

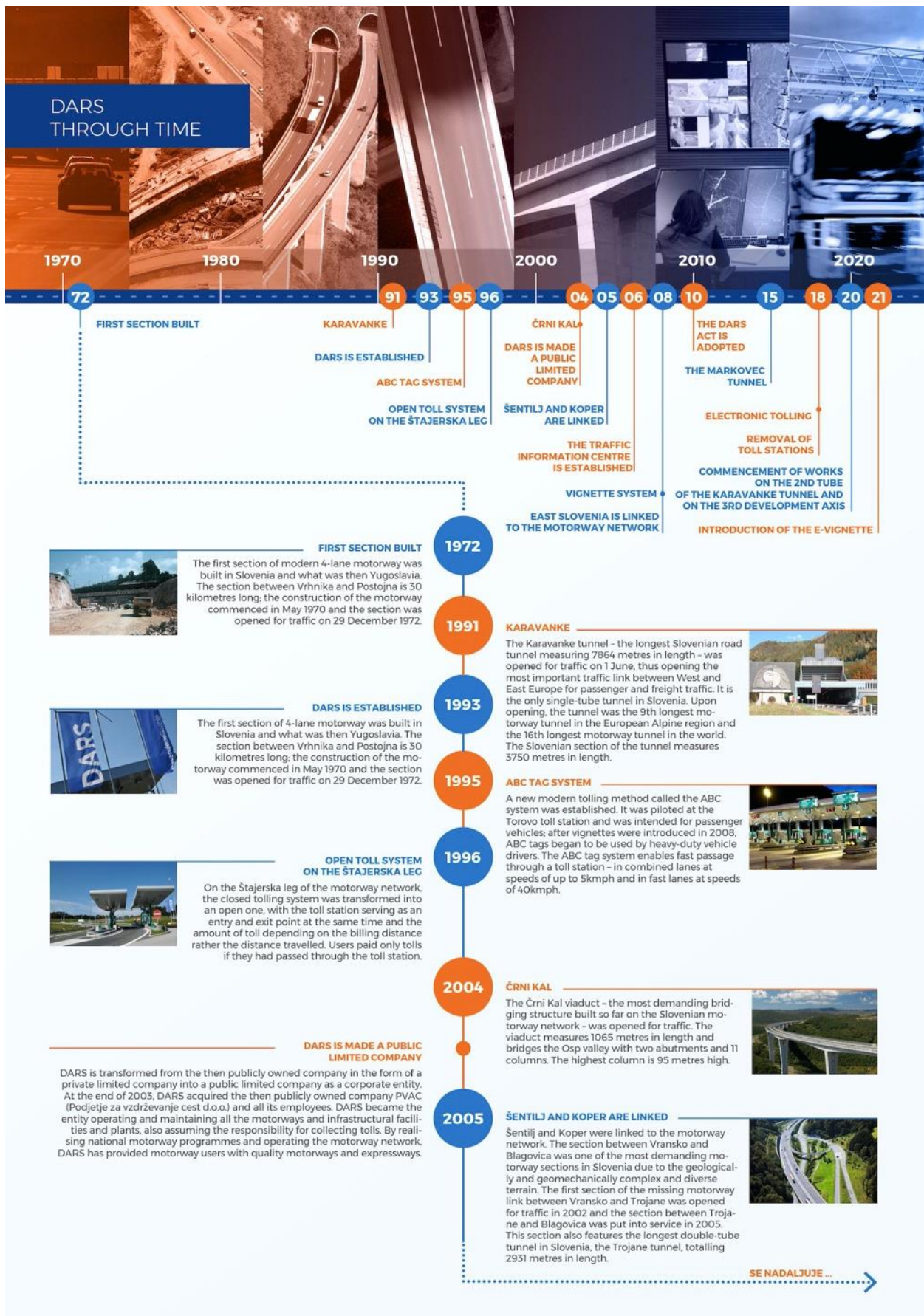
2022 SUSTAINABILITY REPORT

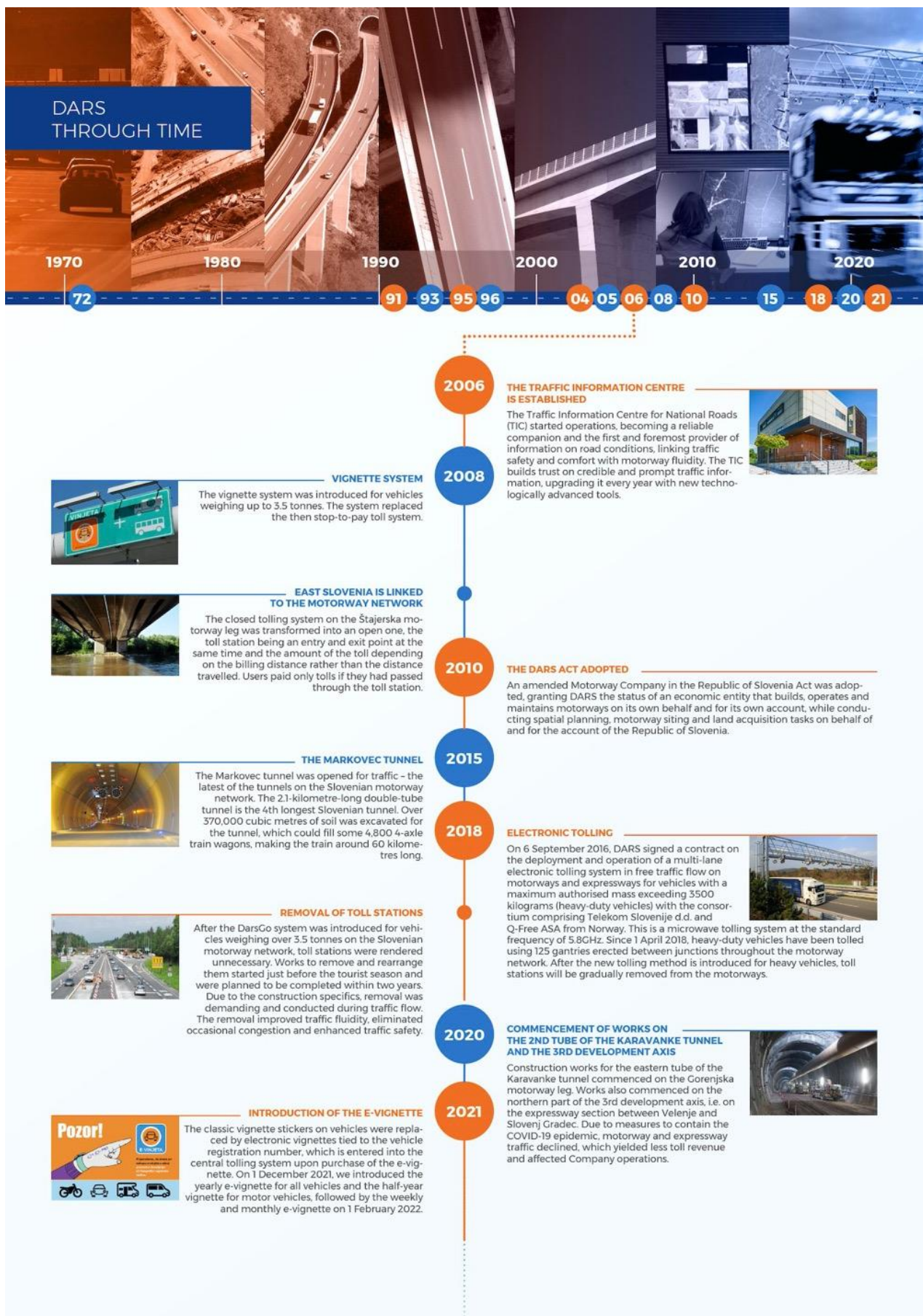


DARS

Ljubljana, June 2023

DARS through time





The social footprint of DARS

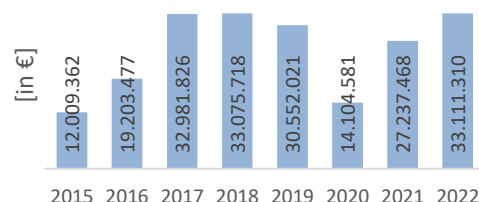
DARS IS A COMPANY OF STRATEGIC IMPORTANCE FOR THE REPUBLIC OF SLOVENIA AND REPRESENTS THE LARGEST CAPITAL INVESTMENT (UNDER THE BALANCE SHEET BOOK VALUE CRITERION) IN TRANSPORT

DARS is well aware of its responsibility to people, the environment and society. Therefore, it exercises social responsibility in a sustainable manner in all projects and long-term plans at all levels. Ambitious and clearly defined goals ensure that the public will continue to identify DARS as a responsible and forward-looking company.

The Government of the Republic of Slovenia introduced different toll prices with respect to the EURO emission classes on 1 January 2010 based on the Decree determining toll adjustment factors for vehicles with a maximum permissible weight exceeding 3,500 kg. Vehicles with the lowest emissions of harmful particles (higher EURO emission classes) are entitled to a reduced tariff.

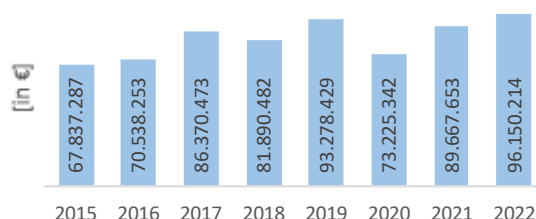
Corporate income tax

2015: €12,009,362
2016: €19,203,477
2017: €32,981,826
2018: €33,075,718
2019: €30,552,021
2020: €14,104,581
2021: €27,237,468
2022: €33,111,310



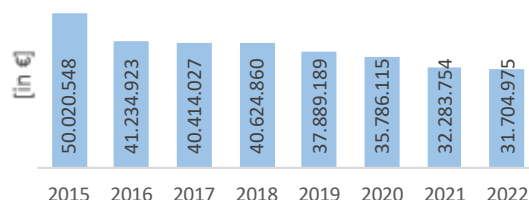
VAT

2015: €67,837,287
2016: €70,538,253
2017: €86,370,473
2018: €81,890,482
2019: €93,278,429
2020: €73,225,342
2021: €89,667,653
2022: €96,150,214



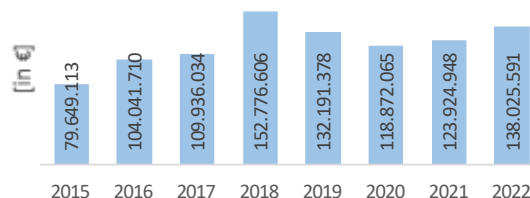
Interest payments

2015: €50,020,548
2016: €41,234,923
2017: €40,414,027
2018: €40,624,860
2019: €37,889,189
2020: €35,786,115
2021: €32,283,754
2022: €31,704,975



Investments in motorway development and reconstruction

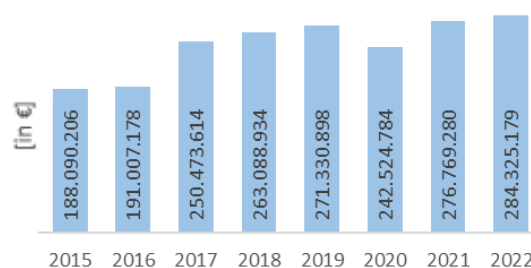
2015: €79,649,113
2016: €104,041,710
2017: €109,936,034
2018: €152,776,606
2019: €132,191,378
2020: €118,872,065
2021: €123,924,948
2022: €138,025,591



Employees are proud to be employed by DARS and perform their work in a responsible and committed manner, being loyal to the Company. We value quality work, continuous improvements and concern for the environment and traffic safety. This is how we strive to build a healthy, safe and sustainable future for ourselves and all our stakeholders.

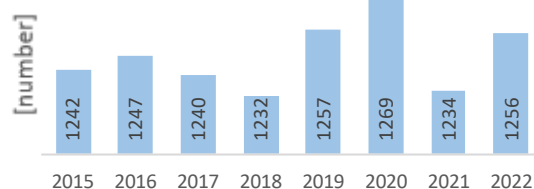
Toll revenue – freight traffic (and the Karavanke tunnel)

2015: €188,090,206
2016: €191,007,178
2017: €250,473,614
2018: €263,088,934
2019: €271,330,898
2020: €242,524,784
2021: €276,769,280
2022: €284,325,179



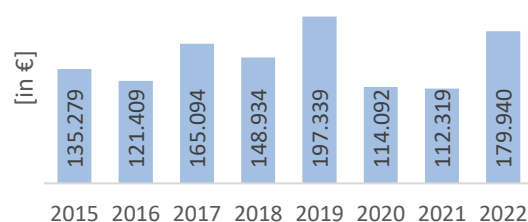
Number of employees

2015: 1242
2016: 1247
2017: 1240
2018: 1232
2019: 1257
2020: 1269
2021: 1234
2022: 1256



Sponsorships and donations

2015: €135,279
2016: €121,409
2017: €165,094
2018: €148,934
2019: €197,339
2020: €114,092
2021: €112,319
2022: €179,940



The environmental footprint of DARS¹

The Company is committed to environmentally friendly actions in all stages of operations and to the continuous reduction of adverse environmental impacts.

DARS ranks among the large energy consumers in Slovenia with an annual energy consumption of 41.8 GWh (in 2022).

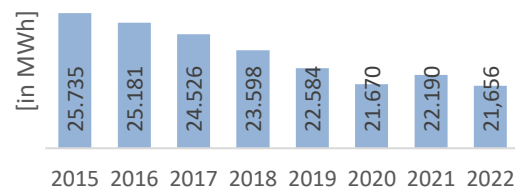
DarsGo – ELECTRONIC TOLLING SYSTEM and impacts on reduced fuel consumption by MW and EW users and the consequently reduced emissions of CO₂ and other air contaminants (NO_x and PM_{2.5}) since the deployment of the tolling system on 1 April 2018.

The deployment of the DarsGo system is one of the most important environmental measures in the Republic of Slovenia.

Implementation of European projects for traffic management and control:
– Establishment of interoperability: C-Roads project

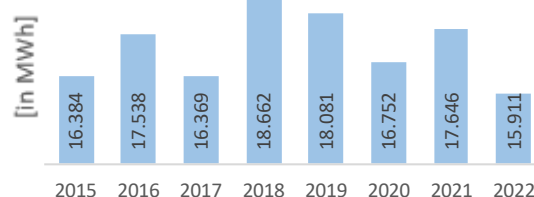
Electricity consumption

2015: 25,735 MWh
2016: 25,181 MWh
2017: 24,526 MWh
2018: 23,598 MWh
2019: 22,584 MWh
2020: 21,670 MWh
2021: 22,190 MWh
2022: 21,656 MWh



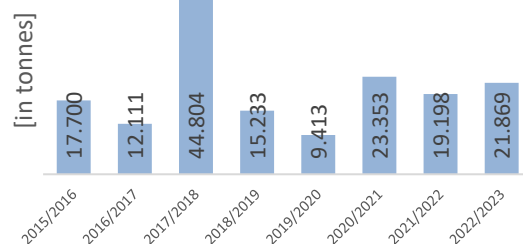
Fuel consumption

2015: 16,384 MWh
2016: 17,538 MWh
2017: 16,369 MWh
2018: 18,662 MWh
2019: 18,081 MWh
2020: 16,752 MWh
2021: 17,646 MWh
2022: 15,911 MWh



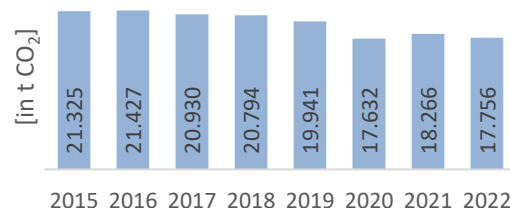
Grit consumption

2015/2016: 17,700 t
2016/2017: 12,111 t
2017/2018: 44,804 t
2018/2019: 15,233 t
2019/2020: 9,413 t
2020/2021: 23,353 t
2021/2022: 19,198 t
2022/2023: 21,869 t



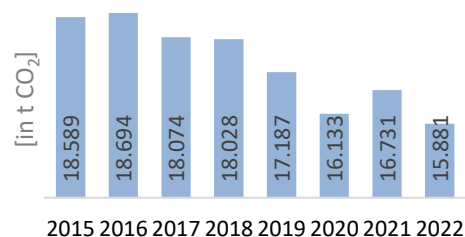
Carbon footprint – total

2015: 21,325 t CO₂
2016: 21,427 t CO₂
2017: 20,930 t CO₂
2018: 20,794 t CO₂
2019: 19,941 t CO₂
2020: 17,632 t CO₂
2021: 18,266 t CO₂
2022: 17,756 t CO₂



Carbon footprint Scope 1 and Scope 2

2015: 18,589 t CO₂
2016: 18,694 t CO₂
2017: 18,074 t CO₂
2018: 18,028 t CO₂
2019: 17,187 t CO₂
2020: 16,133 t CO₂
2021: 16,731 t CO₂
2022: 15,881 t CO₂

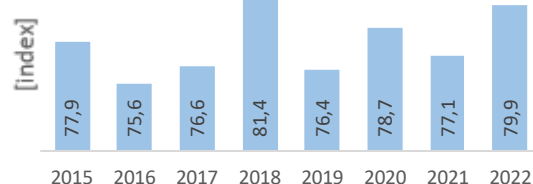


¹ GRI GS 3-3, 305-1, 305-2.

*Safe motorways
require renovation.*

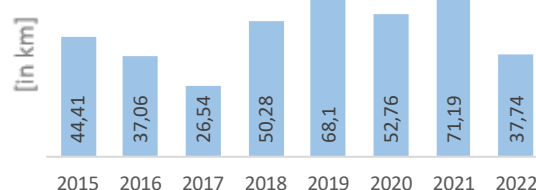
Satisfaction index of users

2015: 77.9
2016: 75.6
2017: 76.6
2018: 81.4
2019: 76.4
2020: 78.7
2021: 77.1
2022: 79.9



Length of reconstructed carriageways and junctions

2015: 44.41 km
2016: 37.06 km
2017: 26.54 km
2018: 50.28 km
2019: 68.1 km
2020: 52.76 km
2021: 71.19 km
2022: 37.7 km



Reduced fuel consumption by MW and EW users

2018: 115,000 MWh or 414 TJ
2019: 160,500 MWh or 577.8 TJ
2020: 147,700 MWh or 531.7 TJ
2021: 155,600 MWh or 560.1 TJ
2022: 160,900 MWh or 579.2 TJ

Reduced CO₂ emissions by MW and EW users

2018: 29,986,000 kg CO₂
2019: 41,680,000 kg CO₂
2020: 38,350,000 kg CO₂* (actually 37,259,000)
2021: 42,254,000 kg CO₂
2022: 43,363,000 kg CO₂

Reduced NO_x emissions from the fuel of MW and EW users

2018: 84,000 kg
2019: 77,200 kg
2020: 67,500 kg* (actually 35,540)
2021: 33,360 kg
2022: 28,820 kg

Reduced PM_{2.5} emissions by MW and EW users

2018: 1700 kg
2019: 1800 kg
2020: 1580 kg* (actually 700)
2021: 660 kg
2022: 570 kg

* The figures for 2020 were forecasts based on 2018 and 2019 estimates.

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Acronyms and abbreviations

ADR	system for recognising hazardous cargo
AP	Action programme
APOM	Annual Programme of the Operational Monitoring of rainwater
ARSO	Slovenian Environment Agency
ASECAP	L'Association Européenne des Concessionnaires d'Autoroutes et d'Ouvrages à Péage (European Association of Operators of Toll Road Infrastructures)
BMS	Bridge Management System
BP	Building Permit
C-ITS	Cooperative Intelligent Transport System
Co	City of
DARS	Družba za avtoceste v Republiki Sloveniji d.d. (Motorway Company in the Republic of Slovenia)
DD	Detailed Design
DGD	Design documents for obtaining opinions and a building permit
DKOM	National Review Commission
EB	expert bases
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortisation
EC	electric charger
EETS	European Electronic Toll Service
EIA	Environmental Impact Assessment
EIS	Energy Information System
EME	Electro-mechanical equipment
ER	Environmental Report
EW	Expressway
GZS	Chamber of Commerce and Industry of Slovenia
IBC	International Border Crossing
ICT	Information and communication technologies
ILO	International Labour Organization
IRSNC	Institute of the Republic of Slovenia for Nature Conservation
ITS	Intelligent Transportation System
KIOP	Public Road and Railway Infrastructure, Aviation and Maritime Investment Document Review and Assessment Board
MAM	Maximum authorised mass
MCC	Main Control Centre
MESP	Ministry of the Environment and Spatial Planning
MMC	Motorway maintenance centre
MoD	Ministry of Defence
Mol	Ministry of Infrastructure
MW	Motorway
NB	Noise barrier
NMCP	National Motorway Construction Programme in the Republic of Slovenia
NSP	National Spatial Plan
PC	Public contract
PIARC	World Road Association
PIS	Pre-Investment Study
PMS	Payment Management System
PRP	Protection and rescue plans
R2	Motor vehicles with two axles and a maximum authorised mass exceeding 3.5 tonnes
R3	Motor vehicles with two or three axles whose maximum permissible weight exceeds 3,500 kg and groups of motor vehicles with two or three axles whose maximum permissible weight exceeds 3,500 kg.
R4	Motor vehicles with more than three axles and whose maximum permissible weight exceeds 3,500 kg, and groups of vehicles with more than three axles and whose maximum permissible towing vehicle weight exceeds 3,500 kg.
RCC	Regional Control Centre

RS	Republic of Slovenia
RWS	Road weather station
SDG	Sustainable Development Goals
SEIA	strategic environmental impact assessment
SIA	Slovenian Infrastructure Agency
SSH	Slovenian Sovereign Holding
SUWWTP	small urban waste water treatment plants
SWA	Slovenian Water Agency
TCMS	Traffic Control and Management System
TEN-T	Trans-European Transport Network
TIC	Traffic information centre for public roads
TMP	Traffic Management Plans
TS	Toll station
TSTI	Technical specifications for transport infrastructure
VAT	Value-added tax
VMS	Variable Message Signs
ZDARS	Motorway Company in the Republic of Slovenia Act (ZDARS-UPB1) (Official Gazette of the Republic of Slovenia, No. 20/2004)
ZDARS-1	Motorway Company in the Republic of Slovenia Act (Official Gazette of the Republic of Slovenia, No. 97/2010 – ZDARS-1)
ZDR-1	Employment Relationships Act (Official Gazette of the Republic of Slovenia, No. 21/13)
ZGD-1	Companies Act (Official Gazette of the Republic of Slovenia, Nos. 65/09 – official consolidated text, 33/11, 91/11, 32/12, 57/12, 44/13 – CC dec., 82/13, 55/15, 15/17, 22/19 – ZPosS, 158/20 – ZIntPK-C, 18/21)
ZSDH	Slovenian Sovereign Holding Act (Official Gazette of the Republic of Slovenia, No. 25/14)
ZUJF	Fiscal Balance Act (Official Gazette of the Republic of Slovenia, No. 40/2012)



I.1 Letter from the Chairman of the Board²



Dear Sir/Madam,

This 2022 Sustainability Report is the sixth in a row. It contains information on the economic, environmental, social and governance effects and results of Company operations.

