT OF RIJEKA j.s.c for the year 2023**

**2. Fixed and variable parts of remuneration of members of the Supervisory Board for 2023.
(continued)**

The members of the Supervisory Board according to the positions and functions they held during 2023 are:

Mr. Alen Jugović was re-appointed as a member of the Supervisory Board on January 28, 2021, and on February 10, 2021, he was re-elected Chairman of the Supervisory Board.

Ms. Dragica Varljen, Vice-president of the Supervisory Board appointed on February 28, 2020 and reelected on July 13, 2022, is also an employee of the Company. The table above shows a fixed compensation for Ms. Varljen that refers only to the remuneration for work as a member of the Supervisory Board and does not include the remuneration on the basis of the employment contract as an employee of the Company.

Mr. Hrvoje Pauković was appointed as a member of the Supervisory Board on 28 February 2022.

Mr. Kjaedegaard Jesper was appointed as a member of the Supervisory Board on 25 August 2023.

Mr. Ondrej Jašek was appointed as a member of the Supervisory Board on 25 August 2023.

Mr. Tomislav Penić was appointed as a member of the Supervisory Board on 31 August 2022., and he resigned 24 August 2023.

Mr. Witold Waldemar Rusinek has been a member of the Supervisory Board since 31 August 2020., and he was democad 25 August 2023.

Report on remuneration of the members of the Management and Supervisory Board of the Company the PORT OF RIJEKA j.s.c for the year 2023

3. Comparative presentation of annual changes in remuneration, income, i.e. profit of the Company and average remuneration of full-time employees

In 2023, the Company's total revenue amounted to EUR 34.076 thousand, while the Company's profit after taxation amounted EUR 1.005 thousand. These amounts refer to the data from the unconsolidated financial statements.

During 2023, there were no changes in the remuneration of members of the Management Board of the Port of Rijeka j.s.c. The ratio of average remuneration of members of the Management Board of the Port of Rijeka j.s.c full-time employees in 2023 was **1:4,81**. The calculation of average remuneration of members of the Management Board takes into account all fixed and variable remuneration as defined in item 1.

u thousand of EUR for the Company	2023. vs. 2022.	2022. vs. 2021.	2021. vs. 2020.	2020. vs. 2019.	2019. vs. 2018.
Annual change in remuneration of the Management Board – in %	-18%	12%	-30%	-36%	0%

u thousand of EUR for the Company	2022. vs. 2021.	2021. vs. 2020.	2020. vs. 2019.	2019. vs. 2018.	
Annual change in remuneration of the Supervisory Board – in %	18%	-11%	13%	-9%	42%

The overview below presents the average income of employees at Luka Rijeka d.d. for the year 2023, based on the average number of employees on a full-time equivalent basis, in the gross amount which includes all other payments made in connection with the status of employees (excluding members of the Management Board) over the last five business years, in relation to the company's revenues and net profit or loss during that period:

Annual receipts per employee (in EUR)	2023.	2022.	2021.	2020.	2019.
Annual base (gross I)	17.040	15.249	15.229	12.099	12.148

in thousands of EUR for the Company	2023.	2022.	2021.	2020.	2019.
Total income	34.076	38.118	21.927	24.454	21.814
Total comprehensive income / (loss)	1.005	9.122	(3598)	(862)	(4091)

* total income includes financial income

**Report on remuneration of the members of the
Management and Supervisory Board of the Company
the PORT OF RIJEKA j.s.c for the year 2023**

4. Number of shares and share options the Company granted or undertook to grant to the members of the Management Board and the Supervisory Board

The employment contracts of the members of the Management Board do not provide for the right to the Company's shares. Members of the Supervisory Board are also not entitled to shares of the Company.

5. Reimbursement of variable parts of remuneration

The practice of managing variable remuneration does not provide for the return of the variable part of remuneration on any basis.

6. Remuneration paid to a member of the Management Board or committed to pay in 2023 by a third party in connection with the activities performed as a member of the Management Board

There are no payments or obligations for payment by a third party to the members of the Management Board in connection with the activities they performed as members of the Management Board in the Company.

7. Remuneration that the Company undertook to pay to a member of the Management Board in case of early termination of membership in the Management Board

In accordance with the concluded employment contracts, the Company has no pre-agreed obligation to pay the member of the Management Board the remuneration in case of early termination of membership in the Management Board. However, if the termination of employment is not a consequence of dismissal due to misconduct, continuation of employment with the employer in another position or employment within an affiliated company and if it is not a consequence of the resignation of a member of the Management Board, the severance pay may not be less than the amount prescribed by the Labor Act. In addition, by terminating the employment contract, the parties may set out rights and obligations of a different content and scope than provided for in the current employment contract. During 2023, there was no amendment to this agreement.

**Report on remuneration of the members of the
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During 2023, there were no payments to members of the Management Board in the event of early termination of membership in the Management Board, nor were there any changes to the agreement governing the payment in question.

8. Remuneration that the Company undertook to pay to a member of the Management Board in case of regular termination of membership in the Management Board

Pursuant to the concluded employment contracts, the Company did not undertake to pay the members of the Management Board a remuneration in the event of regular termination of membership in the Management Board. During 2023, there was no amendment to this agreement.

9. Remuneration that the Company undertook to pay to a former member of the Management Board whose membership in the Management Board ended in 2023, in connection with the termination of membership in the Management Board

Pursuant to the concluded employment contracts, the Company did not undertake to pay the members of the Management Board remuneration in the event of termination of membership in the Management Board. During 2023., there was no amendment to this agreement.



10. Final provisions

Remuneration policy in accordance with Article 247.a of the Companies Act for members of the Management Board was adopted by the Supervisory Board on July 2, 2020. and approved by the General Assembly on August 31, 2020. Remuneration policy for members of the Management Board and Decision on remuneration of Supervisory Board members of the Board are published on the Company's website. This Receipts Report, as well as the Auditor's Report on the Examination of the Receipts Report, will be published and made available free of charge by the Company for a period of ten years on its website.

Approved by the Management Board and the Supervisory Board on July 11, 2024 as signed below:

Duško Grabovac
President of the Management Board

Alen Jugović
President of the Supervisory Board