In the almost three decades of our existence, we at DARS have come a long and very dynamic way. In addition to being the builder and maintainer of motorways, we have been reinforcing our role as an efficient and active operator of the motorway system, which places us among the modern and comparable motorway network operators. The challenges of modern times are forcing us to adapt constantly.

The DARS strategy for 2021-2025, which serves as the tool for the further successful development of DARS, includes the sustainable development of the company and its entire environment as one of the priorities.

All three aspects of sustainable operations (economic, environmental and social) are pursued in Company operations. In addition to successful and efficient Company operations in the long term, special attention is paid to reducing negative environmental impacts and cooperation with stakeholders and their inclusion in sustainable Company operations.

In addition to ensuring the mobility of people and goods, our business environment is increasingly guided by sustainable development, which focuses our future activities on: taking into account the economic and social aspects in planning and implementing investments and other activities, environmental acceptance and the significant reduction of adverse effects on the environment resulting from various forms of traffic, the active continuation of activities concerning the digitalisation of traffic, control of infrastructure and company operations, extending the service life of the infrastructure through the optimal maintenance and reconstruction works and by upgrading the existing system in line with high standards, long-term stable operations with a responsible attitude to the environment and society.

Based on the findings and recommendations in the Strategy in the procedures to establish the relevant infrastructure for the supply of vehicles with alternative drive energy products, DARS conducted an analysis of such supply on the motorway network. The analysis has shown that the situation in the area of electricity supply is satisfactory. The rest areas have 74 charging stations for users, and an additional 46 stations will be installed by 2025. This is sufficient for the needs foreseen with respect to the projected number of electric vehicles and the number of recharges at motorway rest areas by 2025.

² GRI GS 2-22, 3-3.

In addition, plans have been made to establish electricity supply at smaller rest areas, where 24 additional charging stations will be available to users. Vehicle supply using other alternative driving energy products on the motorway network is currently not possible, though the establishment of filling points for compressed natural gas (CNG) and liquefied natural gas (LNG) is planned.

In this context, we can expect several challenges in the future. The European Parliament supported the decision to only allow new registrations of zero-emission vehicles as of 2035. Based on the data from the European Automobile Manufacturers Association (ACEA), every fifth new vehicle registered in 2022 sold in the European Union was either electric or a plug-in hybrid.

Here at DARS, we know that we have a responsibility for the sustainable development of society, the whole environment, and all of our stakeholders. Therefore, the company focuses on the constant improvement of the know-how or innovations and the efficient use of resources to enable sustainable operations.

A handwritten signature in blue ink, appearing to read 'V. Hajdinjak', with a horizontal line above it.

Valentin Hajdinjak, MSc,
Chairman of the Board

“IN NATURE, THERE ARE NO REWARDS OR PUNISHMENTS:
THERE ARE CONSEQUENCES.”

Horace Annesley Vachel

I.2 Non-Financial Statement of DARS³



Pursuant to the provisions of paragraph 12 of Article 56 of the Companies Act and Article 70.c of the Companies Act, DARS hereby provides its Non-Financial Statement and declares that it observes the Company policies referring to **social affairs and human resources, respect for human rights and diversity, anti-corruption and anti-bribery management, and the environment.**

1. Description of the Company's business model

DARS was established in 1993 based on the ZDARS act and started operating on 1 January 1994. Until 31 December 2003, it had the status of a public undertaking in the form of a public limited company and, since 1 January 2004, it has been a public limited company in the form of a company. The sole founder and shareholder of DARS d.d. is the Republic of Slovenia, which is represented by the Slovenian

Sovereign Holding (SSH) pursuant to the Slovenian Sovereign Holding Act (Official Gazette of the Republic of Slovenia, No. 25/2014; ZSDH-1) .

DARS operates in compliance with the Corporate Governance Code for State-Owned Enterprises as adopted by the SSH, the Slovenian Corporate Governance Code for Listed Companies, and the SSH Recommendations and Expectations as the manager of State capital assets, which are aimed at improving the corporate governance system for the capital assets of the State, company organisation and, consequently, company performance.

The ZDARS-1 act entered into force at the end of 2010 and on its basis, DARS:

- performs individual tasks relating to spatial planning and the siting of motorways, and tasks relating to real estate acquisition for the purposes of motorway construction on behalf

³ GRI GS 2-12, 2-26, 3-3.

- of the Republic of Slovenia and on its account;
- builds motorways on its own behalf and on its own account;
- manages and maintains motorway sections based on the granted construction concessions.

The State maintains strategic supervision over motorway development through development documents setting out new sections and deadlines for putting the newly built sections into service.

The ZDARS-1 act sets out the status, tasks and obligations of DARS and regulates the legal property relations in connection with motorways. Pursuant to the Act, DARS was transformed into a concessionaire that was awarded the right of superficies for the term of the concession relating to the land where it will build, and has taken over all the financial obligations related to the construction of new motorway sections. The ZDARS-1 act also stipulates that DARS is to perform individual tasks relating to spatial planning and motorway siting, as well as tasks relating to real estate acquisition for the purposes of motorway construction on behalf of the Republic of Slovenia and for its account. The Act further stipulates that DARS must continue building motorways and expressways that commenced prior to the enforcement of the Act, and continue managing and maintaining the existing motorways and expressways in the Republic of Slovenia.

According to the Fiscal Balance Act (ZUJF), which entered into force in 2012, the right of superficies established for the benefit of DARS is payable.

2. Policies and due diligence, policy results, the main risks and their management, key performance indicators⁴

Environment

Policy and due diligence

DARS systematically manages the environment and energy as confirmed by the obtained international ISO 50001 (energy management system) standard. DARS strives for energy efficiency, a low carbon footprint and measures to reduce energy consumption.

The environmental and energy policy is aimed at increasing the efficient use of all types of materials and energy throughout the life cycle of a service and at identifying and managing environmental impacts and aspects reflected within the scope of the environmental and energy goals and the programmes to reduce the use of energy products, environmental impacts and, consequently, greenhouse gas emissions to the desired level. The policy applies to all business processes within the scope of Company operations. Responsibility to the natural environment is expressed through:

- systematic environmental and energy management,
- the siting of motorways and expressways,
- concern for the preservation of biodiversity,
- reduced light pollution,
- carbon footprint monitoring,
- concern for animals in the MW area of influence,
- reduced air and noise emissions,
- impact of grit material on the environment,
- protection of waters,
- waste management.

Due diligence in environmental and energy management is a component part of the management system. The management review checks the suitability of the management system policy, the results of internal audits, the realisation of environmental and energy targets and programmes, measures based on energy reviews and other necessary input data. The results of the management review are resolutions that are used for continuous improvements to the environmental and energy management systems.

The main risks and their management

In accordance with its role as a motorway and expressway management and maintenance company, DARS implemented an environmental management system in previous years and an energy management system in 2017, which are used to consistently implement its environmental protection and energy management policy at all levels of its operations.

The DARS Strategy for 2021–2025 includes operational goals relating to environmental and energy aspects and, consequently, also measures to mitigate environmental risks. In 2022, the management system was further improved through the realisation of measures to mitigate environmental impacts and, therefore, environmental aspects, supplementing new environmental and energy objectives and programmes

⁴ GRI GS 2-23, 2-24.

and optimising the existing ones, while their realisation was monitored within the scope of the Company management review. The central theme of the environmental management system includes the assessment and analysis of environmental impacts and aspects, taking into account the stages of the service life cycle that are defined in the register of environmental aspects. To reduce the environmental impacts, the Company laid down indicative and operational environmental and energy targets and programmes that will be used to achieve such targets.

The risks referring to the timely monitoring and enforcement of legislative requirements are in practice mitigated through measures taken by the appointed responsible persons who cover the area of work to which the legislative amendment refers. Environmental risk, which includes the risk of inappropriate waste management with a special emphasis on hazardous waste, the risk of environmental pollution and the risk associated with the protection of areas of influence, has become increasingly important. The Company continued the activities already initiated for environmental protection. The systematic management of environmental risks reflects the environmental awareness of employees. Accidents on motorways can have a negative impact on the environment; this is why it is important to reduce risks that emerge through accidents and to react quickly and effectively when they do occur to minimise the negative consequences for the environment. All employees in such workplaces are informed and trained to act quickly and effectively in terms of environmental protection should such a situation arise.

The likelihood of incidents is also reduced through preventive measures. Training aimed at learning to react quickly, properly and efficiently ensures that the impacts of any incidents on the environment are kept to a minimum. By implementing appropriate activities within the scope of motorway maintenance, such as the cleaning and regular maintenance of retention basins to ensure their flawless functioning, implementing the Annual Programme of the Operational Monitoring of rainwater (APOM), etc., the collecting, sorting and controlled disposal of waste, implementing measures to reduce light pollution and constantly controlling carbon monoxide concentrations and visibility in tunnels, we have significantly contributed to reducing the negative impacts on the environment and controlling the risk of environmental accidents. It is assumed that the existing municipal infrastructure provides sufficient capacities to collect municipal waste, which is why no need has been expressed for additional containers for separate waste collection.

Due to the war in Ukraine, a targeted risk assessment was completed on 28 February 2022, which was subsequently adjusted to the situation at hand. The assessment contains the method for monitoring the situation of the war in Ukraine, the definition of all six identified risks, activities to mitigate or reduce them, and the persons responsible for monitoring and reporting.

DARS plans to carry out anti-noise measures based on the results of the operational noise monitoring. The measures are designed to cover areas with a large number of overly affected buildings or inhabitants and areas of individual overly affected facilities along the motorway and expressway alignment.

Key performance indicators

In light of its mission, the Company has built and operated a motorway network that is closely linked to the natural environment in the stages of the siting, operation and future development of the motorway network. The Company is committed to environmentally friendly actions in all stages of operations and the continuous reduction of adverse environmental impacts.

An important part of the systematic management of the environment and energy is the management of all the compliance requirements, meaning that all the environmental and energy aspects are equally included in the compliance provision process. In terms of the environment and energy, no major deviation from the legal and other requirements was identified. In 2022, 60 inspections were carried out and 29 inspection decisions were issued referring to the topic of the environment.

The 2021–2025 Strategy is heavily focused on energy efficiency and environmental protection, and compared to the strategy for the past period, the energy management system and the environmental management system were further upgraded, expanded and enhanced. A new strategic goal was identified, namely “The development of sustainable infrastructure and the circular economy” with the key indicator “To reduce the share of energy use and CO₂ emissions per km of the MW and EW network”, which is followed by many measurable operational goals in the Strategy and by environmental and energy goals and programmes at the level of implementation, which will be used to achieve or surpass the set strategic goals. Within the scope of energy planning, the Company has identified indicators with energy baselines for electricity, heating, the vehicle fleet, renewable energy sources and other issues that are

reported to the Management Board on a quarterly basis.⁵

DARS ranks among the large energy consumers in Slovenia with an annual energy consumption of 41.77 GWh (in 2022). With respect to the Company processes, which are characterised by the need for tunnel management and lighting, as well as road operation and maintenance, electricity accounts for the largest share of the total energy consumption (51.8%), followed by fuel (38.1%). A minor share of energy is used for heating facilities, which is an important element of energy management due to the high potential for optimisation.

A comprehensive approach to managing energy along with pertaining measures has allowed the Company to reduce electricity consumption and heating costs; a substantial part of the measures planned was executed on the basis of energy audits. Due to the war in Ukraine and the announced increased prices of energy products, we took an active approach to the implementation of measures to mitigate the risk of fluctuating prices of energy products.

- In terms of reduced electricity consumption, we continued activities to gradually switch to LED lighting both on the roads and in business facilities.
- We took an active approach to optimising electricity metering points, excessive reactive energy in tunnels, the operation of electrical motors for tunnel ventilation, and the operation of air conditioning devices.
- We prepared all the groundwork for a public procurement procedure to install six solar power stations on DARS facilities.
- The supply of fuel was executed on the basis of a framework agreement and fuel was complemented with an additive to reduce fuel consumption. An optimal stock of fuel was maintained throughout that time. The process of purchasing more efficient goods vehicles has been initiated.
- Furthermore, the energy information system (EIS) will be upgraded with additional functionalities to monitor all types of energy products, and with the function of automatic notifications and reports to the persons responsible for the facilities.

The reduced consumption is attributed to the abolition of toll booths, temperature optimisation in buildings through the introduction of the energy

information system, and relatively favourable weather conditions. The absolute energy savings for all energy products used for heating buildings at the end of 2022 with respect to the baseline year of 2015 amounts to 1,674 MWh (about 28.5%), while CO₂ greenhouse gas emissions were reduced by 461 t (about 36%) with respect to the baseline year of 2015.

In 2022, the Company recorded reduced diesel fuel consumption, primarily due to fewer ploughing days compared to the previous winter. To reduce the consumption of fuel and grit material, a wet salting system is being introduced throughout the MW and EW area, where preventive salting is done faster and at longer time intervals, since the solution remains on the pavement. In addition, we are planning a major overhaul of the Company vehicle fleet in 2023, which includes the purchase of 58 heavy goods vehicles with the latest ecological standards. In 2020, the Company procured test vehicles powered by compressed natural gas (CNG) to conduct inspection services and supervise works at MMC Hrušica.

Emissions into the air resulting from Company activities are emissions of exhaust gases from the vehicle fleet and emissions from own heating sources for business premises. In respect of emission management, the Company complies with the requirements. Emissions into the air caused indirectly by MW users are particularly important in tunnel management. Tunnels longer than 500 metres are equipped with monitoring systems for exhaust gas emissions (CO) and visibility. A ventilation system is set up for adequate ventilation in the tunnel tubes, which is controlled or regulated automatically using the installed fans. Measurements are monitored by the control centres in charge of controlling traffic in individual tunnels.

By optimising traffic flows, traffic congestion is mitigated, whereby gas emissions are minimised. This is achieved by forcing freight vehicles off the motorways in time, through road diversions, additional variable message signs and the coordination of all closures, as well as through the coordinated operation of control centres.

In 2022, the environmental impact of salting was also monitored within the scope of the implementation of the Annual Programme of Operational Monitoring (APOM) of rainwater from retention basins. Analyses of the individual samples taken showed no excessive presence of salting elements; in each analysis, the salting elements were within the prescribed limits.

⁵ GRI GS 2-14.

Based on foreign and domestic experience with wet salting, DARS decided to use a 23% NaCl solution for preventive gritting. Wet salting is when a saline solution is spread over the carriageway. So far, the Company has used FS30 wet salting (30% solution and 70% dry salt). Since the effect of wet salting is the same or even better and much cheaper (FS100), the Company expects to supply all MMCs with the relevant equipment in a few years. In 2022, additional silos and devices for the production of sodium chloride solutions were supplied to the Drnovo branch. New automated mixing devices were delivered and are already in operation at the Podtabor, Dob and Logatec branches, MMC Postojna, the Vipava branch, MMC Hrušica, MMC Vransko, MMC Kozina, MMC Ljubljana, MMC Murska Sobota and MMC Maribor, and the Ptuj and MMC Slovenske Konjice branches.

Notably, environmental pollution was thereby reduced by some 25% because the number of traffic accidents was also reduced or was similar to the number of accidents that occur when winter conditions are not present.

In 2023, it is planned to procure new modern equipment for winter road maintenance with controlled consumption in relation to temperature and the ongoing monitoring of grit release. It is estimated that salt consumption could be reduced to somewhere between 15 and 25% per m² with the introduction of this modern technique.

In 2022, the Company continued the regular annual cleaning of all the most burdened oil separators (at motorway maintenance centres and branches), as well as cleaning more burdened retention basins near the motorway or less burdened ones that have not been cleaned for longer periods of time, and the basic maintenance of the retention basins (grass mowing, the removal of dumped municipal waste, repairing damaged parts and railings, and cleaning the de-sanding areas and sand traps). Hazardous and non-hazardous waste is generated during the cleaning of retention basins and oil separators. The disposal of the latter is subject to a contractual relationship with the recipient of the relevant waste, which has a valid environmental permit. Measurements were conducted 5 times in 2022 at the representative Sneberje retention basin with the aim of monitoring the emissions of substances into nature.

In autumn 2022, a new Noise Action Programme was adopted that, in order to reduce noise pollution and improve the quality of life for the people settled along the roads operated by DARS, as a priority includes 26 motorway sections with a length of 149km and, in the extended priority proposal, another 13 motorway

sections with a length of 66km. Of the other sections identified as being subject to excessive limit values, priority No. 2 includes another 26 motorway sections with a total length of 205km. DARS plans to conduct new operational noise monitoring. The results obtained will provide the basis for the future design of noise protection measures.

In 2022, DARS continued carrying out activities to implement and upgrade the environmental protection policy, with an emphasis placed on controlled waste management as imposed by the applicable legislation. All activities have been aimed at proper waste management with the consistent separation of waste at its source. Furthermore, the Company continued to implement its policy of the controlled disposal of all types of waste. All the built draining racks have already been put to good use in 2022 and, as a result, the amount of waste sand from the sand traps, which could not be disposed of anywhere until the construction of the sand traps, has increased.

Social and HR affairs and the protection of human rights

Policy and due diligence

DARS is one of the most reputable employers in Slovenia according to research conducted by the Mojedelo.com employment agency for the year 2021. Job seekers see employment at the Company as interesting, providing a well-organised and responsible working environment and a high level of economic and social security.

Staffing at the Company is based on a prudently and carefully prepared systemic procedure to select the best human resources. After an employment relationship has been concluded, the adequacy of the selected candidate is monitored for a trial period, thereby validating the success of the procedure. Career development is provided to employees through:

- performance measurements and additional bonuses;
- horizontal promotions at the workplace;
- internal and external training provided to employees to develop their expertise, skills and competencies with possibilities for career advancement within the organisation;
- the option of co-funding tuition fees for employees who decide to obtain higher education; and
- vertical advancement within the scope of the in-house labour market based on the internal job openings and succession plan.

DARS appreciates the knowledge of its associates and manages it in a responsible manner. Skilled and well-qualified employees are the basis for efficient and successful Company operations, which is why DARS strives to ensure the continuous development of knowledge, abilities and skills for its employees through adequate training and education both within and outside the Company. Training is a systematically organised process at the Company that aims to meet the requirements of work processes and employee interests in upgrading their functional skills and expertise, thus achieving personal growth. Training in various forms is organised according to the needs and wishes of associates.

Within the scope of the Company, there are two representative trade unions and the Workers' Council with which a special participation agreement or, rather, an agreement on employee participation in management has been made. The Company holds joint consultations with the Workers' Council about all foreseen status or organisational changes at least 15 days before a decision is adopted, and sends every document encroaching upon employee rights and obligations to the trade unions and the Workers' Council for an opinion. In this way, DARS has cooperated successfully with employees through social partners for a number of years.

The Company's corporate governance policy includes a commitment to prevent any harm to employees' personality and dignity, as well as discrimination in general. The employee selection process ensures that all candidates receive equal opportunities, irrespective of gender, age or other circumstances. Human rights are observed by way of the applicable legislation and internal codes and agreements referring primarily to non-discrimination on the job, workplace harassment, and fundamental economic and social human rights.

DARS has zero-tolerance for any form of human rights violation. Compliance with the human rights regulations and best practices is the fundamental Company motto when dealing with employees and it is guided by an awareness that the working environment has to be safe so that employees can fully utilise their potentials and talents, thereby contributing to excellent business performance. Human rights are consistently observed taking into account the applicable legislation (the Constitution of the Republic of Slovenia, ILO Conventions, the Protection Against Discrimination Act and the Employment Relationships Act), the DARS Code of Conduct and the internal Company acts dealing primarily with discrimination in the workplace, workplace harassment and fundamental economic

and social human rights. The Company is always promoting new innovative and modern approaches to increase respectful conduct and communication in the workplace and in relation to business partners with a view to fostering an awareness and culture that contributes to bringing out the best in every employee.

The main risks and their management

Loss of competent or key staff (undesired fluctuation) and an increased share of actively non-engaged employees and insufficient resources to increase employee competence, and thus the development of the target organisational culture

The risk of the loss of competent or key staff at DARS and of an increasing share of actively non-engaged employees is managed with the provision of a creative, safe and interesting work environment, which is the Company's strategic goal.

We are regularly monitoring employee satisfaction and engagement. In 2022, the satisfaction and engagement level of employees was reduced mainly due to higher expectations in the reward scheme. In constructive dialogue with social partners, DARS actively sought suitable solutions with which the impacts of the current economic crisis and cost of living are mitigated.

We have identified key positions and key staff and prepared the foundation for the implementation of a succession policy for them. In addition to the timely provision of expert and competent successors for key positions, this also represents an important element of possible career development for employees and the strengthening of employee engagement, thus reducing the risk of undesired fluctuation. Individual development plans and the systematic development of necessary skills and competencies are being prepared for key staff.

Employees were able to attend various in-house and external training and upskilling courses to enhance their expertise, skills and competencies. In 2022, the scope of training sessions increased by 33% compared to the previous year and the number of participants increased by 121%.

In order to ensure that employees are well-trained for work with digital tools, the targeted training of employees in the area of computer skills was carried out in 2022 as per the performed test of their digital competencies.

Employees can also choose in-service training with the co-funding of their tuition fees and are granted paid leave of absence for study obligations. Employees who can work remotely due to the nature of their work may work from home in a hybrid manner based on the relevant employment contracts even during normal business.

There are also a variety of measures available to help employees reconcile their work and family responsibilities. This is how respect for their personal lives is demonstrated and how help is provided to them in times of need.

Leadership has a major impact on undesirable fluctuation and the engagement of employees, which is why leaders attended various workshops, regular short training sessions, measuring managerial and social competencies, and coaching sessions to improve their leadership competencies.

Concern for the health and safety of employees

At the start of 2022, a great deal of attention was still paid to the containment of covid. In quarter 2, things slowly returned to normal and we again paid more attention to the provision of occupational safety. We reintroduced safe work training for employees in tolling, conducted several internal on-site inspections of maintenance employees, and in the autumn we organised training for the operation of special machinery and first aid after several years.

Employees who are able to work remotely may work from home for no more than two days a week despite the end of the epidemic. Employees who grew accustomed to such work during the epidemic and find it convenient because they can better organise their family life, save time or have better conditions for work (peace and quiet, etc.) may continue to do so. Their satisfaction and engagement at work is higher, while the risk of accidents and sick leave (accident en route, childcare) is lower.

Key performance indicators

We are aware that satisfied and committed employees are the backbone of the successful performance of DARS, so some attention is given to this area every year. The 2022 research results have shown that there are challenges in the rewards area due to the broader economic situation.

We are recording a decrease in the satisfaction and commitment of employees compared to previous years, but together with the social partners, we are closely cooperating in constructive dialogue and

seeking suitable solutions. Despite the poor commitment results in 2022, employees are striving to perform good and quality work, to be innovative and to have initiative. This obliges deep respect and responsibility for the employees and to building new opportunities for their career and personal development.

In the area of the education and development of staff, we mostly focused on improving digital competencies in 2022 and the development of targeted computer skills because we want employees to be as independent as possible in digital operations. With our own e-education portal, we significantly increased access to training sessions and have recorded 121% more participants compared to the previous year, while the scope of training sessions per employee increased by 34% compared to 2021.

Employee management is a responsible task and, therefore, the leaders of DARS are given various forms of training. In 2022, the Company introduced brief leadership education meetings dealing with current topics and challenges, as well as new approaches to employee management.

The Company has been the holder of the full Family-Friendly Certificate for a number of years and as such offers employees various measures to better coordinate their work and family life. They greatly appreciate the possibility of flexible arrival and departure times from work with fixed central working hours, which enables those who have children to carry out their family and job duties more easily. Employees in distress can use anonymous and free-of-charge psychological support and counselling to overcome the trials of life more easily. Employees' children always receive gifts upon birth and during the Christmas and New Year's holidays.

DARS is well aware of the importance of providing occupational safety to employees, since many employees perform extremely dangerous work on roads, where their safety not only depends on themselves, but also on the conduct of road users. Therefore, safety was included in the 2021–2025 Strategy as one of the most important elements for the successful planning of Company development. One major operative strategic goal is a reduction in the number of persons injured at work by 10% by 2025, which is why the Company has dedicated a great deal of funds to the purchase of new safer work equipment and the creation of a working environment that provides the maximum level of safety and health at work to employees.

In accordance with the applicable labour legislation, the Collective Agreement and other adopted internal

acts of the employer, DARS continued in 2022 to implement the established good practices that contribute considerably to improving the social security of the employees and the status of future retired persons. The social security of employees is the foundation upon which employee trust, loyalty and professional development can be built.

The employer enabled the option of inclusion in collective supplementary pension insurance for all employees in 2022, which serves as an important and long-term aspect in the provision of social security to employees.

To protect the dignity of employees, the Company adopted in October 2019 the "Rules on the protection of employees' dignity on the job", which clearly defines procedures to efficiently recognise discrimination, sexual and other harassment and mobbing, and take action against it, along with preventive methods and the work and competencies of the Committee for the protection of employees' dignity. We did not receive any reports in 2022 relating to harassment, discrimination or threat to dignity at the workplace.

The fight against corruption

Policy and due diligence

Taking into account the recommendations from the Corporate Governance Code for Companies with Capital Assets of the State for SSH, the Rules of procedure for handling alleged irregularities in corporate integrity were implemented on 1 April 2021. The Rules were adopted in order to strengthen the integrity of DARS and to improve its overall business performance and bolster its reputation.

The Rules also set out the measures ensuring that DARS is a work environment where employees who file a report in good faith are protected.

The system for dealing with reports of alleged corporate integrity irregularities was supplemented with regulations in the Rules on the implementation of internal controls and internal investigations.

The main risks and their management

Members of the Management Board, other associates and members of the Supervisory Board may not use their job or position and the information they obtain in the course of their work to pursue an undue private interest for themselves or for anyone else. The misuse of inside information and business secrets is unacceptable, harmful and prohibited by DARS. DARS associates are required to notify their superiors about any and all circumstances (business, family or other relations outside the Company) that could affect decision-making. In such a case, it is best practice that the associate be excluded from the relevant work process.

Key performance indicators

Abuse of inside information, business secrets and personal data, as well as corruption, is unacceptable and prohibited by DARS. There is zero tolerance towards criminal actions.

Internal investigations are carried out with the purpose of finding irregularities in corporate integrity, especially severe types of violations. In 2022, there were six internal investigations, of which three have been concluded. Appropriate recommendations were given in line with the findings, and appropriate employment procedures were initiated for violations in the employment area.



Valentin Hajdinjak, MSc
Chairman of the Board
Manager



Lidija Kegljevič Zagorc, PhD
Member of the Board



Andrej Ribič, MSc
Member of the Board



David Skornšek, MSc
Member of the Board



Rožle Podboršek
Member of the Board / Labor
Manager

Celje, June 2023

I.3 Presentation of DARS⁶

I.3.1 Company profile

NAME	Motorway Company in the Republic of Slovenia DARS d.d.
REGISTERED OFFICE	Ulica XIV. divizije 4, 3000 Celje Phone: +386 (0)3 426 40 71 Fax: +386 (0)3 544 20 01
BRANCH OFFICE	Dunajska 7, 1000 Ljubljana Phone: +386 (0)1 300 99 02 Fax: +386 (0)1 300 99 01
WEBSITES	www.dars.si www.promet.si www.darsgo.si evinjeta.dars.si
YEAR OF ESTABLISHMENT	1993
REG. ENTRY NO.	1/06158/00, District Court of Celje
FOUNDER AND SHAREHOLDER	Republic of Slovenia
COMPANY ORGANISATION	Public limited company
REGISTRATION NUMBER	5814251000
CODE OF PRINCIPAL ACTIVITY	52.210 Service activities incidental to land transportation
VAT ID NUMBER	SI92473717
SHARE CAPITAL	€2,086,559,144.07
CAPITALISATION	Total capital: €3,199,015,617 Nominal value of bonds issued: €120,918,538
SHARES ISSUED	€55,650,231
No. of countries in which the Company operates	1 country (Republic of Slovenia)
Number of employees	1,256
Net sales revenues	€494,473,636
No. of Company locations	46

⁶ GRI GS 2-1, 2-6, 201-4, 204-1.

1.3.2 Mission, vision, values, strategic policies and integrated management system policy⁷

Mission

We improve the traffic flow while providing traffic safety and reliable and timely services on the Slovenian motorway network by employing modern approaches and adopting a responsible attitude towards the environment and stakeholders.

Vision

Connected to the future

The guidance of sustainable and digital Company operations is the integration of all strategic guidelines.

The Company vision is focused on:

- **users**, safe mobility and reliable and timely services supported with smart solutions;
- **the environment** in which we operate in a sustainable manner, and satisfying the needs and expectations of all key stakeholders;
- **employees**, who are provided with a safe, creative and development-oriented work environment.

Core values

Safety

We ensure a safe environment that we operate in: a safe working environment for our employees, a feeling of safety for our business partners and users of the Slovenian motorway network (as their reliable partner on the road) and the preservation of the natural environment.

Responsibility

With a responsible attitude towards ourselves and society, we fulfil all our assumed work commitments and ensure the quality implementation of the assigned tasks, bearing in mind our users, our environment (the harmonisation of our activities with the capabilities and needs of the natural environment) and other stakeholders that we do business with (suppliers, contractors, other business partners, the owner, the local community – we are a reliable partner).

Sustainability

All three aspects of sustainable operations (economic, environmental and social) are pursued in Company operations. In addition to successful and efficient Company operations in the long term, special attention is paid to reducing negative environmental impacts and cooperation with stakeholders and their inclusion in sustainable Company operations.

Reliability

We are aware that at any given moment, we share responsibility for the successful and uninterrupted life, work and realisation of the goals of individuals, companies and society as a whole, which is why we abide by the agreements made in our day-to-day operations and processes. Cooperation with stakeholders is conducted in a manner promoting mutual respect and trust.

Cooperation

We favour open communication, integration, team spirit and the search for the best solutions for the common good, both among Company employees and with the active involvement of external stakeholders, thus successfully pursuing the Company mission.

Leadership by example

We are committed to integrity and bravely face our challenges. We realise our expectations of our associates and other stakeholders, being aware of the importance of leadership and operations by example. Through compliant and

⁷ GRI GS 2-14, 3-2, 3-3.

transparent operations, DARS builds its integrity, which is crucial for the preservation of the Company's goodwill and the attainment of sustainable business performance.

The strategic policies of DARS

Figure 1: The strategic policies of DARS



The provision of safety, fluidity and reliable and timely services to motorway users

- Ensuring traffic safety
- Ensuring traffic fluidity
- The continued construction of new and the reconstruction of existing MW and EW sections.
- The provision of reliable and timely customer services

Long-term business stability and sustainability

- Ensuring long-term stable operations
- The digital transformation of the Company
- The development of sustainable infrastructure and the circular economy

Engaged and competent employees

- Continued enhancement of employee engagement and competence
- Leadership development
- The provision of occupational safety and the promotion of employees' health

Integrated management system policy⁸

Through the professional and responsible performance of tasks, the management and all Company employees will devote their best efforts to fulfilling the requirements and expectations of our stakeholders: users, the owner, employees, the environment and other interested public. Our business success is carefully planned, managed and supervised. We are committed to the continuous improvement of all business processes, with an emphasis on preventative action and risk management.

Our goal is to act in a quality, energy-efficient and socially responsible manner and to provide employees, outsourcers and users with a safe, uninterrupted and comprehensive service.

The management system policy is pursued in the following manner:

- by making responsible decisions based on specific information and facts,
- by ensuring good conditions and relations between all stakeholders within and beyond the Company,
- by promoting proactive activities with an emphasis on employee innovations,
- by managing the identified risks and implementing detected opportunities,
- by providing the desired level of confidentiality, integrity and availability of information and information resources,
- by ensuring the adequate availability of key information systems,
- by increasing the efficient use of all materials and energy throughout the service life cycle,
- through consistent compliance with the legislation, other mandatory requirements and development policies,
- through mutually beneficial cooperation with partners and other outsourcers,
- by supporting the development of the profession and acquiring new knowledge and skills,
- through active communication within the Company and with external audiences,
- through the commitment to prevent health risks and injuries of employees,
- by establishing and achieving measurable improvement targets for all areas of operation,
- by taking systematic account of all business aspects
(the environment, energy, quality, business continuity, information protection, safety and economics) in the purchase of products and services and the design of new solutions.

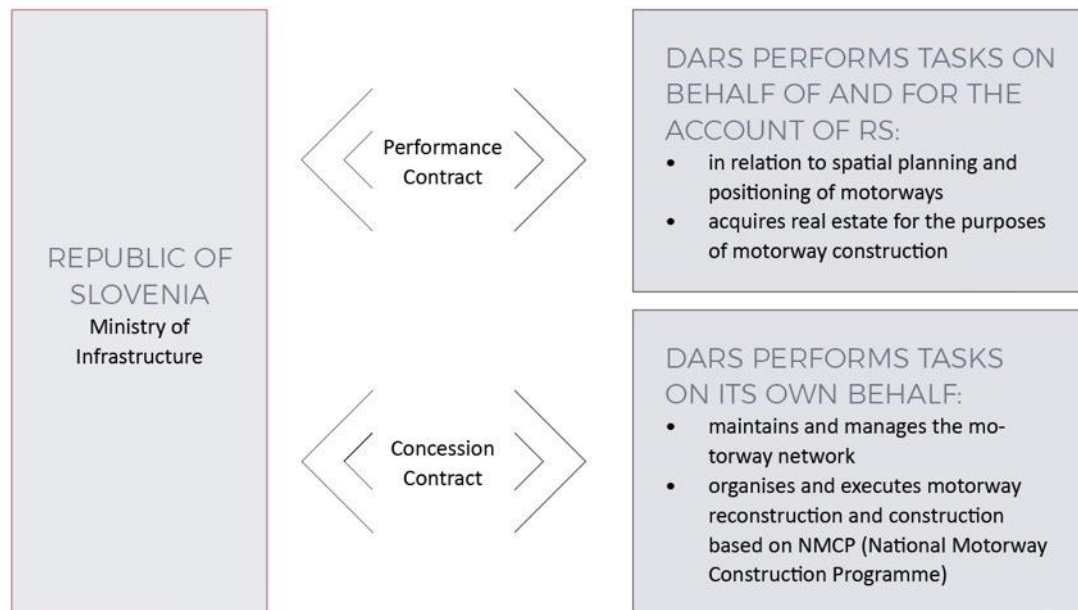
The Management Board undertakes to lead by example and pursue the set objectives to the best of their abilities.



⁸ GRI GS 2-23, 2-24, 3-3.

I.3.3 Activities of DARS

Figure 2: Activities of DARS



DARS was established in 1993 based on the ZDARS act and started operating on 1 January 1994. Until 31 December 2003, it had the status of a public undertaking in the form of a public limited company and, since 1 January 2004, it has been a public limited company in the form of a company. The sole founder and shareholder of DARS d.d. is the Republic of Slovenia, which is represented by the Slovenian Sovereign Holding (SSH) pursuant to the Slovenian Sovereign Holding Act (Official Gazette of the Republic of Slovenia, No. 25/2014; ZSDH-1). DARS d.d. operates in compliance with the Corporate Governance Code for Companies with Capital Assets of the State as adopted by the SSH and the SSH Recommendations and Expectations as the manager of the State capital assets, which are aimed at improving the corporate governance system for capital assets of the State, company organisation and, consequently, company performance.

The ZDARS-1 act entered into force at the end of 2010 and on its basis, DARS:

- performs individual tasks relating to spatial planning and the siting of motorways, and tasks relating to real estate acquisition for the purposes of motorway construction on behalf of the Republic of Slovenia and on its account;
- builds motorways on its own behalf and on its own account;
- manages and maintains motorway sections based on the granted construction concessions.

The State maintains strategic supervision over motorway development through development documents setting out new sections and deadlines for putting the newly built sections into service.

The ZDARS-1 act sets out the status, tasks and obligations of DARS and regulates the legal property relations in connection with motorways. Pursuant to the Act, DARS d.d. was transformed into a concessionaire that was awarded the right of superficies for the term of the concession relating to land where it would build, and has taken over all financial obligations related to the construction of new motorway sections. The ZDARS-1 act also stipulates that DARS is to perform individual tasks relating to spatial planning and motorway siting, as well as tasks relating to real estate acquisition for the purposes of motorway construction on behalf of the Republic of Slovenia and for its account. The Act further stipulates that DARS must continue building motorways and expressways that commenced prior to the enforcement of the Act, and continue managing and maintaining the existing motorways and expressways in the Republic of Slovenia.

According to the Fiscal Balance Act (ZUJF), which entered into force in 2012, the right of superficies established for the benefit of DARS is payable.

1.3.4 Organisational structure⁹

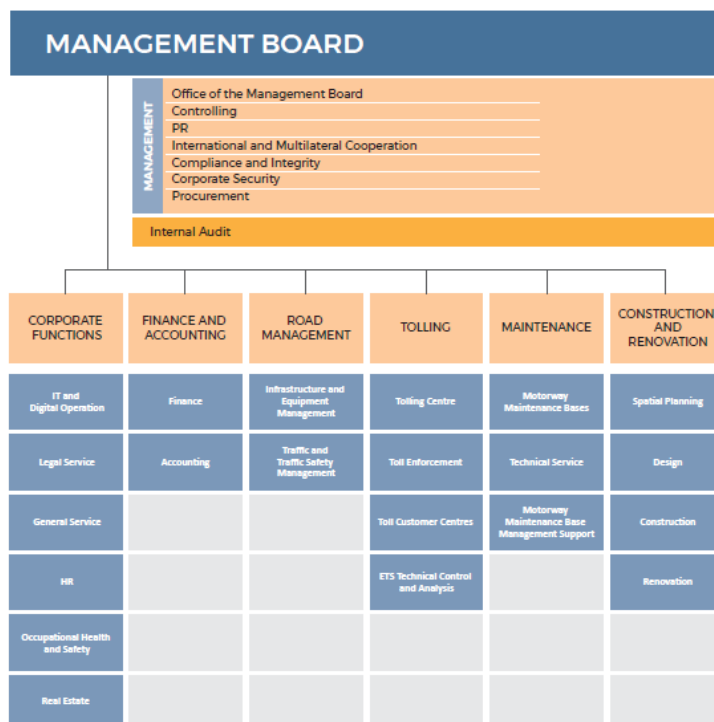
In accordance with the Articles of Association of DARS, the Supervisory Board supervises the management of transactions; decides on the appointment and dismissal of the Management Board and their remuneration; convenes general meetings; reviews and examines the ledgers and documentation of the Company, its cash in hand, securities and the inventory of goods and other items; grants the Management Board prior consent for the transactions referred to in point 7.2.12 of the Company's Articles of Association; is familiarised with the Management Board's decisions on the establishment and/or termination of subsidiaries; submits proposals to the General Meeting for the appointment of the auditor; appoints the Audit Committee of the Supervisory Board, as well as the other committees under the ZGD-1; is familiarised with the decisions of the Management Board on the purchase and disposal of stakes or shares in other companies; grants consent to the Company's annual Business Plan and 3-year Business and Financial Plans, as well as to other planning documents; aligns the text of the Articles of Association with the valid resolutions of the General Meeting; notifies the Company bodies and shareholder about its positions and proposals; and discusses and makes decisions on all other matters within its competence under the law, other regulations and under the authority of the General Meeting and the Company's Articles of Association.

The composition and activities of the Management Board are defined in detail in the Articles of Association of DARS, under which it may have no more than five members. A Chairperson or Member of the Board may be a person who fulfils the conditions referred to in Article 255 of the ZGD-1 and point 7.2.2 of the Articles of Association of DARS. The Chairperson and all the Members of the Board are appointed by the Supervisory Board for a term of no more than five (5) years and are in an employment relationship with the Company.

The Management Board runs the Company for the benefit of the Company, independently and under its own responsibility, whereby acting with due care and diligence, thus protecting the Company's business secrets. While realising its tasks, the Management Board adopts measures and carries out procedures laid down by the law and the Company's Articles of Association.

Figure 3: The organisational structure of DARS

Macro and mezzo company organisation chart valid from 1 November 2021



⁹ GRI GS 2-9, 2-10, 2-11, 2-13.

I.3.5 Motorways and expressways in the Republic of Slovenia

In 1994, under a special agreement, the Republic of Slovenia transferred to DARS the operation and maintenance of all constructed motorways, as well as infrastructural facilities and devices on them: 198.8 kilometres of 2-lane and 4-lane motorways and expressways constructed until that point along with 67.5 kilometres of junctions.

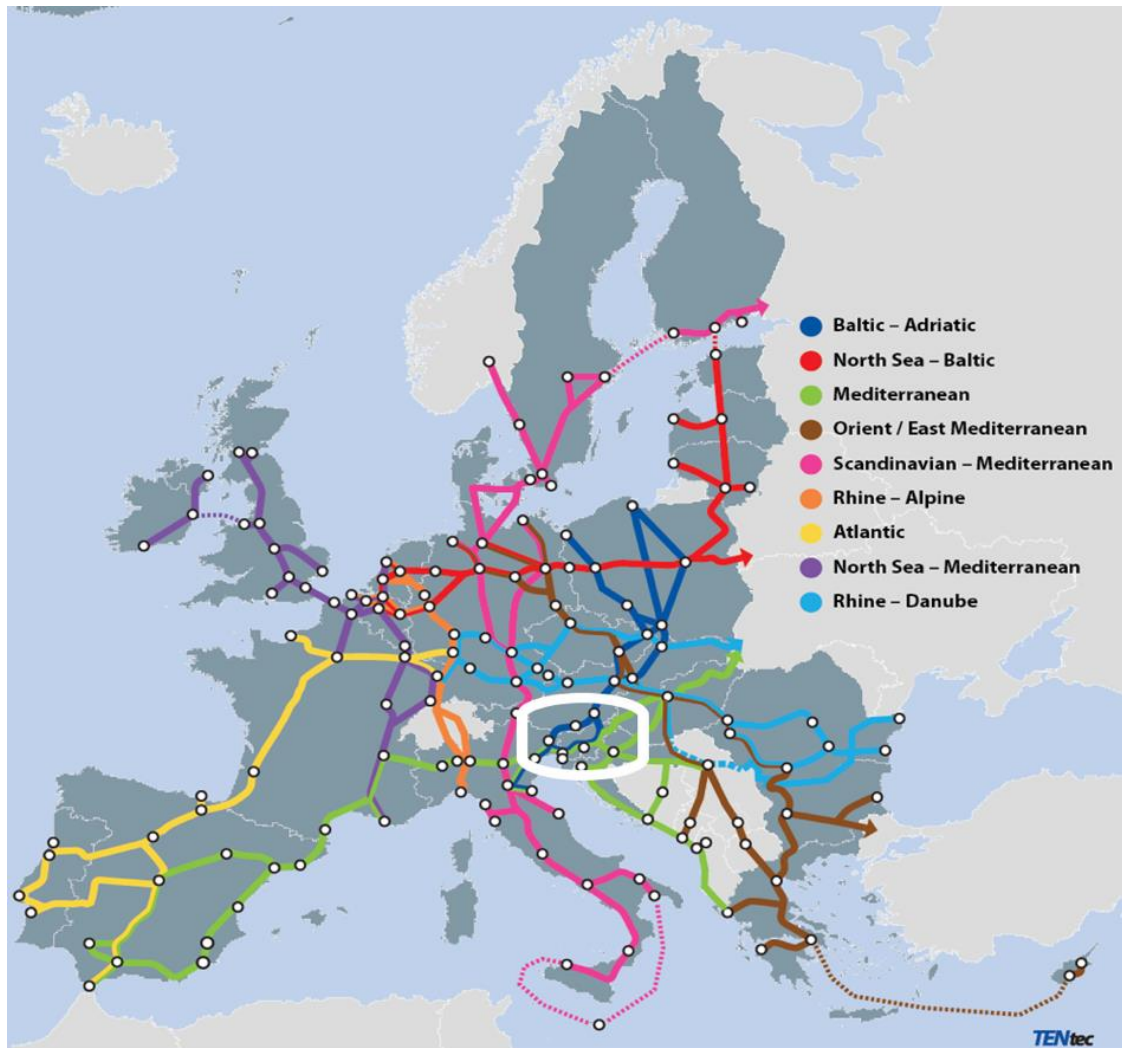
Through the implementation of the NMCP, the motorway network managed and maintained by DARS gradually expanded. At the end of 2022, DARS was responsible for the operation of 624.9 kilometres of motorways and expressways, 143.4 kilometres of junctions, 22.3 kilometres of interchanges and 40.8 kilometres of other roads.

Figure 4: Motorway system in the Republic of Slovenia, December 2022



The Slovenian motorway system as part of the Trans-European Transport Network (TEN-T)

Figure 5: The Slovenian motorway system as part of the TEN-T network



Note: the nine TEN-T core network corridors are based on the CEF and TEN-T Regulations (1316/2013 & 1315/2013); they have been created as a coordination instrument to facilitate the completion of major parts of the core network of strategic importance.
Source: European Commission, Directorate-General for Mobility and Transport, TENtec Information System

1.3.6 Investments in motorway development and reconstruction¹⁰

DARS has connected Slovenia with the European motorway networks, integrating international flows with many environmentally friendly structures that have merged with the environment in a responsible manner. With the construction of the motorway network, DARS has become a strategic operator; the existing motorway systems were integrated into smart international transport corridors with a focus on safety and fluidity.

The objective of the EU transport policy is to build a trans-European network of roads, railway lines, inland and maritime waterways, ports, airports and terminals that would connect Europe and strengthen the socio-economic and territorial cohesion of Europe.

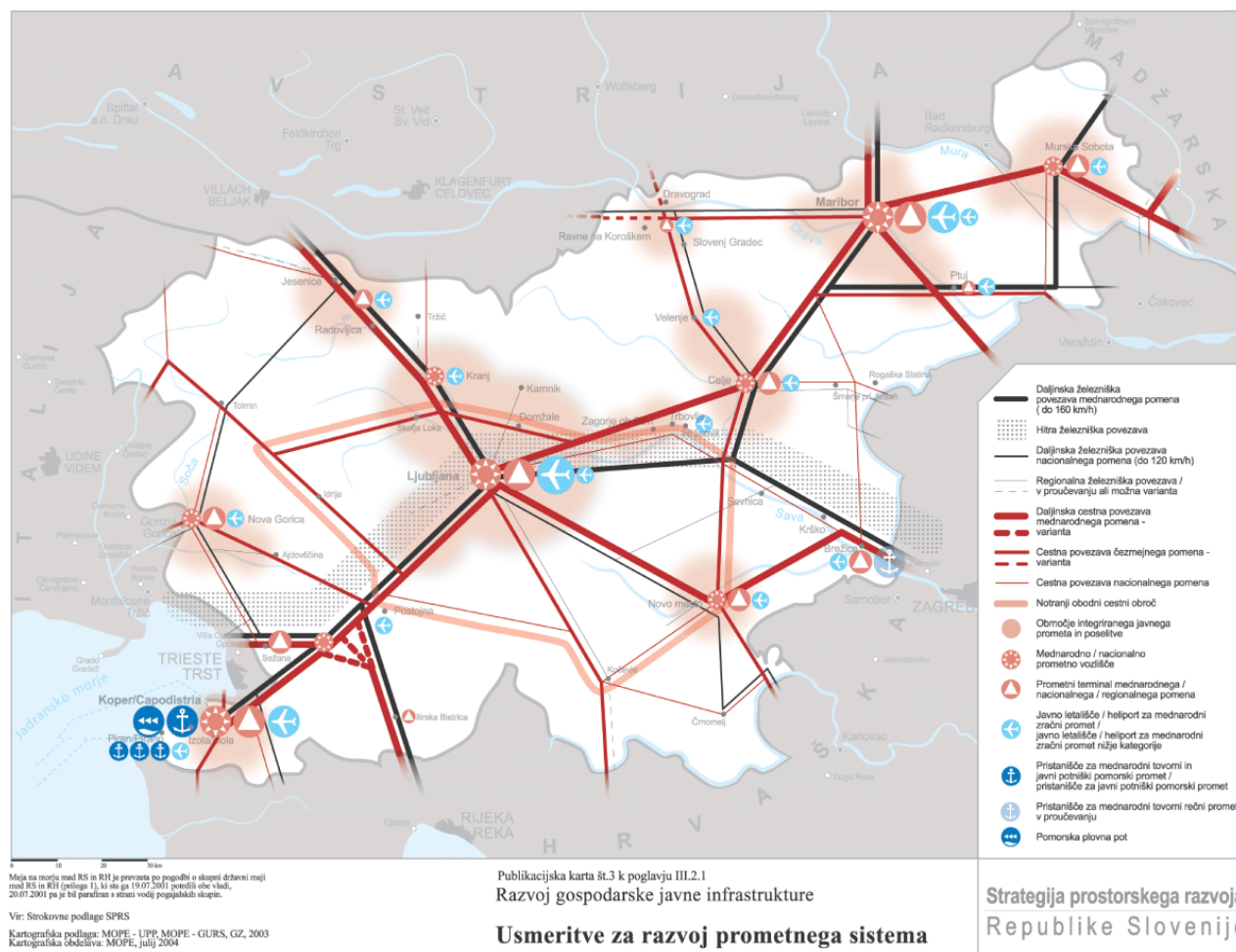
A priority in that area, in particular, is to eliminate bottlenecks and technical obstacles in the trans-European transport network, which also includes the construction of the second tube of the Karavanke tunnel. In addition to constructing

¹⁰ GRI GS 3-3, 203-1, 203-2.

new and modernising existing infrastructure, the European Commission supports the introduction of innovative digital technologies, alternative fuels and common standards.

It is also worth noting the role or contribution of DARS to global development, i.e. by observing the Sustainable Development Goals (SDG), as adopted by UN members, which are aimed at devoting efforts to developing the whole of society – the economy, science and civil society – which will play an important role in attaining the important goals of the whole society by 2030.

Figure 6: Spatial development strategy of the Republic of Slovenia



Karavanke tunnel (second tube)

The Karavanke motorway tunnel is part of the Trans-European Transport Network (TEN-T) and connects the A2 motorway in the Republic of Slovenia with the A11 motorway in the Republic of Austria. The tunnel represents a bottleneck in this part of the network, as it was built as a single-tube two-lane tunnel in which traffic runs in both directions. Pursuant to Directive No 2004/54/EC of the European Parliament and of the Council on the minimum safety requirements for tunnels in the Trans-European Road Network, it is necessary to ensure full motorway clearance between the A2 and A11 in cooperation with Austria as soon as possible. In order to enhance fluidity and traffic safety, it is planned to build a second tunnel tube along with the missing part of the motorway and all necessary accompanying arrangements, including sites for the disposal of excess excavated material. The planned arrangements are located in the Jesenice and Kranjska Gora municipalities.

The Republic of Slovenia and the Republic of Austria received EU grants within the scope of the Connecting Europe Facility (CEF) for the construction of the second tube of the Karavanke motorway tunnel. The Republic of Slovenia received CEF funds in the maximum amount of €7.95 million or 10% of eligible project costs.

An agreement with the contractor, Cengiz, was signed on 30 January 2020. The total deadline for the completion of all works is 2 May 2025 (62 months from the start of work).

By the end of 2022, the following works had been completed in the tunnel:

- excavation and installation of support elements in the top heading up to chainage 2,357 m,
- excavation and installation of support elements in the bench up to chainage 2,321 m,
- excavation and installation of the inverted arch (shotcrete) from 0 to 292 m, from 736 m to 1,078 m and from 1,345 m to 2,290 m,
- base of the inner lining – west side, up to chainage 2,000 m,
- base of the inner lining – east side, up to chainage 1,975 m,
- installation of the inverted arch (cast concrete) up to chainage 1,832 m,
- installation of lean concrete up to chainage 1,820 m,
- tunnel waterproofing up to chainage 304 m,
- inner concrete lining up to chainage 300 m.

Other works:

- Excavation and support elements were also carried out for the GQ-23 cross passage (for pedestrians) and foundations and invert arches in the GQ-20 crossbeam.
- The material excavated from the tunnel was transported from the site and incorporated at location 4 (Mojstrana) and locations G (near the MW behind the Hrušica toll station) and C (Hrušica junction).
- An operating permit was obtained for bridge M-2 and deviation 1-3 (Hrušica).
- Construction of the M-1 bridge and of the supporting walls PK-1 and PK-2 (path of the missing MW section from the portal structure of the tunnel to TS Hrušica) were completed.
- Communal installations from the C deposit site were moved to the route of the existing accessible road to MMC Hrušica, and water management arrangements were implemented.
- The hydrant water pipeline network was reconstructed in the existing piping from the portal structure of the tunnel to the Presušnik water reservoir.
- Works have begun in the implementation of the portal structure of the tunnel (demolition of a part of the existing structure, installation of a shaft and floor duct for the hydrant water pipeline).

Figure 7: Waterproofing in the tunnel



Sofinancirano s pomočjo Instrumenta
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EVROPSKI SKLAD ZA
REGIONALNI RAZVOJ

Figure 8: Inner concrete lining in the tunnel



Third development axis

The third development axis is a future traffic link that will run from the Koroška region in the north to the region of Bela krajina in the south (from the Austrian to the Croatian border).

The Ordinance on the Spatial Planning Strategy of Slovenia mentions the third development axis as a road link from the Austrian Carinthia via Slovenj Gradec and Velenje and connecting to the motorway near Celje while continuing towards Novo mesto and Karlovac or, rather, connecting to the Zagreb–Rijeka motorway. The investment in the third development axis is included in the Resolution on the National Programme for the Development of Transport of the Republic of Slovenia until 2030. The link also includes two new state roads from the A2 motorway at Novo mesto to the Maline junction and from the Šentrupert junction on the A1 motorway to the Slovenj Gradec South junction, for which the national spatial plan decrees have been adopted.

The third development axis section from Velenje South to Slovenj Gradec South in the length of 17.5 km has been broken down into 8 lots, which are, in terms of priorities, at different stages of design document processing and public procurement procedures for construction (two-stage public procurement procedure), as well as stages of construction. For lots B - Škalsko jezero and H - Konovo, the processes of the first and second phases of the public contract were carried out to obtain the service provider of construction works. At Lot E - Velunja, activities were carried out in the first phase of the public contract to obtain the service provider of construction works. The construction of Lot D - Gaberke was launched in October 2020 and completed in 2022. A technical inspection of the performed works was carried out in December 2022. Regarding Lot F – Jenina, construction works were launched in August 2021 and continued in 2022. Work has rapidly been underway on the Jenina and Visočnik viaducts and the Jenina bridge. Activities were also underway on the construction of retaining and supporting structures, road deviations, the relocation of electricity power lines and the relocation of a gas transmission line. An operating permit was obtained in April 2022 for the portable gas pipeline.

The BP has not been submitted yet for lot A; a notification of a changed encroachment on the environment was sent in November 2022 based on the issued environmental permit from 2015. For lots B - Škalsko jezero and H - Konovo, a final building permit was obtained in 2022 for subsection 1, which includes the path from the Škale junction to the western

portal of the single-tube Konovo tunnel. DD documents were submitted. A request for a building permit for lot C – Škale was submitted in February 2022. All opinions were obtained, except for the opinion from the SWA; Detailed Design documents were prepared and audited. A final BP was obtained for lot D - Gaberke in 2020. At Lot E - Velunja, the DD draft was being completed and its audit was being carried out. All the opinions from opinion givers have been obtained and the only one missing is the SWA opinion. A final BP was obtained for lot F - Jenina in 2021. A BP request for lot G – Podgorje was submitted in December 2022. DD documents were drafted, concluded and audited. All opinions were obtained, except for SWA and MoD.

At the Šentrupert–Velenje South section measuring 14 km in length, DGD and DD documents were being produced in 2022 while the interim and final reviews of the DD were underway. The investment programme was confirmed in December 2021. The building permit application was submitted to MESP on 22 April 2022. In December 2022, MESP submitted a call for the supplementation of the BP application.

Figure 9: View of the Jenina viaduct construction site at Lot F - Jenina



For the section of the third development axis south from the A2 MW - NM East junction to Osredjek junction measuring 5.5 km in length, a building permit was obtained in 2021 through an integrated procedure for the alignment and bridges, which has not been finalised yet because of the initiated administrative dispute before the Administrative Court. In June 2022, a lawsuit took place at the Constitutional Court of RS, where the court issued a judgement in July 2022 annulling the BP and referring the matter back to the MESP for reconsideration. In autumn 2022, the request for the issue of BP was supplemented in line with the MESP requirements.

The public contract for the qualification of tenderers (two-stage public procurement procedure) has been closed and the decision has become final. The second stage of the public contract procedure for the selection of a contractor has been suspended due to the building permit not being final.

For the Osredjek-Maline section (3rd and 4th stage of 3ROJ) in the length of 12.4km, land allotment was carried out as per the border data in the NSP or the border of the construction works. Decisions were issued, except for c. m. Stopiče, which is still on-going. The acquisition of land is pending. 1/3 of the land for stage 3 and 1/5 for stage 4 were purchased. Seven (7) buildings were also purchased. Inheritance proceedings are pending for two (2) buildings (hayracks).

Activities are being carried out in terms of drafting documents of the DGD, EIA and DD. A request for the building permit will be filed to the MESP at the start of 2023, positions were already reconciled with the opinion-giving authorities. The contractor for preliminary archaeological research underwent onboarding and research shall be performed after the acquisition of land. A contract was signed for an audit of the required facilities, and an interim audit of design documents for the extension of the Novo mesto Motorway Maintenance Centre was performed.

On the section from Maline to IBC Metlika and Črnomelj, with a total length of 30.7 km, a project implementation study was launched in July 2022, which divides the section into three subsections: A (Maline–Metlika North), B (Metlika North–IBC Metlika) and C (Gradnik–Črnomelj). The DARS management board approved the PIS in August 2022. In November 2022, the MI rejected the KIOP submission for the approval of the DD, claiming that the road variant has already been confirmed with the adoption of the Decree on the NSP. In December 2022, MI approved the study concerning the implementation of the project for subsections A and B. Procedures for the preparation of public contracts for projecting the DGD and DD documents were also carried out for subsections A and B. The public contracts for projecting subsections A and B were finalised in December 2022.

Motorway reconstruction works

Measures to improve the condition of the infrastructure are aimed at meeting the needs of motorway users for the safe and comfortable use of the infrastructure. Measures therefore need to be implemented as soon as possible in certain sections and conceptual solutions and projects need to be prepared for other sections, followed by designs and, following a successful procurement procedure, the execution of works. Considering the current experiences and familiar technologies for the execution of works, individual parts of the infrastructure are considered separately from others during the design. Reconstructions of individual bridging structures, tunnels, geotechnical structures, drainage, other equipment and parts of noise barriers are thus considered separately from carriageway reconstructions.

Carriageway reconstructions are planned on those MW sections where the condition has been assessed as “very poor” or “poor” according to the Modified Swiss Index (MSI) or in respect of which field inspections showed that measures, if implemented in due time, could significantly extend the useful life of the carriageways (resurfacing). The selected sections have been additionally checked with the expert carriageway management system PMS-DARS (dTIMS_CT – Deighton’s Total Infrastructure Management System with Concurrent Transformation), which is used for the optimum planning of carriageway reconstruction.

Bridging structures on older motorway sections are planned to be reconstructed, specifically where regular and main inspections have identified damage jeopardising the continued safety of the structure and thus safe traffic in the long term, or in cases where certain parts need to be repaired (e.g. expansion joints, waterproofing, asphalt or drainage), to prevent the further decay of structures. Reconstruction works on structures are also foreseen in sections undergoing carriageway reconstruction, but only to the extent necessary with respect to identified damage to a particular structure and foreseen works on the alignment.



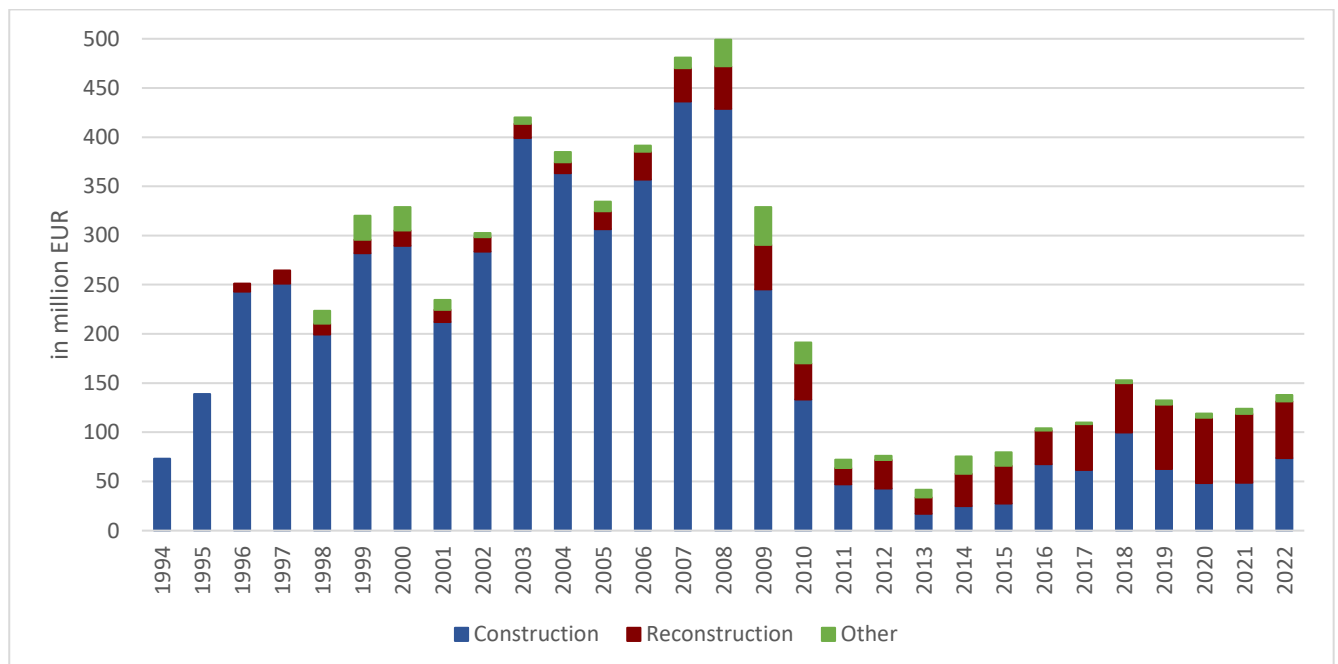
I.3.6.1 Investments planned from 2023 to 2025¹¹

Table 1: Major investments planned by DARS from 2023 to 2025 in € million (source: Business Plan for 2023)

	Realisation 2022	Plan for 2023	Plan for 2024	Plan for 2025	Total 2022–2025
Dragomer motorway junction	0.27	3.02	18.59	8.77	30.64
Construction of wind breaks	0.05	0.89	10.84	11.08	22.85
Karavanke tunnel (second tube)	27.16	27.44	29.37	26.07	110.04
Hajdina–Ormož	0.10	1.41	14.00	21.56	37.06
Koseze–Kozarje: expansion into a 6-lane road (construction, other)	0.10	0.59	1.75	24.28	26.72
Third development axis – north: Velenje–Slovenj Gradec	22.28	24.06	45.28	104.86	196.48
Third development axis – north: Šentrupert–Velenje	1.18	4.08	37.71	56.95	99.93
Third development axis – south: Novo mesto–Maline (Stage I – stages 1 and 2)	0.13	1.56	23.05	26.31	51.06
Third development axis – south: Novo mesto–Maline (Stage I – stages 3 and 4)	1.46	2.33	12.33	60.00	76.13
Third development axis – south: Maline–Metlika (Črnomelj) – section 2	0.34	2.60	2.73	6.62	12.28
Total	53.07	67.97	195.64	346.50	663.18
Motorway reconstruction	57.72	143.11	147.08	129.65	477.56
Other investments	27.23	90.43	89.23	59.61	267.55
Total	138.03	301.51	431.95	535.76	1,408.30

I.3.6.2 Investments in the NMCP (National Motorway Construction Programme) from 1994 to 2022

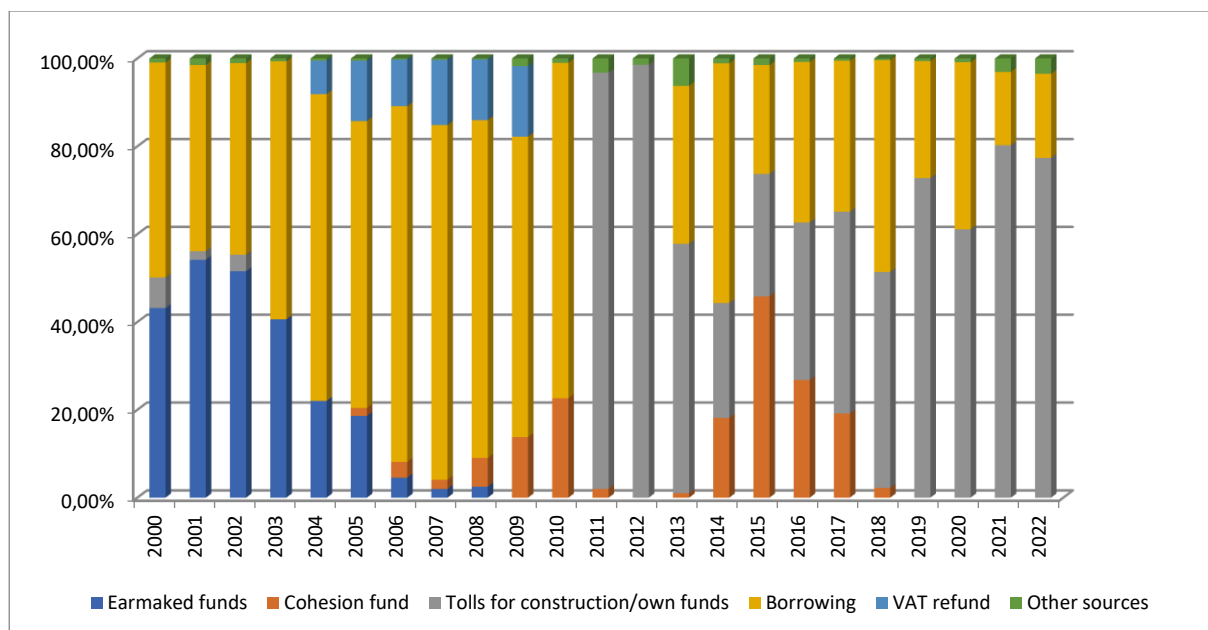
Figure 10: Investments in the NMCP (National Motorway Construction Programme) from 1994 to 2022



¹¹ GRI GS 203-1.

1.3.6.3 Financing sources for the NMCP (National Motorway Construction Programme) from 2000 to 2022

Figure 11: Financing sources for the National Motorway Construction Programme (NMCP) from 2000 to 2022



1.3.7 Self-assessment using the EFQM Excellence Model

In compliance with the Recommendations and Expectations of the SSH, DARS carries out self-assessments according to the EFQM Excellence Model. In light of the SSH guidelines, a self-assessment under EFQM requirements is conducted every two years; DARS conducted the third self-assessment in 2021 and prepared a report containing the findings, an action plan with 12 measures, as well as short-term and medium-term goals for Company operations in relation to quality and excellence.

The Management Board places great significance on the Recommendations and Expectations of the SSH and has set "To achieve 550 points by 2025 with respect to the requirements of the EFQM model" as a key indicator in the "DARS Strategy for 2021–2025". The Supervisory Board discusses the report on the realisation of self-assessment measures under the EFQM Excellence Model every 12 months and confirms the adequacy of the introduced measures.

1.3.8 Integrated Management System

The integrated management system includes the quality aspect according to the requirements of the ISO 9001 standard, the energy management aspect according to the ISO 50001 standard, and the information security aspect according to the ISO/IEC 27001 standard. Together, these aspects form a unified management system as described in the Rules of Procedure for the Management System and related documents.

Continuous improvements using the PDCA approach (plan-do-check-act) form the basis for the integrated management system and the requirements of the standards. This approach is the driving force for the progress and optimisation of business processes in all areas of Company operations.

In 2021, the Company started establishing a business continuity system as per the requirements of the ISO 22301 standard, which will be certified through an external accreditation institution in 2023. To ensure the credibility of the quality management system, energy management system and information security system according to the requirements of the ISO 9001, ISO/IEC 27001, and ISO 50001 standards, these are successfully approved every year by an external accredited institution.

I.4 About the report



The report on the sustainable development of DARS contains information on the economic, environmental, social and governance effects and the results of Company operations. The Strategy of DARS pursues long-term goals focused on sustainable development and steers the Company towards socially responsible future operations. With reports on its sustainable development, the Company on the one hand provides quality information on its socially responsible actions to its stakeholders and, on the other, makes decisions on future socially responsible actions based on cooperation and the identification of stakeholders' needs and interests. Our key motto is the connectivity of our business operations in all possible forms and with all possible stakeholders.

1.4.1 Sustainability reporting¹²

Non-Financial Statement

The Sustainability Report of DARS for 2022 contains all the necessary information for the publication of the Non-Financial Statement and is, therefore, in line with the amendments to the Companies Act (Official Gazette of the Republic of Slovenia, No. 42/2006 as amended) and the requirements set out in the Guidelines on non-financial reporting (methodology for reporting non-financial information), as adopted and published in the EU Official Journal in July 2017, and in the requirements laid down in the Directive as regards the disclosure of non-financial and diversity information by certain large undertakings and groups. The Guidelines became applicable in 2018, i.e. in relation to information for the 2017 financial year.

Sustainability report under the GRI standards

The first independent Sustainability Report of DARS, which the Company published for 2017, was a significant milestone for the Company as regards reporting on its sustainable development, where the Company observes the international sustainability reporting standards of the Global Reporting Initiative (GRI GS), and significantly improves the quality of the sustainability section in previous annual reports, making it a comprehensive report emphasising the materiality of the Company's operations. The Company has also reported on its sustainable development or corporate social responsibility in its annual reports since 2009. The last Sustainability Report for 2021 was published on the Ljubljana Stock Exchange SEOnet information system on 30 June 2022.¹³ The Sustainability Report was prepared by all the included expert services of DARS. The Sustainability Report of DARS refers to an individual financial and calendar year, and will be published every year by the Company.

1.4.2 Fulfilment of the strategic goals of sustainable development of DARS¹⁴

DARS is well aware of its responsibility to people, the environment and society. Therefore, it exercises social responsibility in a sustainable manner in all projects and long-term plans at all levels. Ambitious and clearly defined goals ensure that the public will continue to identify DARS as a responsible and forward-looking company.

The strategic policies of DARS

The DARS Strategy for 2021–2025, which integrates the Company vision and its stakeholders with three key strategic guidelines of DARS, is evident from chapter 1.3.2 *Mission, vision, values, strategic policies and integrated management system policy*. Among the mentioned guidelines, the central ones are stable operations and sustainability (focused on the environment) in the long term, which also significantly relates in content and strategic goals to the realisation of the first strategic policy (Provision of safety, fluidity, and reliable and timely services to motorway users) with users as the target stakeholders and to the third strategic policy (Engaged and competent employees) with employees as the target stakeholders.

It is also worth noting the role or contribution of DARS to global development, i.e. by observing the Sustainable Development Goals (SDG), as adopted by UN members, which are aimed at devoting efforts to developing the whole of society – the economy, science and civil society – which will play an important role in attaining the important goals of the whole society by 2030.

¹² GRI GS 2-3, 2-14.

¹³ Accessible at: https://seonet.ljse.si/default.aspx?doc=SEARCH&doc_id=87082.

¹⁴ GRI GS 2-12, 2-23, 2-24, 3-1, 3-2, 3-3.

Below are all 17 sustainable development goals, which are also available on the link to the Statistical Office of the Republic of Slovenia.¹⁵

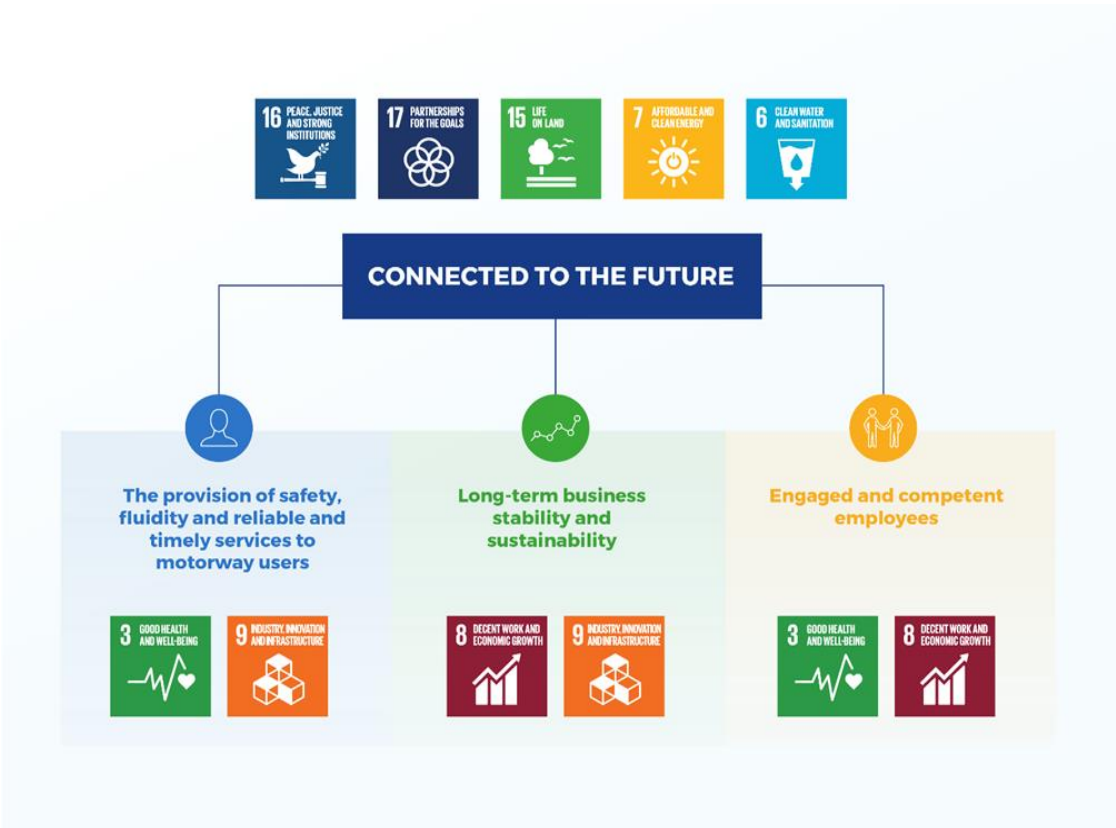
Figure 12: The UN global sustainable development goals (SDG)



Source: stat.si

With its activities, DARS strives to contribute to eight sustainable development goals; the connectivity of the vision and the strategic goals of DARS is evident from the figure below.

Figure 13: The connectivity of DARS’s strategic goals with the eight sustainable development goals



¹⁵ Accessible at: [Indicators \(stat.si\)](https://stat.si/indicators).



Ensuring traffic safety, fluidity and comfort to users on the motorway network

Good health and well-being: With its efforts to improve safety in road traffic and reduce the number of traffic accidents, DARS actively contributes to the realisation of goal 3.

Relevant content: The provision of fluidity, safety and comfort to motorway users.

Indicator: The provision of accurate and timely traffic information and the efficient transmission of information to drivers: a 20% growth in active traffic information searches in the DARS communication channels by 2025 with respect to 2019, fewer phone calls with the concurrent increase of the active use of our own digital tools by 30% by 2025 with respect to 2019, renovation of 12 minor rest areas and their handover to lessees by mid-2023.



Industry, innovation and infrastructure: By building and maintaining quality, reliable and sustainable motorway infrastructure, DARS d.d. wishes to provide users with safety and comfort.

Relevant content: The provision of fluidity, safety and comfort to motorway users.

Indicator: Developing the motorway network in accordance with the owner's focus and the financial capabilities of DARS The realisation of key investment projects: construction of the second tube of the Karavanke tunnel, construction of the third development axis North, Velenje-Slovenj Gradec, construction of the third development axis section South, Novo mesto-Osrednek. Reduction of traffic accidents of category III. and category IV. on MW/average annual daily traffic (hereinafter: AADT) at six chosen locations based on the average volume in the last ten years, with the following measures: reduced average duration of a road closure or hindered traffic due to traffic accidents and emergency events by 5% until 2025 with respect to 2019, increase of the number of detectors for extraordinary events (security cameras, inductive traffic counters, road weather stations and Bluetooth sensors) by 20% until 2025 with respect to 2019, etc.



Long-term business stability

Decent work and economic growth: Through successful business operations and the promotion of new innovative and modern approaches, DARS strives to achieve goal 8.

Relevant content: Long-term business stability.

Indicator: A net debt to the EBITDA with the target indicator below 8; the provision of a more than 3% return on equity.



Industry, innovation and infrastructure: By building and maintaining quality, reliable and sustainable motorway infrastructure, DARS d.d. contributes to regional and international economic development and social welfare. With the deployment of electronic tolling, it seeks to promote the use of environmentally cleaner technologies.

Relevant content: Long-term business stability, indirect economic impacts.

Indicator: Digital transformation of the Company: to ensure the availability of important information systems up to 99.7% by 2025; to develop sustainable infrastructure and a circular economy: the development of the motorway network pursuant to the owner's directions and the financial capacities of DARS: the length of the reconstructed carriageways – at least 55 km/year. To provide full control of the e-vignette system pursuant to the provisions laid down in the service level agreement (SLA).



Engaged and competent employees

Decent work and economic growth: With the role of a reliable and prudent employer, DARS contributes to the achievement of goal 8. DARS strives for safe employment, which is why 99.2% of its employees have permanent employment contracts.

Relevant content: Long-term business stability, engaged and competent employees, and creating safe and creative working environment.

Indicator: The ratio between engaged and actively non-engaged workers increases to more than 1 in 2025, an increase in the number of hours allocated for training and education per employee by at least 10% compared to 2019.



Good health and well-being: With concern for the employees' safety and health, DARS contributes to goal 3.

Relevant content: Creating a safe and creative working environment.

Indicator: The provision of employee safety (the number of persons injured at work will be reduced by 10% by 2025 with respect to the baseline year of 2019) and the promotion of employees' health (reducing sick leave by 10% by 2025 with respect to the 2019 baseline year).



Connected to the future

Peace, justice and strong institutions: By observing the rule of law and implementing measures to control risks in corporate integrity, we contribute to goal 16.

Relevant content: Compliance and integrity, diversity and equal opportunities.

Indicator: A good reputation of DARS as an employer.



Partnerships for the goals: The motto of Company operations is connectivity in all possible forms, since that is the only way to contribute to a more sustainable society.

Relevant content: Indirect economic impacts, the provision of fluidity, safety and comfort to MW users, local community, privacy of clients/users.

Indicator: To achieve a customer satisfaction index of 80 by 2025, to be compliant with the legislative requirements and good company practice.



Life on land: DARS's focus on biodiversity and environmental responsibility contributes to the protection of terrestrial ecosystems.

Relevant content: Biodiversity, effluents and waste.

Indicator: Fulfilment of the requirements set out in the environmental consents.



Affordable and clean energy: DARS strives for energy efficiency, a low carbon footprint and measures to reduce energy consumption, which contributes to goal 7.

Relevant content: Energy, emissions.

Indicator: To reduce electricity consumption by 15% by 2025 with respect to the existing condition of electricity consumers in 2015. To reduce the consumption of energy products for heating by 30% by 2025 and emissions of energy products for heating by 30% by 2025 with respect to the 2015 baseline year. To reduce the average fuel consumption for work vehicles and machinery and light-duty vehicles by 2% by 2025 with respect to the 2019 baseline year. To increase the share of energy from renewable sources by 2025 in the total consumption for heating by 20% and for electricity by 2% with respect to 2019.



Clean water and sanitation: Through the economic use of water and activities to protect natural water resources in the event of incidents, DARS strives for the sustainable management of water resources and their preservation.

Relevant content: Effluents and waste, materials.

Indicator: Compliance with the legislative requirements and good Company practice.

Ambitious and clearly defined sustainable development goals ensure that the public will continue to identify DARS as a responsible and forward-looking company. In setting the indicators, the data and the possibility of their processing to be shown as important information when showing the state of operations has been considered. Targets have been laid down for each strategic goal, along with the responsible persons and periods for realisation in the "Strategy of DARS 2021-2025". As in the past, the Management Board will check the realisation of the Strategy through a system of balanced indicators (BSC) and annual strategic conferences, and will, if necessary, adopt further measures. Changes in the business environment, the requirements, needs and expectations of relevant stakeholders, in achieving the set goals and the already performed operational goals were the key reasons for revising the DARS Strategy 2021-2025 (first revision).

Individual operational goals and key performance indicators for the strategy period, as well as the responsibility for their monitoring and realisation, are defined in more detail in the annual business plans of the Company. Strategic risks are recognised in the Risk Register and are managed in the Risk Management Action Plan.

For each item of material content, the Company has prepared critical indicators or operational goals where performance and sustainable development of operations in the Company are measured.

1.4.3 The Company and its stakeholders¹⁶

The Company cooperates with its stakeholder groups in a correct and balanced way, engaging in two-way communication. While realising its mission, the Company identifies and monitors the needs and interests of stakeholders through a web of mutual relations at the strategic and operative levels. This strengthens the understanding between individual groups of stakeholders and the Company and enhances mutual trust.

The stakeholders of DARS have been identified and defined on the basis of one of the self-assessment measures under the EFQM requirements and are set out in the document “Needs and expectations of stakeholders”. The document defines all the relevant stakeholders, identifies a stakeholder’s influence on the Company, the needs and expectations of the stakeholder, the persons responsible for relations with the stakeholder, the persons cooperating with individual stakeholders, and the method of monitoring the perception of a stakeholder. The inclusion and management of stakeholders are conducted in various ways with respect to the influence of a particular stakeholder on the Company and the influence of the Company on a particular group of stakeholders.

Figure 14: DARS’s relations with stakeholders (indicated key stakeholders)



¹⁶ GRI GS 2-2, 2-6, 2-9, 2-29, 3-1.



1.4.4 The inclusion of stakeholders and materiality matrix¹⁷

1.4.4.1 Communication tools, method and frequency of stakeholder involvement, key topics and the response to stakeholder requirements

Table 2: Communication tools, method and frequency of stakeholder involvement, key topics and the response to stakeholder requirements

Stakeholders	Communication tools and method of inclusion	Key topics/response to stakeholder requirements	The stakeholder's inclusion in the preparation of the Sustainability Report
Employees	<ul style="list-style-type: none"> In-house communication tools: intranet, email, notice boards, in-house newsletter, bulletin, events Project to identify and monitor the organisational climate at the Company Workers' assemblies 	Possibilities for creative work and development, good relations and fair payment for good performance, concern for safety and health at work, long-term stable operations	✓
SSH (owner's representative)	<ul style="list-style-type: none"> DARS Annual Report Annual Management Plan Criteria for the performance assessments of companies with capital assets of the State SSH Recommendations and Expectations Corporate Governance Code for Companies with Capital Assets of the State Annual report on the management of the capital investments of RS and SSH Feedback and personal contacts 	The successful realisation of the legally defined role of DARS (compliance), the expected realisation of the LNU criteria, long-term stable operations, improved corporate governance practices, sustainable development, increased return on equity, the introduction of lean enterprise, the optimisation of business processes and operating costs, active debt management, the fluidity and safety of the motorway network, the financially sustainable construction of the motorway network, and the provision of due quality in the management and maintenance of the motorway network	✓
Supervisory Board	<ul style="list-style-type: none"> SB sessions and committees 	Sound performance in line with the plans, compliance	✓
Ministry of Infrastructure	<ul style="list-style-type: none"> DARS Annual Report Following up and taking account of proposals and remarks Regular coordination All consents in line with the relevant legislation Approval of government documents for borrowing Approval of proposals for changes in the toll pricing policy 	The successful realisation of the legally defined role of DARS, long-term stable operations, indirect economic effects, compliance, the provision of fluidity, safety and comfort to MW users and customer privacy, active debt management, the fluidity and safety of the motorway network, the financially sustainable construction of the motorway network, and the provision of due quality in the operation and maintenance of the motorway network	✓
Slovenian Traffic Safety Agency	<ul style="list-style-type: none"> Press conferences upon major safety events Events (Sožitje or Symbiosis project and other events related to improving traffic safety) Periodic plans to ensure road traffic safety (annually) 	Resolution on the National Programme on Road Traffic Safety 2013–2022 National Programme 2013–2022 Comprehensive consideration of the issue of traffic safety, increased effects in the implementation of traffic safety projects	✓
Ministry of Finance	<ul style="list-style-type: none"> Consents to all borrowings Consents to the section of the Business Plan setting out the refinancing of the Company debt (based on the Act Regulating the Guarantee of the Republic of Slovenia for the Obligations of DARS d.d. for Loans and Debt 	The management of the debt secured with Republic of Slovenia guarantees and any impact on the public debt, the provision of financial sustainability	✓

¹⁷ GRI GS 2-12, 2-29, 3-1, 3-2.

Stakeholders	Communication tools and method of inclusion	Key topics/response to stakeholder requirements	The stakeholder's inclusion in the preparation of the Sustainability Report
	Securities Raised or Issued for Refinancing the Existing Debts of DARS d.d.)		
Motorway network users	<ul style="list-style-type: none"> • DARS d.d. website (www.dars.si) • Survey: Motorway user satisfaction measurement • Social networks (Facebook, Twitter) • Events and presentation of DARS d.d. • The mobile application Promet+ • Telephone and personal contacts • Website of the Traffic Information Centre – TIC (www.promet.si) • TIC Call Centre • Website of the DarsGo system (www.darsgo.si) • DarsGo services • User call centre for the DarsGo system • Market communications • Other communication tools: promotional gifts, information material for various target groups, etc. 	Observation of proposals and remarks, concern for the safety and satisfaction of motorway and expressway users, the timely and complete provision of information on road conditions and other events affecting traffic safety and fluidity	 Included on the basis of an analysis of the motorway and expressway user satisfaction measurement questionnaire
Road haulier interest groupings within the scope of the Slovenian Chamber of Commerce and Industry and the Chamber of Craft and Small Business	<ul style="list-style-type: none"> • Measuring the satisfaction of motorway and expressway users • Following up and taking account of proposals and remarks • Harmonisation of toll pricing policy measures • Feedback on the quality of services and the overall experience of MW and EW use • Participation in training events and working groups • Participation in promotional events 	Observation of proposals and remarks, concern for the safety and satisfaction of motorway users, the long-term stable operations of DARS, the indirect economic effects on the Company	
General public	<ul style="list-style-type: none"> • DARS d.d. website (www.dars.si) • Social networks (Facebook, Twitter) • The mobile application Promet+ • Telephone and personal contacts • Other communication tools: events, etc. • Donations, sponsorships and socially responsible projects 	Transparency of Company operations, the timely and complete provision of information on road conditions and other events affecting traffic safety and fluidity	—
Local communities, civil initiatives, individuals	<ul style="list-style-type: none"> • Complaints, compliments, opinions • Meeting minutes • Presence in the media • Management review 	The requests and incentives received are examined and, if justified, taken into account or, if unjustified, rejected	—
The media	<ul style="list-style-type: none"> • Presence in the media • Clipping 	Updated and transparent replies to questions from the press, the proactive provision of information on Company operations, traffic fluidity and other events affecting traffic safety and fluidity, corporate integrity, and environmental responsibility (emissions).	—
Suppliers	<ul style="list-style-type: none"> • Website • Personal contacts • Annual Report • Minutes • Working group documents • Design documents • Legitimate complaints 	Clear requests and tender requirements, the fulfilment of contractual obligations	—

Stakeholders	Communication tools and method of inclusion	Key topics/response to stakeholder requirements	The stakeholder's inclusion in the preparation of the Sustainability Report
	<ul style="list-style-type: none"> • Audits • Records 		
NGOs and institutes	<ul style="list-style-type: none"> • DARS d.d. website (www.dars.si) • Social networks (Facebook, Twitter) • Presence in the media 	Transparency of operations, long-term stable operations and indirect economic, social and environmental impacts on the Company, the provision of fluidity, safety and comfort to MW users, customer privacy, concern for employees, environmental responsibility (emissions)	—
External stakeholders (European Commission, European Association of Operators of Toll Road Infrastructures)	<ul style="list-style-type: none"> • Website • Other communication tools: events, etc. • Meetings • Minutes • Telephone and personal contacts 	Enforcement of EU legislation Influencing the development of European legislation and regulations, obtaining information on developments in European institutions, transferring the good practice of other motorway operators	—

1.4.4.2 Methodology and display of the material topics of sustainable development of DARS

The reports focused on principles of accuracy, balance, clarity, comparability, completeness, sustainability, timeliness and verifiability.

Sustainability reporting principle	Observing the principles
ACCURACY	The content of the Report is based on the materiality matrix in which material content was selected with respect to its importance to stakeholders and the Company. The materiality matrix shows the obtained average assessments from each questionnaire.
BALANCE	Material content is shown based on scores, where 1 is “least important” and 10 “most important”.
CLARITY	By addressing sustainable development goals, DARS has put its operations in a wider social and environmental context. Certain indicators show how the Company contributes to individual goals.
COMPARABILITY	The obtained data is presented in the materiality matrix and compared with last year's results.
COMPLETENESS	Stakeholders, employees and motorway users were included in the measurement.
SUSTAINABLE CONTEXT	When selecting material content, all the relevant indicators relating to business performance, the environment and society were selected. The Company used a comprehensive approach to the writing in respect of its impact on sustainable development.
TIMELINESS	The questionnaires were sent to stakeholders at the end of 2022. The data was obtained by April 2023.
VERIFIABILITY	The questionnaires were received through e-mail, where all the key properties (date, author, original document) are recorded. The obtained questionnaires are kept only in electronic form.

As described in chapter 1.4.2 *The realisation of the strategic sustainable development goals at DARS*, we are pursuing three strategic policies, which comprise strategic goals. The goals were designed on the basis of business trends, the needs of the external and internal environment of the Company (by focusing on sustainable development), directions of owners and European institutions, strategic and operational risks, employee and user satisfaction analyses, and measures in business excellence.

The main three strategic policies are as follows:

- 1) The provision of safety, fluidity and reliable and timely services to motorway users**
 - Ensuring traffic safety
 - Ensuring traffic fluidity
 - The continued construction of new and the reconstruction of existing MW and EW sections.
 - The provision of reliable and timely customer services
- 2) Long-term business stability and sustainability**
 - Ensuring long-term stable operations
 - The digital transformation of the Company
 - The development of sustainable infrastructure and the circular economy
- 3) Engaged and competent employees**
 - Continued enhancement of employee engagement and competence
 - Leadership development
 - The provision of occupational safety and the promotion of employees' health

Material issues were selected on the basis of the GRI standards, the Company's strategic policies and its impact on the environment, society and the economy (GRI 200: Economic Disclosures, GRI 300: Environmental Disclosures and GRI 400: Society). It is a comprehensive overview of the key topics and responsibilities in company operations.

The topics were divided into three groups (economic operations, environment and society) with a total of 14 topics, as shown in the figure below and have not changed significantly compared to the previous years.

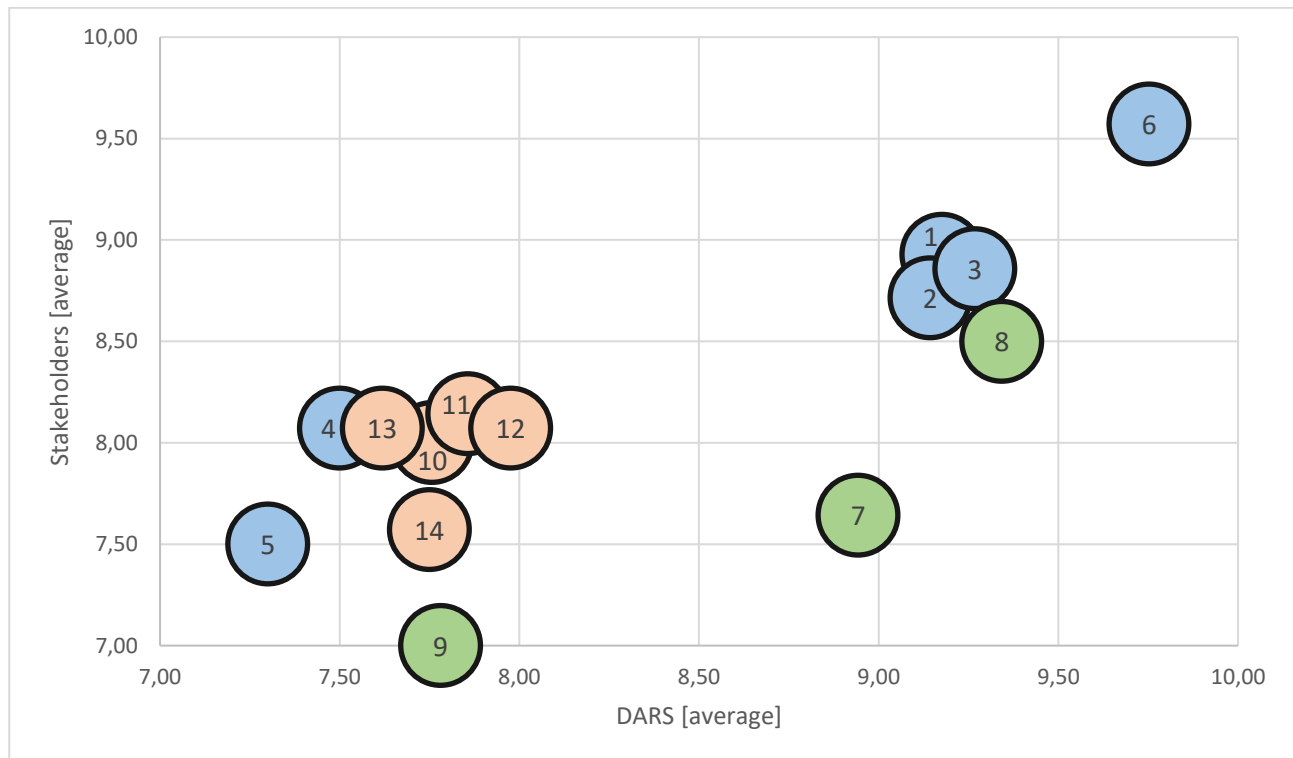
Figure 15: Material topics, divided as per the GRI standards



The process of collecting the data from material topics referring to the year 2022 was carried out in the first half of 2023 in cooperation with key stakeholders (presented in chapter I.4.3 *The Company and its stakeholders*) who have identified the main topics in the area of the economy, the environment and society. The results were obtained in three (3) ways:

- surveys, where stakeholders scored the importance of certain topics at identified expectations of stakeholders in the internal document Needs and expectations of stakeholders of DARS,
- analysis of questionnaires to determine the climate and satisfaction of employees,
- analysis of the surveys Measuring the satisfaction of motorway and expressway users.

Table 3: An overview of the most important material issues for stakeholders and DARS for 2022 (materiality matrix)



Based on the above materiality matrix (table 3), the most important content based on the opinion of the stakeholders (average score 9.57) and the company (9.75) was *“the provision of safety, fluidity and reliable and timely services to motorway users”*. It is interesting that the topic *“society”* was assessed very differently, the greatest difference was under *“engaged and competent employees”* where the average score from the stakeholders was 7.64, and DARS gave it an average 8.94. The *“local community”* was assessed as the least important by both groups. The entire topic of the environment (*“materials, emissions, effluents and waste, energy, biodiversity”*) has a relatively low score.

Based on the last assessment, the results are not so different and therefore have no impact on the set strategic goals.

In completing the questionnaires, stakeholders had the option of including a topic that was not part of the questionnaire, but that they found important. The proposals which we will consider in the coming years are the following:

- cybersecurity and continuous cooperation,
- long-term strategic partnerships.

1.4.5 Corporate integrity¹⁸

DARS d.d. adopted the DARS Code of Conduct, which is a set of high moral, ethical and working values reflecting the Company vision and mission in all areas of its operations. The Code sets out effective and transparent relationships between associates and with the social and business environment, particularly motorway users. The DARS Code of Conduct is available to colleagues on the intranet and on the billboards of individual organisational units. The DARS Code of Conduct is handed over to new employees on employment. In 2022, the area of accepting gifts was regulated with a special internal document.

In November 2022, leadership workers underwent a training session in the scope of a strategic conference, the topic was environmental ethics. In the sense of being familiarised with the rules regarding the acceptance of gifts, an e-training session was prepared in which all workers could take part.

Compliance and Integrity takes care of the education and training of employees in their respective fields of work, which also includes preventive measures to prevent corruption. In this regard, a communication plan for 2023 was prepared. Through clear communication activities, the compliance and integrity area in the Company will be brought closer to the employees (with practical displays of unwanted actions of employees and clear messages to employees on what to do in such cases, through leadership by example, webinars, workshops and articles). In consideration of the above, communication activities are planned to be implemented in 2023 in relation to the measures aimed at managing risks in the area of work of Compliance and Integrity, as is evident from the adopted plan.

The internal system for dealing with reports of alleged corporate integrity irregularities¹⁹

On 1 April 2021, the Company enforced the Rules of procedure for handling alleged irregularities in corporate integrity (which also includes corruption), a mandate for the execution of such tasks was awarded to the corporate integrity officer and a committee was appointed for the consideration of reports of alleged irregularities in corporate integrity. The Committee discussed four reports in 2022. In 2022, in the framework of the reports of suspected irregularities, the Company did not submit any suspicions of corruption. In addition, the Committee did not receive any report in 2022 that would include concerns regarding the violation of personal data protection regulations.

The system for dealing with reports of alleged corporate integrity irregularities was supplemented with regulations in the Rules on the implementation of internal controls and internal investigations. Reports are referred to the internal investigation officer for consideration, provided they deem it necessary to conduct an internal investigation. In 2022, one report was submitted to the internal investigation officer, which was submitted further to the police due to the detected suspicion of a criminal offence.

Integrity plan

The Compliance and Integrity Service performs tasks for the preparation of the integrity plan and supervision over the implementation of the measures envisaged in the plan. The purpose and goal of the integrity plan is to enhance integrity and transparency, and to prevent and eliminate corruption, conflicts of interest, and unlawful and other unethical conduct. The Company deals with integrity risks, so that it would not be required to eliminate the results of unmanaged risks later on. The integrity plan enables the timely identification of corruptive risks, the realisation of which could prevent the attainment of the set Company goals. The DARS Integrity Plan, version 1, which was enforced as of 1 January 2023, mostly details risks and measures pertaining to compliance (with legislation, other rules and by-laws, anti-money laundering, professional secrecy and the protection of insider information), ethics and integrity, conflicts of interest, gift acceptance, influences and requirements, and procurement. The detected potential risks identified during the preparation of this plan must be regularly revised and the effects of the measures must be critically assessed. In observation of the above, the plan will be updated in 2023, whereby the responsible persons of all areas and services of the Management Board will be invited to cooperate.

¹⁸ GRI GS 2-16, 3-3, 205-1, 406-1.

¹⁹ GRI GS 2-13, 205-2, 205-3.

Inspections and minor offence proceedings²⁰

Four decisions were issued in 2022 as a result of inspections for compliance with environmental laws and other regulations. Due to a violation relating to the use of plant protection products, minor offence proceedings were initiated and closed with a warning.

During the inspection for compliance with the laws and other regulations concerning roads and their maintenance, no decisions were issued in 2022 against DARS, though one decision was issued with which a responsible person of DARS was found guilty in a minor offence procedure. A request for judicial protection against the aforementioned decision has been submitted.

The information commissioner did not introduce any new inspections against DARS in 2022. Two previously initiated proceedings were suspended, and one minor offence decision was issued based on the findings in one of the proceedings, whereby a warning had been issued for the minor offence, both to the responsible person and to DARS as the legal entity.²¹

Review procedures at DKOM

Legal protection against violations in public procurement procedures is ensured in a pre-review procedure before the contracting authority and in a review procedure before the National Review Commission for Reviewing Public Procurement Procedures (hereinafter "DKOM").

The table Published and awarded public contracts shows that DARS published 124 public contracts in 2022 and awarded 146 of them. Based on the Legal Protection in Public Procurement Procedures Act (Official Gazette of the Republic of Slovenia, No. 43/11, 60/11 – ZTP-D, 63/13, 90/14 – ZDU-1I, 60/17 and 72/19), 10 review requests were considered in 2022 and nine (9) decisions were issued by DKOM (Table 4: Review procedures at DKOM). DKOM has yet to decide in one proceeding.

Table 4: Review procedures at DKOM (data for DARS d.d.)*

	2018	2019	2020	2021	2022
No. of partially granted review requests	-	-	2	-	1
No. of granted review requests	1	5	5	7	4
No. of annulled procedures	-	1	-	-	-
No. of dismissed review requests	-	1	1	-	-
No. of rejected review requests	6	8	10	10	3
No. of stayed procedures	2	1	1	-	1

* The data has been taken from www.dkom.si.

Table 5: Published and awarded public contracts on the eNaročanje portal (data for DARS d.d.)*

	2018	2019	2020	2021	2022
No. of published public contracts	176	162	189	137	124
No. of awarded public contracts	281	313	194	168	146

* The data has been taken from <https://ejn.gov.si/statist>, <https://www.enarocanje.si/>.

Compliance with the provisions of the codes and recommendations that apply to DARS

The deviations from the individual provisions of codes and recommendations that apply to DARS are explained in the Corporate Governance Statement, which is in line with Article 70, paragraph five of the ZGD-1, part of the DARS Annual Report 2022.

²⁰ GRI GS 2-26, 2-27.

²¹ GRI GS 418-1.

1.4.6 Corporate security

Corporate security provides internal security in DARS in the framework of the following competencies and responsibilities:

- preparations of bases and the system for crisis management of the Company;
- organisation, management and monitoring measures and the preparation of systemic solutions for implementing measures for the physical and technical protection of real estate and movables;
- coordinating measures when lives or the safety of people or Company assets are threatened;
- protecting the intellectual property and business secrets of the Company;
- risk management, including risk assessment, monitoring risk mitigation measures, and proposing additional measures;
- implementing preventive measures for:
 - the prevention of fraud, embezzlement, abuse, corrupt practices, conflicts of interest, theft, deliberate damage and other negative actions;
 - determining deficiencies in corporate security, including the preparation of measures to eliminate said deficiencies;
- performing internal investigations and internal controls in line with the Rules on the implementation of internal controls and internal investigations.

Protecting business secrets

In 2022, we started to actively make the employees aware of the protection of business secrets in line with the Rules on the protection of business secrets. 838 employees who may have to deal with business secrets during their workday were included in the internal training. 625 employees successfully completed the training and obtained the certificate for their successful completion of the training in business secrets.

Internal controls, internal investigations and other identified violations²²

Internal controls and internal investigations are implemented in line with the Rules on the implementation of internal controls and internal investigations. If a suspicious corruptive criminal action is identified during the investigation of a violation, the case is reported to the police. If property is disposed of or DARS employees, official or authorised persons are attacked by known or unknown violators, criminal charges are pressed against them with the police.

Internal controls are ordered to inspect the implementation of internal documents, policies and recommendations, especially in those cases or situations when major systemic deviations are detected in responsible persons or Company leadership. One internal control was carried out in 2022, within which multiple recommendations were given based on the findings.

Internal investigations are carried out with the purpose of finding irregularities in corporate integrity, especially severe types of violations. In 2022, there were six internal investigations, of which three have been concluded. Appropriate recommendations were given in line with the findings, and appropriate employment procedures were initiated for violations in the employment area.

Video surveillance for ensuring corporate security

In 2022, the Company amended the Video Surveillance Rules, which also refers to ensuring corporate security. In line with the statutory provisions and the amended Rules, we cooperated with an external service provider in establishing a digital video surveillance system at DARS facilities. We have therefore already obtained the project documentation for the implementation of works, which will serve as the basis for the implementation of the public contract.

1.4.7 Risk management²³

The continuous and rapid adaptation of the social and business environment, technological progress and unexpected events for companies together bring opportunities, but also risks. DARS prudently monitors all changes and promptly tailors its responses. The timely identification of certain risks is crucial for successful adaptation, which is why a great deal of attention is paid to it.

²² GRI GS 2-27.

²³ GRI GS 2-13, 2-25, 2-27, 3-3.

Effective risk management neutralises threats to achieve the goals arising from the external and internal business environments. Our risk management system allows us to identify, assess and manage the key risks to the maximum extent possible and in time.

The risk management process at DARS is embedded in its operations. Risks are managed in three lines, namely:

- 1) The first line is the management, which is responsible for the establishment and successful functioning of internal controls and for the daily implementation of risk management procedures. The task of the management is to identify and assess risks, as well as to define an appropriate response to risks pursuant to the organisation's goals.
- 2) The second line includes the functions carrying out supervision over business processes and risks (quality, accounting controls, physical protection and similar controls, etc.). Employees in these posts are in charge of the proper introduction of the risk management system. Efforts are made to promote the identification of exposure to individual risks, the monitoring of the introduction of risk management procedures and the development of a risk reporting system.
- 3) The third line is internal auditing. The system is reviewed and supplemented on an ongoing basis, so that the risks the Company is exposed to are identified, evaluated and managed in due time.

Based on the recommendations given by the Supervisory Board and the Audit Committee for the change of the risk assessment process, the risk register was first thoroughly revised in 2022 in collaboration with the persons responsible for individual areas of operations, after which the risks were standardised at the Company level to change the demonstration of individual risks.

Risks are thus broken down into four major groups, namely:

- business risks,
- corporate integrity and compliance risks,
- occupational safety risks,
- information security and business continuity risks.

Risk assessments or other documents recording the risks identified have been prepared for all four risk groups and, if necessary, measures are laid down to mitigate the risks. In 2023, we will gradually digitalise risk management by individual groups.

1.4.7.1 Business risks²⁴

The register of business risks was completely revised in 2022. That way, we made quality improvements to individual risks, redefining them, whereby the number of risks consequently fell to 74. The number includes 22 corporate risks and 52 operational risks.

Corporate risks are those that can have a material impact on Company operations, while operational risks are those risks that cause or may cause certain anomalies in the Company or have a negative impact on revenues or imply unnecessary Company expenditure while having no material impact on Company operations. Risks evaluated at a level exceeding €14 million²⁵ are considered strategic risks.

All business risks are laid down in the risk register with the risk assessment and level calculated for each business risk, while the Action Plan for Risk Management also lays down measures to mitigate each individual risk. The coordination of activities to promote and implement the risk management system falls within the competence of the Risk Management Board, which is run by the person responsible for Corporate Security while its members are the risk owners. The Risk Management Board reports to the Management Board on a quarterly basis and to the Supervisory Board on a yearly basis or as required.²⁶

²⁴ GRI GS 2-12, 3-3.

²⁵ The threshold of €14 million has been set with respect to the profit generated in the 2019 financial year and will change every year. The years 2020 and 2021 are not an appropriate baseline for threshold determination due to the impact on business operations caused by the pandemic.

²⁶ GRI GS 2-13, 2-16.

Risk assessments and analyses are conducted according to the following methodology, under which risks are evaluated:

- The **probability of occurrence / frequency** expected in the specified period of time. The frequency of occurrence is assessed primarily, otherwise the frequency within 30 years is applied pursuant to the theory;
- The **impact** implying the expected damage or loss upon the realisation of the risk, which is why it is expressed in euro (€) million. The impact is calculated on the basis of the assessment of all factors influencing the value of the expected damage or loss (loss of revenue, increased costs, mitigation by way of insurance).
- The **criticality of the risk**, which is assessed with respect to its impact on the environment. Scores are ranked with respect to the impact within the Company, the local environment, on the national or international levels.
- A **risk assessment** (in €) that depends on the probability of occurrence and impact.
- A **risk level** (in €) that depends on the risk assessment and criticality (environment affected by the implications of the risk).

The risks to which the Company dedicated the most attention in 2022 are:

- increased prices of services and consequently the risk of contract cancellation,
- increased prices of building materials,
- fluctuating prices of energy products,
- lack of human resources due to the epidemic, pandemic, natural or other disasters,
- installation of malware.

The pandemic

We entered 2022 with a continued Covid-19 pandemic situation, which subsided in the summer months. To manage risks upon the emergence of Covid-19, we set up a special coordination team that met regularly, was updated with the number of infected persons at the Company level and, if necessary, proposed the adoption of new measures to contain the spread of Covid-19. At the Company level, individual areas and services reported weekly about the number of persons infected with Covid-19.

While infections grew, employees who were able to work from home arrived at work only in emergency cases that could not be handled from home. Maintenance and tolling staff performed work in standing teams (bubbles). Most meetings and training courses took place remotely via electronic media.

Employees were informed about the situation in Slovenia, changes in the regulations and the number of persons infected at the Company and warned about compliance with the preventive measures. In September, we reintroduced additional measures to prevent the spread of Covid-19 according to the criteria from the revised Action Plan due to an increased number of infected persons.

War in Ukraine

Upon the increasing tensions between Ukraine and the Russian Federation in the days preceding 24 February 2022 and the invasion by the Russian military forces in Ukraine on 24 February 2022, DARS immediately checked the impact on and any implications for the Company operations, as well as for the provision of undisturbed and safe traffic on the motorways and expressways. A team was appointed to monitor the situation of the war in Ukraine. The situation in Ukraine and, consequently, its impacts on the Company operations were reported weekly at Management Board meetings. On 28 February 2022, a targeted risk assessment was completed, which was subsequently adjusted to the situation at hand. The assessment contains the method for monitoring the situation of the war in Ukraine, the definition of all six identified risks, activities to mitigate or reduce them, and the persons responsible for monitoring and reporting.

Fluctuating prices of energy products

Due to the war in Ukraine and the announced increased prices of energy products, we took an active approach to the implementation of measures to mitigate the risk of fluctuating prices of energy products.

- 1) In terms of reduced electricity consumption, we continued activities to gradually switch to LED lighting both on the roads and in business facilities.
- 2) We took an active approach to optimising electricity metering points, excessive reactive energy in tunnels, the operation of electrical motors for tunnel ventilation, and the operation of air conditioning devices.
- 3) We prepared all the groundwork for a public procurement procedure to install five solar power stations on DARS facilities.
- 4) The supply of fuel was executed on the basis of a framework agreement and fuel was complemented with an additive to reduce fuel consumption. An optimal stock of fuel was maintained throughout that time. The process of purchasing more efficient goods vehicles has been initiated.

- 5) Furthermore, the EIS was upgraded with additional functionalities to monitor all types of energy products, and with the function of automatic notifications and reports to the persons responsible for the facilities.

Increased prices of services, goods and works and the risk of contract cancellation

The war in Ukraine led to increased prices of services and goods, which is why the Company first and foremost regularly monitored announced price increases for services and materials, as well as the price increase indices published by the Chamber of Commerce and Industry of Slovenia, whereby tender requirements relating to indexation were modified, where necessary. Contracts include the relevant clauses and contract performance is secured to the maximum extent by way of performance and warranty bonds in the maximum amount permitted to further prevent unjustified contract cancellations. For the contracts deemed relevant, we proposed the conclusion of a framework agreement, which ordinarily implies more contractors for the same subject of the contract. Supplies of materials from suppliers are monitored regularly.

Information security risks

A failure of key information systems is managed through the ongoing monitoring of the information systems and immediate responses to incidents. A system ensuring the uninterrupted operation of the information system has been established (duplication of the most vital parts of the IT equipment) and safety measures have been introduced to protect and safeguard information systems from unauthorised interference and loss of data. Such risks are also managed within the scope of information security and business continuity.

Limited funds available for investments in development

To provide and properly allocate funds for the reconstruction of motorway infrastructure, devices and equipment, the Road Management Department, in cooperation with the Department for Reconstructions, prepared an Action Plan for a 3-year period (2023–2025) based on the results obtained through infrastructure, device and equipment monitoring, analyses of the expert system and expert groups, and through the expert assessments of proposed actions, thus providing bases for the proper planning of investment reconstruction works. The document lists the indicative values for works, primarily to inform the relevant services in advance about the foreseen needs for the provision of funds for investments in the existing infrastructure. The competent services must adjust the planning of the funds required for investments in existing infrastructure to meet the needs expressed in the relevant document.

Every year, there are unforeseen events (pandemic, earthquake, glaze ice, the bora in combination with snow, floods, etc.) that can weaken our operations and endanger the traffic safety of employees and users. This is why we need to introduce modern systems that allow us to ensure the best possible monitoring of the condition of the infrastructure and the traffic safety of users, as this is the only way to pursue the Company's strategy.

Special emphasis must be placed on developing road digitalisation. Motorway digitalisation is a challenging transformation that includes mobility, technological and infrastructural changes. With this, motorways are becoming a part of the digital transformation of society. To achieve this goal, we will need to digitalise the infrastructural, systemic and management levels, which in turn requires having available the full range of data generated by sensor networks. In this sense, it is necessary to introduce new traffic detection and infrastructural systems, provide sufficient capacities for the transmission and exchange of information, to manage huge amounts of data and to prepare appropriate software environments for such implementation.

Investments in development are also necessary in the field of maintenance, where we face increasing requirements for motorway fluidity, meaning minimal disruptions to traffic during regular maintenance. This is why it is necessary to invest in the development of new technologies related to the summer and winter maintenance of MWs/EWs, where investments in machinery and equipment or motorway maintenance centres and branches are vital.

The underlying mission of DARS, including during the pandemic, is to keep the motorways passable without restrictions, which can only be ensured through the regular delivery, maintenance and upgrades of machinery and equipment.

Increasing number of accidents or a decreasing level of safety

To prevent an increase in the number of traffic accidents or, rather, to improve traffic safety, the Company, as the entity operating and maintaining the motorway network, is required to act with due expertise and to take appropriate and effective action with indirect or direct effects. In terms of traffic safety, we are required to observe the requirements of domestic legislation and the obligations imposed by European regulations. Based on the good practice examples and

studies conducted, we carry out various projects relating to traffic safety, the use of advanced IT and the introduction of smart infrastructure. Projects within the scope of which efforts are mostly devoted to:

- design solutions improving road throughput and reducing the number of conflict points;
- the good condition of the road infrastructure, which is required for safe driving (optimum carriageways, the visibility of road markings and traffic signs);
- the use of road furniture mitigating the consequences in the event of a driver error, thus reducing the number of fatalities or injuries;
- the preparation of motions for amendments and supplements to the statutory and implementing regulations providing the introduction of modern technical traffic solutions and the use of more efficient road furniture.

While keeping track of new developments abroad and efficiently utilising in-house knowledge, everything indicated provides conditions for improved traffic safety. In the overall concept of designing and building new sections, reconstructions, maintenance, new ITS technologies and traffic management, safety has improved in relation to increased traffic. Positive results have been shown in the areas of information provision to users, coordination (carried out from control centres, primarily in case of actions by operative teams on-site and in incidents) and the provision of measures tailored to traffic and weather conditions. Furthermore, efforts have been made to implement safety campaigns on an ongoing basis and to cooperate actively with stakeholders to promote traffic safety, whereby crisis communication is very important during incidents.

Traffic safety deteriorated in 2022. Traffic accidents involving driving in the opposite direction stood out. Traffic volume has exceeded the values from 2019, which consequently increases the likelihood of traffic accidents.

Failure of key information and communication systems

Data transmission and the operation of ICT (information communication technology) systems are crucial for business operations, tolling, traffic safety, and traffic control and management. DARS has recognised the risk of information transmission failure and consequently set up a Telecommunications Department that manages and maintains over 1,300km of fibre optic cables with 12, 24, 48, 96 or 288 fibres and over 700 pieces of network equipment. In 2022, we established MPLS functionality at 37 communication hubs, which allows us to better manage and operate the telecommunication network. Furthermore, we increased the capacities of the busiest telecommunication links on the DARS communication network from Ljubljana to Murska Sobota, Novo mesto, Hrušica and Koper to 10Gbit/s. In 2022, we continued activities to set up fibre-optic telecommunication infrastructure at the Blagovica-Tepanje section, i.e. with a fibre-optic cable with a capacity of 192 or 96 fibres at a distance of 70km. To ensure uninterrupted business operations, we also provide standby duty at home in order to achieve the target availability of the telecommunication network.

Economic viability of investments in assets

The risk of the economic viability of investments in assets is managed by DARS using various control mechanisms. To examine the economic viability of measures on road infrastructure, the Company has used the expert PMS DARS system for several years and has also conducted expert economic assessments for minor investments with the help of external experts. In stage 1, the Company primarily examines the functionality of individual infrastructural elements and safety for motorway users, and then goes on to examine the durability and level of damage. Since 2021, we have used the BMS DARS expert management system to plan measures for bridging structures.

For projects related to the energy efficiency of the Company, we prepare cost-benefit analyses, which provide the basis for decision-making on the implementation of a particular measure. For ITS systems, the Company primarily examines viability in terms of safety for motorway users, and for reconstructions and investments in electrical and mechanical equipment in tunnels; the Company also takes into account several different aspects, which are included in the long-term planning programme for the refurbishment of electrical and mechanical equipment in tunnels.

For the purposes of managing the risk of the eligibility of investments in mechanical equipment, a comprehensive analysis of all machinery and equipment was performed in 2017 and a medium-term plan of investments in their refurbishment was prepared for the 2018–2022 period. Investments in new MW and EW sections are designed in all stages with the production of a detailed design or conceptual design and, during the production of the building permit and detailed design documents, with the produced investment programme, which is discussed by a committee within DARS, approved by the Company Management Board, and later sent to the Committee for the consideration and approval of investment documents, which is established within the scope of the Ministry of Infrastructure.

Environmental protection

In accordance with its role as a motorway and expressway management and maintenance company, DARS implemented an environmental management system in previous years and an energy management system in 2017, which are used to consistently implement its environmental protection and energy management policy at all levels of its operations.

The DARS Strategy for 2022–2025 includes operational goals relating to environmental and energy aspects and, consequently, also measures to mitigate environmental risks. In 2022, the management system was further improved through the realisation of measures to mitigate environmental impacts and, therefore, environmental aspects, supplementing new and optimising existing environmental and energy objectives and programmes, while their realisation was monitored within the scope of the Company management review. The central theme of the environmental management system includes the assessment and analysis of environmental impacts and aspects, taking into account the stages of the service life cycle that are defined in the register of environmental aspects. To reduce the environmental impacts, the Company laid down indicative and operational environmental and energy targets and programmes that will be used to achieve such targets.

The risks referring to the timely monitoring and enforcement of legislative requirements are in practice mitigated through measures taken by the appointed responsible persons who cover the area of work to which the legislative amendment refers. Environmental risks, which include the risk of inappropriate waste management with a special emphasis placed on hazardous waste, the risk of environmental pollution and the risk associated with the protection of areas of influence, have become increasingly important, thus activities that were initiated in the past concerning the protection of the environment continued. The systematic management of environmental risks reflects the environmental awareness of employees. Accidents on motorways can have a negative impact on the environment; this is why it is important to reduce risks that emerge through accidents and to react quickly and effectively when they do occur to minimise the negative consequences for the environment. All employees in such workplaces are informed and trained to act quickly and effectively in terms of environmental protection should such a situation arise.

The likelihood of incidents is also reduced through preventive measures. Training aimed at learning to react quickly, properly and efficiently ensures that the impacts of any incidents on the environment are kept to a minimum. By implementing appropriate activities within the scope of motorway maintenance, such as the cleaning and regular maintenance of retention basins to ensure their flawless functioning, implementing the Annual Programme of the Operational Monitoring of rainwater (APOM), etc., the collecting, sorting and controlled disposal of waste, implementing measures to reduce light pollution and constantly controlling carbon monoxide concentrations and visibility in tunnels, we have significantly contributed to reducing the negative impacts on the environment and controlling the risk of environmental accidents. It is assumed that the existing municipal infrastructure provides sufficient capacities to collect municipal waste, which is why no need has been expressed for additional containers for separate waste collection.

DARS plans to carry out anti-noise measures based on the results of the operational noise monitoring. The measures are designed to cover areas with a large number of overly affected buildings or inhabitants and areas of individual overly affected facilities along the motorway and expressway alignment.

The Company has also implemented the measures imposed by the governmental Noise Action Programme for the 2012–2017 period and the Noise Action Programme for 2018. The measures were implemented on five motorway sections from 2013 to 2015, and the protection of the most affected individual buildings with noise-protected rooms at 11 locations on the Slovenian motorway network was implemented in 2019.

In 2018/2019, DARS conducted the operational monitoring of noise for the motorway network under its management and prepared expert bases for the Noise Action Programme in affected areas. With a view to planning anti-noise measures, the document sets out the priority areas that were included in the Action Plan for Road Infrastructure and Equipment Managed by DARS for 2022–2024. Pursuant to this document, DARS ordered noise studies containing proposals for anti-noise measures for individual areas on the motorway network.

In autumn 2022, a new Noise Action Programme was adopted that, in order to reduce noise pollution and improve the quality of life for the people settled along the roads operated by DARS, as a priority includes 26 motorway sections with a length of 149km and, in the extended priority proposal, another 13 motorway sections with a length of 66km. Of the other sections identified to be subject to excessive limit values, priority No. 2 includes another 26 motorway sections with a total length of 205km.

DARS plans to conduct new operational noise monitoring. The results obtained will provide the basis for the future design of noise protection measures.

Loss of competent or key staff (undesired fluctuation) and an increased share of actively non-engaged employees

The risk of the loss of competent or key staff at DARS and of an increasing share of actively non-engaged employees is managed with the provision of a creative, safe and stimulating work environment, which is one of the Company's strategic goals.

Employee turnover and engagement are regularly monitored and checked, whereby activities are mostly focused on eliminating any factors triggering an undesired situation as regards employee engagement and increasing the risk of key staff loss. In 2022, DARS faced an increased number of actively non-engaged employees, mostly due to the newly arisen conditions in the Slovenian and global economy. To seek appropriate solutions mainly in terms of rewarding employees, DARS led constructive dialogues with social partners and therefore adopted certain measures to improve the situation.

We have identified key positions and key staff and prepared the foundation for the implementation of a succession policy for them. In addition to the timely provision of expert and competent successors for key positions, this also represents an important element of career development for employees and the strengthening of employee engagement, thus reducing the risk of undesired fluctuation. Individual development plans and the systematic development of the necessary skills and competencies are prepared for key staff.

Employees are able to attend various in-house and external training and upskilling courses to build on their expertise, skills and personal growth. In 2022, we recorded 33% more training hours and 121% more participants than in the previous year. A large part of the training was also intended for upskilling work with digital tools, followed by training for the development of personal and professional skills and competencies, and concern for one's own health. In 2022, brief educational meetings were introduced for managers, allowing them to obtain managerial skills and knowledge for responsible employee management.

Employees can choose in-service training with the co-funding of their tuition fees and are granted paid leave of absence for study obligations. Employees who can work remotely due to the nature of their work may work from home in a hybrid manner based on the relevant employment contracts. Different measures are also available to help employees reconcile their work and family responsibilities, to demonstrate respect for their personal lives and to help them in times of need.

Leadership has a major impact on undesirable employee fluctuation and engagement, which is why DARS managers attend various workshops, training and coaching sessions to improve their leadership competencies. In 2022, the Company measured managerial and social competencies; additionally, DARS managers regularly attend brief education meetings dealing with current topics and presenting novelties in approaches to employee management.

1.4.7.2 Corporate integrity and compliance²⁷

The Company deals with integrity risks, so that it would not be required to eliminate the results of unmanaged risks later on. The integrity plan enables the timely identification of risks, the realisation of which could prevent the attainment of the set Company goals. The purpose and goal of the integrity plan is to enhance integrity and transparency, and to prevent and eliminate corruption, conflicts of interest, and unlawful and other unethical conduct.

The Compliance and Integrity Service performs tasks for the preparation of the integrity plan and supervision over the implementation of the measures envisaged in the plan. Within that scope, it has been assessed that the DARS integrity plan enforced in May 2012 needs to be revised.

In light of the above, a new DARS integrity plan was enforced as of 1 January 2023 mostly detailing risks and measures pertaining to compliance (with legislation, other rules and by-laws, anti-money laundering, professional secrecy, and the protection of insider information), ethics and integrity, conflicts of interest, gift acceptance, influences and requirements, and procurement.

²⁷ GRI GS 2-15, 2-26.

The detected potential risks identified during the preparation of the mentioned plan will be regularly revised and the effects of the measures will be critically assessed. In light of the above, the plan will be regularly updated in cooperation with the persons responsible for all areas of Company operations.

I.4.7.3 Occupational safety

As regards safety at work, the Company manages risk assessments that are related to a particular job position. Occupational safety risks are not financially evaluated.

DARS is aware of the risks of accidents at work and loss of working ability. That is why measures are implemented to reduce such risks to the minimum possible level. The Company monitors the development of new work procedures and procures work equipment that provides increased safety to employees during work. We train employees on safe work, raise awareness about the importance of safe work, and warn about any identified deficiencies. Occupational safety has also been included in the DARS Strategy for 2021–2025. One major operative strategic goal is thus to reduce the number of persons injured at work by 10% by 2025 with respect to the baseline year, and the same goes for reducing sick leave.

At the start of 2022, a great deal of attention was still paid to the containment of covid. In quarter 2, things slowly returned to normal and we again placed more attention on the provision of occupational safety. We reintroduced safe work training for employees in tolling, conducted several internal on-site inspections of maintenance employees, and in the autumn we organised training for the operation of special machinery and first aid after several years.

Employees who are able to work remotely may work from home for no more than two days a week despite the end of the epidemic. Employees who grew accustomed to such work during the epidemic and find it convenient because they can better organise their family life, save time or have better conditions for work (peace and quiet, etc.) may continue to do so. Their satisfaction and engagement at work is higher, while the risk of accidents and sick leave (accident en route, childcare) is lower.

I.4.7.4 Information security and business continuity

Based on the Information Security Act (Official Gazette of the Republic of Slovenia, No. 30/18 and 95/21), the Company is, as an operator of essential services, obliged to follow all the provisions laid down by the Act. Information security and business continuity risks are managed pursuant to the requirements imposed by the ISO/IEC 27001 (information security system) and ISO 22301 (business continuity system) standards. The risks identified are defined in the Register of IT and business continuity risks.

I.5 Performance report



I.5.1 Economic highlights from operations

The long-term strategic goal of DARS is to become a stable operator capable of using income generated from tolls and other revenue to ensure the sustained development of the Company, its long-term stable and socially responsible operations, and the safe use of the motorway network. By building and maintaining quality, reliable and sustainable motorway infrastructure, DARS contributes to regional and international economic development and welfare.

In the 2022 financial year, the revenues of DARS amounted to €516.9 million, which is 6% more than in 2021.

Toll revenue accounted for 92.8% of the total Company revenue and amounted to €479.6 million in 2022, which is 5% more than in 2021. Toll revenue from vehicles with a maximum authorised mass exceeding 3.5 tonnes (heavy vehicles) amounted to €267.1 million, revenue from the sale of vignettes amounted to €195.2 million and toll revenue from the Karavanke tunnel amounted to €17.3 million. In 2022, the value of the vignettes sold exceeded that of the previous year by 9%. Due to the introduction of electronic vignettes and consequently the different deferral of revenue than that applied to vignette stickers, the quantitative comparison with previous years is irrelevant. Revenues from electronic vignettes are recognised according to the electronic vignette validity period, in an individual monthly accounting period in proportion to the days of validity of the electronic vignette.

The net profit of DARS for the period from 1 January to 31 December 2022 amounts to €135.1 million and increased by 20% compared to the net profit in 2021.

Table 6: Key performance data by year

Key performance data by year	2018	2019	2020	2021	2022	Index 2022/2021
ECONOMIC ASPECT IN €						
Net sales revenues	465,605,859	480,750,876	398,581,556	469,535,406	494,473,636	105
Operating profit or loss	222,394,940	210,990,006	108,954,947	169,167,087	192,893,512	114
EBITDA	397,476,660	422,009,626	321,804,934	390,145,355	393,778,810	101
Net profit or loss for the accounting period	154,421,963	139,611,455	59,526,614	112,703,369	135,132,702	120
Share capital	2,322,284,140	2,086,559,144	2,086,559,144	2,086,559,144	2,086,559,144	100
Equity as at 31 December	2,963,264,000	2,863,136,410	2,922,963,531	3,041,652,197	3,199,015,617	105
Total assets as at 31 December	5,656,311,816	5,307,039,906	5,175,871,112	5,092,759,905	5,159,975,244	102
Debt repayment – principal	219,555,539	212,849,148	238,361,387	183,625,351	181,200,328	99
Payment of interest*	40,624,860	37,889,189	35,786,115	32,283,754	31,704,975	98
ENVIRONMENTAL – energy consumption in MWh						
Electricity	23,598	22,584	21,670	22,190	21,653	98
Fuel	18,662	18,081	16,752	17,646	15,911	90
Natural gas	1,443	1,386	1,564	1,812	1,642	91
LPG - propane	1,964	1,857	1,736	1,994	1,681	84
LPG - propane, butane	852	475	428	403	408	101
Heating oil	238	97	58	82	74	90
District heating	638	550	0	0	400	-
Biomass	0	0	452	482	0	-
MW km	623	623	623	625	625	100
No. of employees	1,232	1,257	1,269	1,234	1,256	102
Operating margin	47.8%	44.1%	27.3%	36.0%	39.0%	108
EBITDA margin	85.37%	87.78%	80.7%	83.1%	79.6%	96
Net margin	33.2%	29.2%	14.9%	24.0%	27.3%	114
Return on equity (ROE)	5.35%	4.79%	2.06%	3.78%	4.3%	115

* The data refers to actual outflows for interest on received loans and bonds in an individual year.

Figure 16: Net sales revenues and cash flow from operating activities (EBITDA) for 2018–2022

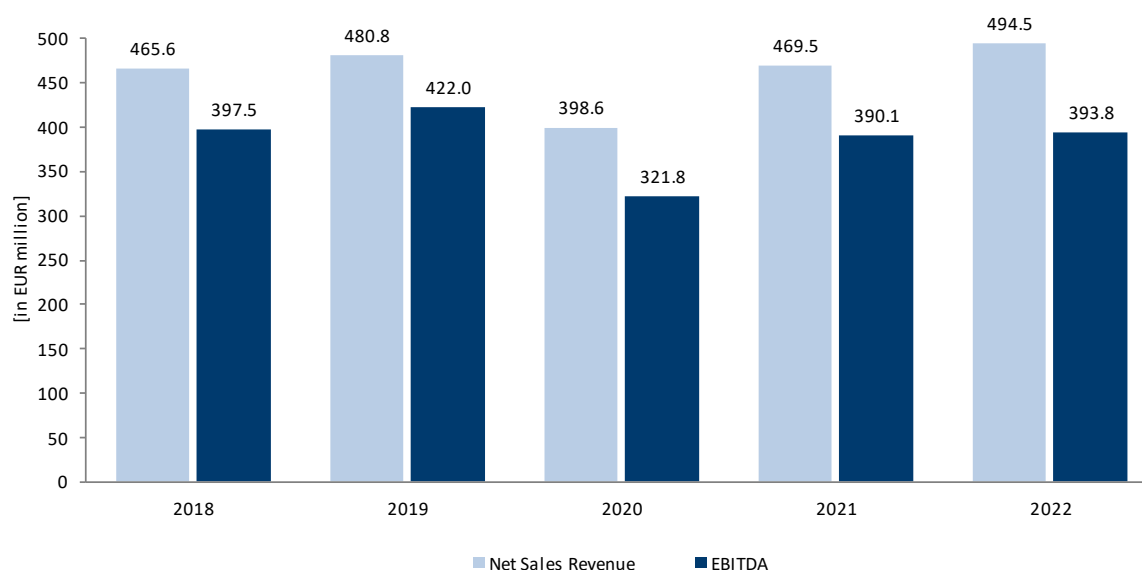


Figure 17: DARS revenues in 2022

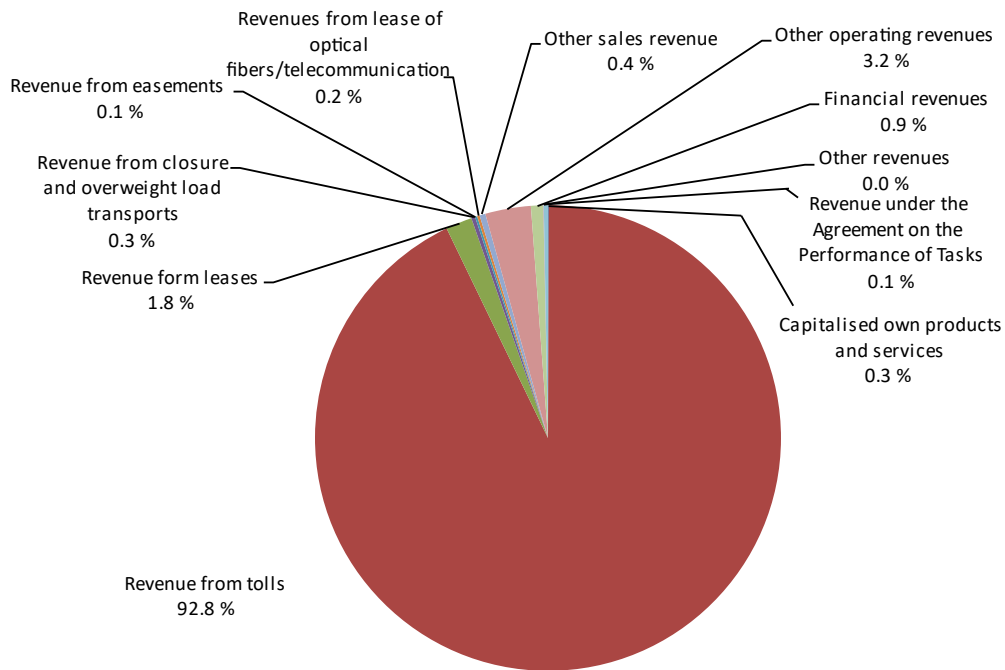


Table 7: Direct economic value generated and distributed by DARS from 2016 to 2022²⁸

	2016	2017	2018	2019	2020	2021	2022
Revenue (direct economic value) (1)	372,497,825	442,411,843	466,246,838	481,358,110	399,731,986	470,159,549	495,821,517
– from sales	372,161,638	442,244,312	465,605,859	480,750,876	398,581,556	469,535,406	494,473,636
– from the sale of assets / real estate	336,187	167,531	640,979	607,234	1,150,430	624,143	1,347,881
Distributed economic value (2)	294,378,679	317,224,881	344,641,792	410,888,602	384,077,024	409,386,053	390,571,992
– Cost of goods, material and services	36,740,431	38,635,453	47,646,986	50,383,003	44,369,700	48,350,592	60,807,678
Costs (excluding labour costs)	195,755,737	203,242,941	226,137,622	265,820,555	260,411,511	270,205,903	265,330,341
Labour costs	37,910,486	39,730,512	40,847,516	45,244,673	46,832,708	47,936,062	54,082,891
Loss upon the elimination of fixed assets	80,143	615,603	3,749,710	30,864,914	26,717,740	31,481,217	6,054,385
Disbursements to equity owners and other providers of funds	41,234,923	40,414,027	40,624,860	37,889,189	35,786,115	32,283,754	31,704,975
– dividends	0	0	0	0	0	0	0
– interest	41,234,923	40,414,027	40,624,860	37,889,189	35,786,115	32,283,754	31,704,975
Corporate income tax	19,203,477	32,981,826	33,075,718	30,552,021	14,104,581	27,237,468	33,111,658
Investments in the social environment	193,913	239,973	206,367	517,251	224,369	241,650	287,742
– sponsorships and donations	121,409	165,094	148,934	197,339	114,092	112,319	179,940
– other (duties, use-of-construction-land charge, etc.)	72,504	74,879	57,432	319,912	110,277	129,331	107,802
Directly generated economic value (1–2)	78,119,146	125,186,962	121,605,046	70,469,508	15,654,962	60,773,495	105,249,525

²⁸ GRI GS 3-3, 201-1.

1.5.2 A responsible attitude to customers and the satisfaction of motorway users

1.5.2.1 The use of toll roads, toll revenue and toll inspection

The main product of DARS and pricing

The main “product” of DARS is the use of motorways and expressways in RS, while payments for the use of toll roads account for the majority of DARS revenues.

An optimum level of toll revenue provides a safe, fluid and quality network of motorways and expressways, which is why DARS considers it a responsibility to pursue a corresponding pricing policy and the maximum safety and mobility of users.

Toll revenue – the basis for a long-term safe, fluid and quality network and mobility

In 2022, the Company generated toll revenue amounting to €479.6 million, which is 5% more than in 2021.

DARS strives to cover all or the largest possible share of toll road costs with toll revenue. Along with financing costs, the cost of infrastructure investments accounts for the largest share of annual toll road costs, followed by the current costs related to management, routine and investment maintenance, and tolling. Toll and vignette prices are set out by the Slovenian government, while DARS, as the operator, is allowed to put forth and substantiate its own proposals. Since 2013, the Company has managed to reduce the gap between the total annual toll road costs and the annual toll revenue with three successfully enforced changes to toll and vignette prices. Because the toll price was adjusted to the annual level and partially also due to less traffic during the covid-19 pandemic, the aforementioned gap will, on average, remain large, especially in tolling light vehicles.

Charging for the use of infrastructure and sustainable development

The normative regulation of tolling is not only a tool in the EU for achieving a single market and the non-discriminatory movement of goods, services and people, but it is also decisively aimed at sustainability. The European Union promotes the application of the “polluter pays” and “user pays” principles, thus promoting “financially and environmentally sustainable and socially just road traffic. On 24 March 2022, Directive (EU) 2022/362 entered into force, which amends and supplements the Eurovignette directive (1999/96/EC). The Road Tolling Act will need to accommodate these provisions by 25 March 2024. In the future, tolling heavy vehicles will need to take into consideration the distinction between toll prices with respect to CO₂ emissions or alternative charges for external CO₂ emission costs, and the mandatory introduction of a fee for external air and noise pollution costs.

Toll prices for heavy goods vehicles (with a maximum permissible weight exceeding 3.5 t) and vignette prices in Slovenia are based on the distance travelled and the costs caused by vehicles, while the prices for light vehicles (with a maximum permissible weight of up to including 3.5 t) are based on the term of infrastructure use.

The “**user pays**” principle is implemented by DARS when setting DARS toll prices, since it takes into account a calculation methodology based on the principle of consideration for infrastructure costs pursuant to the applicable EU Directive 1999/62/EC and the Decree on the methodology for the calculation of the costs of toll roads (Official Gazette of the Republic of Slovenia, No. 46/19). By pursuing the optimum (i.e. maximum admissible) amount of tolls, DARS keeps the road infrastructure safe and at the same time ensures that users do not pay unreasonably high costs for MW and EW use.

The “**polluter pays**” principle is enforced by DARS with its toll pricing policy for heavy vehicles that differentiates the infrastructure charge with respect to the impact caused by vehicles on the environment (the social costs of air pollution), thus having a positive impact on the environment and air quality, since users are encouraged to use cleaner vehicles when travelling through Slovenia. In 2022, almost 96% of the kilometres travelled were by vehicles with a maximum permissible weight exceeding 3.5 t in the cleanest emission classes (EURO V, EEV and EURO VI). This share was at 98% for vehicles with 4+ axles (R4).

Tolling for vehicles with a maximum permissible weight exceeding 3.5 t

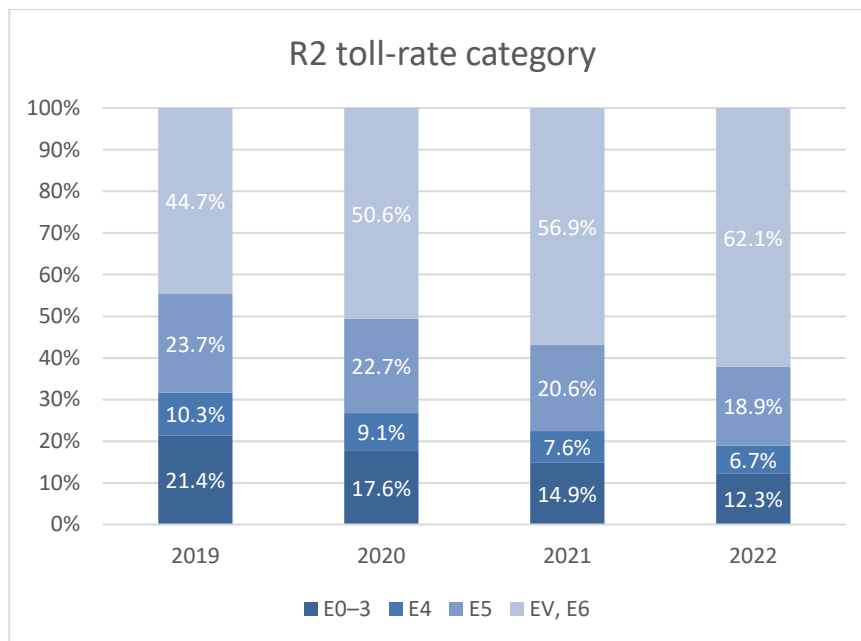
After successfully deploying the electronic tolling system in free traffic flow for vehicles with a maximum permissible weight exceeding 3.5 tonnes (DarsGo system) in 2018, the Company carried out activities in 2019 and 2020 to ensure stable operations and eliminate deficiencies, and introduced changes and upgrades to the system, primarily in terms of enhancing the user experience – for users and operators. Many improvements were made to the control system, which ensures that users do not avoid paying tolls. A well-functioning control system is crucial for the provision of revenue from heavy vehicle tolling.

The table and charts below show the reduction in the share of “dirty” vehicles from 2019 to 2022 and the increase in the “cleanest” vehicles in EURO emission classes EEV and VI.

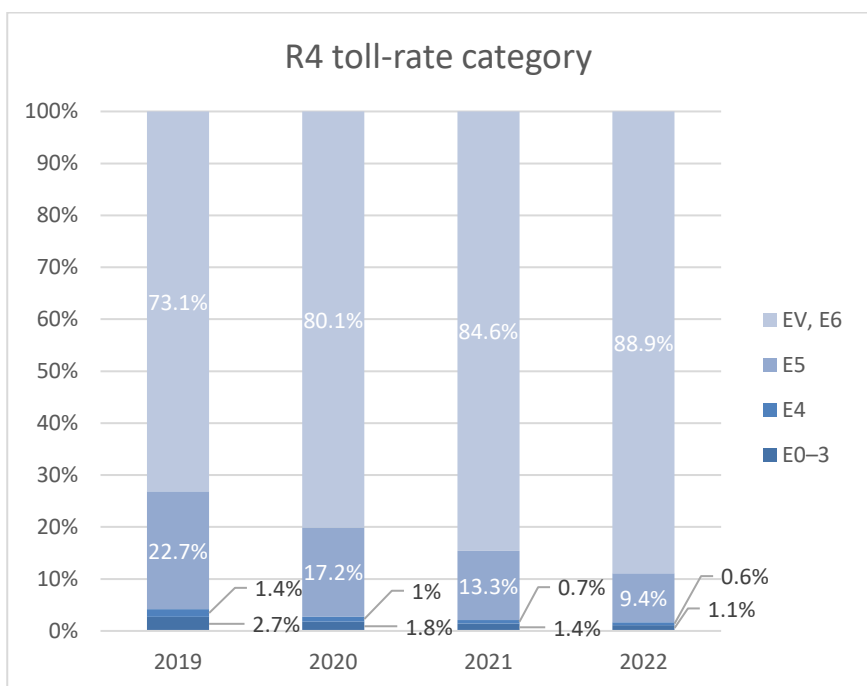
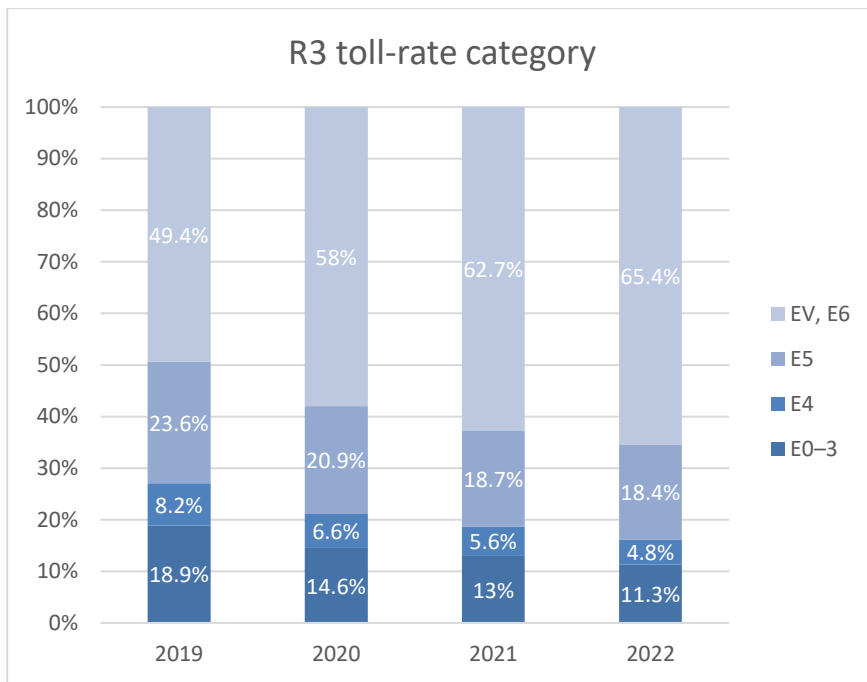
Table 8: Share of EURO emission classes in toll km travelled with heavy vehicles on the toll road network (excluding the Karavanke tunnel)

All toll-rate categories	2019	2020	2021	2022
E0–3	5.9%	4.0%	3.3%	2.9%
E4	2.9%	2.0%	1.6%	1.4%
E5	22.9%	17.9%	14.3%	10.9%
EV, E6	68.3%	76.1%	80.7%	84.7%

Figure 18: EURO emission classes for R2, R3 and R4 toll-rate categories



Note: The new toll-rate category for two-axle vehicles (R2) was introduced on 1 September 2020. To rank vehicles in the R2 toll-rate category, the Company used data on the number of axles as set in the DarsGo units before 1 September 2020.



The functioning of the DarsGo tolling system is reliable and DARS manages all the risks that could threaten revenue from the tolling of heavy goods vehicles.

The introduction of the DarsGo system has also yielded positive environmental and economic effects for vehicles with a maximum permissible weight exceeding 3.5 tonnes. The Energy Efficiency Centre of the Jožef Stefan Institute evaluated the effects of the deployment of the DarsGo electronic tolling system on reduced fuel consumption and consequently reduced emissions of carbon dioxide (CO₂), nitrogen oxides (NO_x) and dust particles (PM_{2,5}) within the scope of a research paper.

Figure 19: A vehicle under the DarsGo control gantry






Figure 20: DarsGo unit



The old tolling system caused increased consumption due to vehicles stopping and accelerating at toll stations, as is evident in the table below for individual groups of vehicles. Taking into account that the predominant share of heavy goods vehicles had already used the ABC system, the relative savings are somewhat smaller. A more detailed overview of the effects is disclosed in chapter I 5.6.7 *Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system.*

Table 9: Summary of the results from the recalculation of vehicles for category 3 buses and category 3 and 4 trucks

		Bus Class 3 	Cargo vehicle Class 3 	Cargo vehicle Class 4 		
Previous driving regime through a toll station	ABC	Stopping	ABC	Stopping	ABC	Stopping
Time t [s]	38.99	59.89	38.29	34.57	47.4	78.26
Energy E [kWh]	2.52	4.88	1.91	4.41	5.64	10.67
Diesel fuel equivalent [l]	0.25	0.49	0.19	0.44	0.56	1.07

Tolling for vehicles with a maximum permissible weight of up to 3.5 t

Toll revenue from light vehicles up to 3.5 tonnes represents 41% of the total toll revenue, amounting to €195,231,846. In 2022, the value of the vignettes sold exceeded that of the previous year by 9%. The revenue from e-vignettes did not increase proportionally with the increased vignette sales, mainly due to the changed validity of e-vignettes, which are now usable 12 months from the first day of validity, thus this is also reflected in revenue. The other minor reason is the return of the proportional part of the value of annual and semi-annual e-vignettes due to sold vehicles or changed registration plates.

The sale of electronic vignettes within the e-vignette system was launched on 1 December 2021. After initially only selling yearly electronic vignettes, the sale of short-term vignettes was launched in January 2022. By the end of January 2022, the sale of all types of vignette stickers was finally discontinued. A major change introduced with the electronic vignettes is that the vignette no longer has to be affixed to the windscreen and that the annual vignette is valid for 12 months from the purchase.

Toll inspection

The main goal of toll inspection is to provide regular income to the Company from the tolls paid. Toll inspection is tasked with raising awareness among toll road users about the obligation to pay tolls, since such funds ensure the high level of services rendered by DARS to its users. In toll inspection, the Company relies on excellent knowledge of the entire toll payment issue, both in view of DARS and of society as a whole. This allows the Company to prepare in advance for the foreseen situations, thus enabling fast and efficient responsiveness to inspection.

Inspection is necessary because the values of many users of the Slovenian motorways and expressways are deviant and, as such, they try to use them without paying tolls. Most such violations have been found to be committed by foreign nationals who fail to purchase vignettes. There are also an increasing number of violations committed by heavy-duty vehicles.

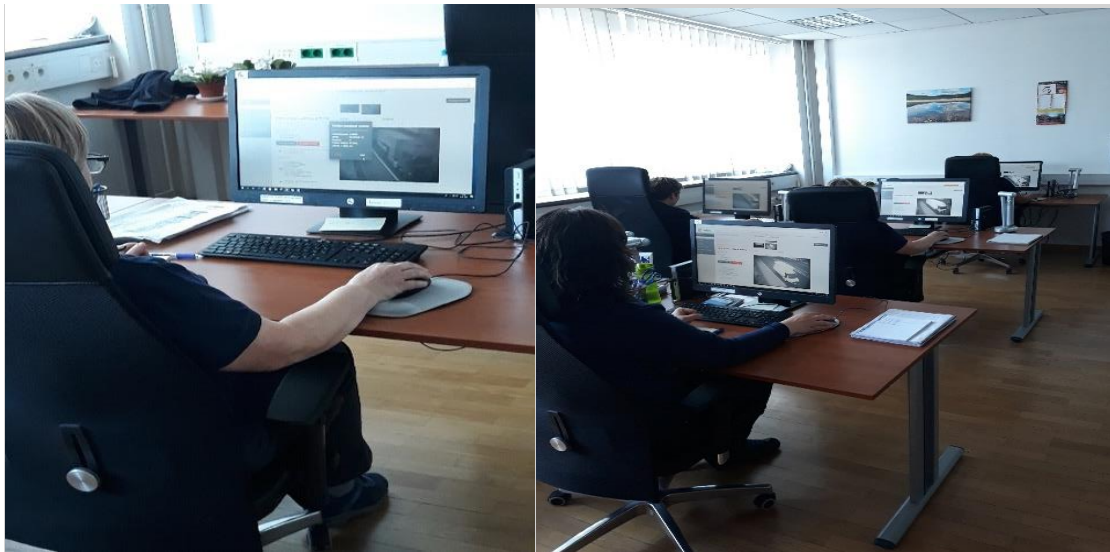
In 2022, toll inspectors issued 59,943 penalty notices (51,852 of which were due to a failure to pay the toll for vignette vehicles, 5,819 due to a failure to pay a toll for goods vehicles, and 2,272 were issued under the Road Traffic Rules Act). The number of penalty notices issued was 12.1% lower than in 2021. The reason lies in the increased number of sold e-vignettes and therefore fewer violations on one hand and the occasional lower intensity of control due to e-vignettes, the implementation of new control systems, and the training of toll inspectors to use these new control systems, as well as the new violation application.

We are aware that the general and expert public always keeps an eye on our work, which is why we insist that the work be performed legitimately, professionally, transparently and efficiently.

Figure 21: A team of toll inspectors with their vehicles



Figure 22: Work at the Toll Inspection Operational Centre

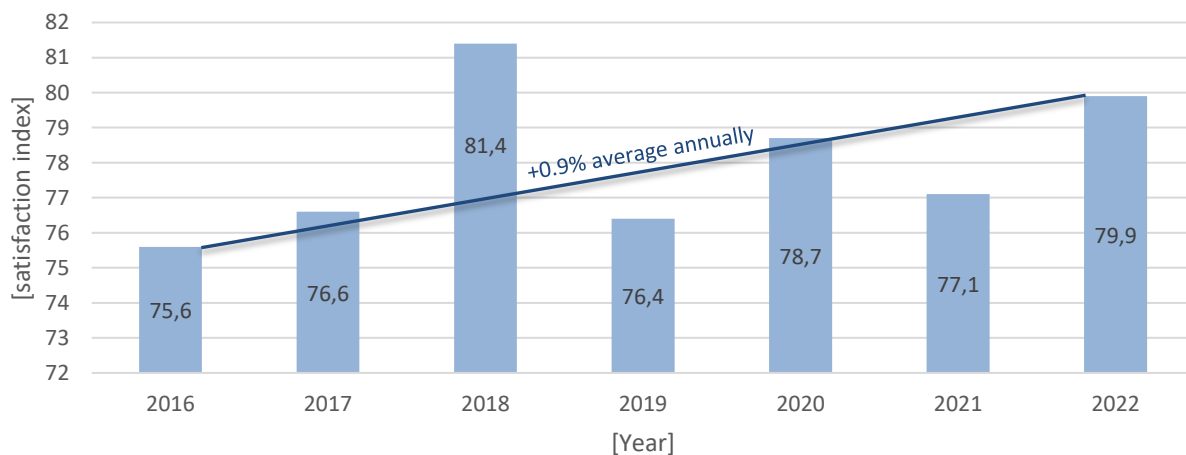


1.5.2.2 Satisfaction and a responsible attitude to motorway users²⁹

Motorway user satisfaction measurement

DARS has been conducting regular motorway and expressway user satisfaction surveys since 2008. The surveys allow us to know their expectations and to realise our commitments to users easier. We use the user satisfaction surveys to check for opportunities that are important for us as well and may have an impact on improving some measurement factors. The aim of the survey is therefore to obtain opinions from drivers and adopt appropriate measures and improve the score in certain areas and factors that we measure.

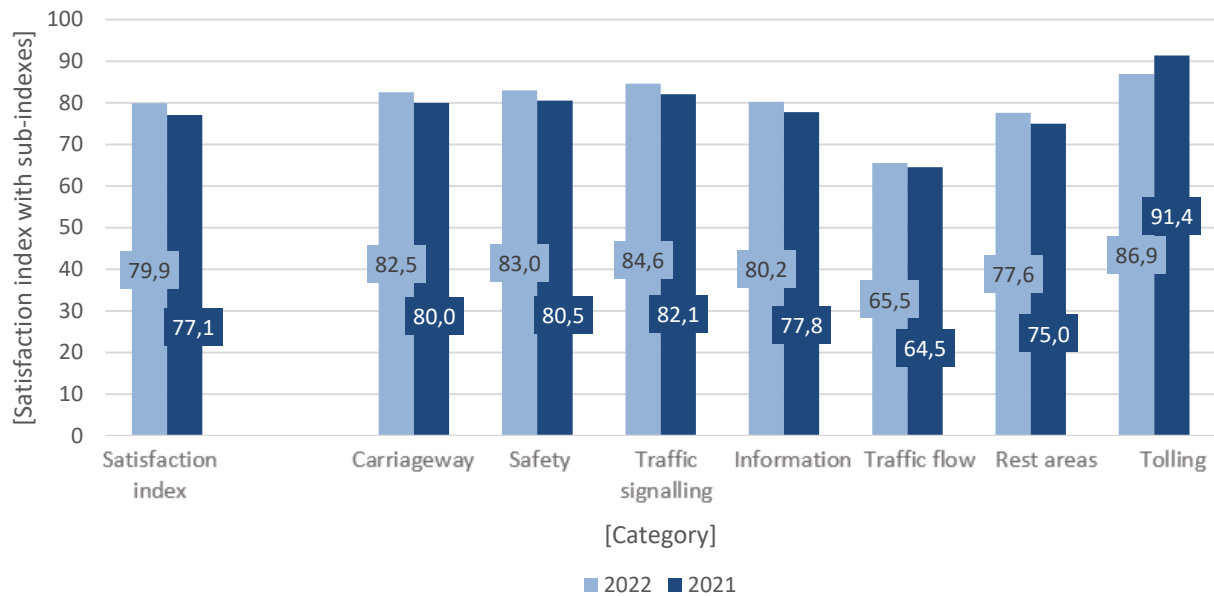
Figure 23: Motorway user satisfaction index by year



In the 2022 survey, drivers ranked their satisfaction with 23 factors that were combined into these categories: carriageway, safety, signalling, information provision, fluidity, rest areas and electronic tolling. The total satisfaction index for 2022 was calculated from the ratings of all factors and amounted to 79.9, which is a high level of user satisfaction.

²⁹ GRI GS 3-3, 417-1.

Figure 24: Satisfaction sub-indices by category

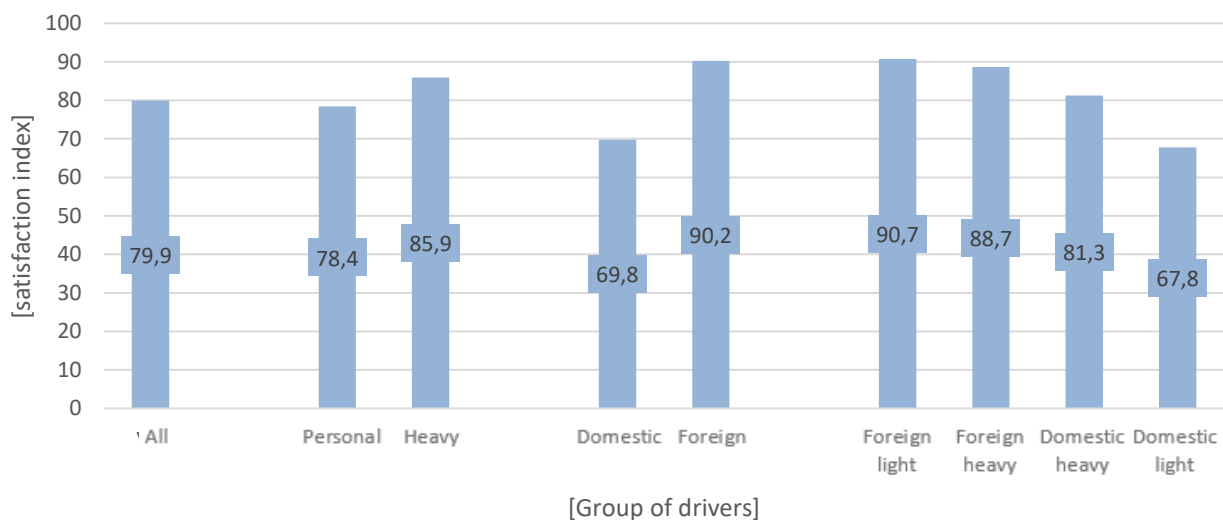


The autumn results showed a somewhat lower satisfaction compared to the spring one, though it was still high. We have noted better results in all of the assessed categories in 2022.

The category in which we only measured the DarsGo system until now was renamed to Tolling, and this category also included e-vignette satisfaction in 2022. Due to the somewhat lower satisfaction of users with the e-vignette system compared to the DarsGo system, this sub-index is the only one rated lower in 2022. Despite all of the above, satisfaction with the e-vignette remains high because 89 percent of respondents are satisfied with it in general.

Tolling satisfaction remains at the highest level. Satisfaction with traffic signs and safety is also high. Traffic flow remains the most sensitive area, with a sub-index of 65.5. Domestic passenger car drivers are the most critical in this field. The latter are also more sensitive in general. Domestic passenger car drivers are least satisfied in terms of motorway fluidity or passability during maintenance and reconstruction works. This group of drivers also poorly rated the toilet facilities, with domestic passenger car drivers giving them a score of just 3.2.

Figure 25: Satisfaction with respect to groups of drivers



Foreign drivers remain more satisfied than domestic drivers. Foreign passenger car drivers are the most satisfied, while domestic passenger car drivers are the least satisfied. The satisfaction of domestic passenger car drivers has been improving over the years.

Sales channels and market communication as a reflection of the attitude towards customers

The responsible attitude of DARS to its customers is reflected through its efforts to provide users with simple access to a network of its own and contractual points of sale and a wide range of payment means, thus contributing to reduced transaction costs for customers and improved satisfaction.

Market communication in relation to the use of road infrastructure covers the provision of information on the obligations, terms and methods of toll payment, whereby DARS distinguishes between and addresses two customer segments – drivers of goods vehicles and drivers of passenger cars. In that case, the goal is to enable ongoing toll payment, without unnecessary complications and to resolve warranty claims as quickly as possible.

To ensure the strategic goals and promises in the Company strategy – fluidity, safety and comfort – it is necessary to achieve behavioural changes in the customers (MW users), such as safe driving, observing proper procedures in the event of traffic accidents, the provision of information on road conditions, the use of infrastructure outside rush hours, the use of alternative routes or transport means during major reconstruction works that reduce fluidity, etc., in parallel with the technological, technical and organisational input.

The provision of traffic safety requires close contact between the operator and motorway users, with two-way communication rather than merely one-way in the sense of information provision. Enhanced safety, however, requires the operator's investments in infrastructure and changing driving habits and culture. This is a learning process that we seek to accelerate, using available marketing and communication methods, from market research to safety campaigns and advertising.

1.5.2.3 Market communication for enhanced traffic safety³⁰

Positive messages on the topic of traffic safety

At DARS, we have been participating in a traffic safety campaign, coordinated by the Slovenian Traffic Safety Agency, for several years. Most people know about the text displayed on the electronic boards “Don’t drink and drive”, “Adjust your speed” or “Drive carefully”. Since research has shown that drivers evaluate messages as efficient if they contain an emotional note, we at DARS have decided to create new signs in 2022 on traffic safety, which evoke positive emotions, make people laugh, contain wordplay or highlight the benefits of certain actions.

Figure 26: The sign in the figure below has triggered the most positive responses from drivers.



The response was even stronger in the first series of signs for Valentine’s day. Many drivers said that the new messages touched them and that they gave them food for thought and are much better than threats. Similar signs followed during the national prevention actions Speed, Safety belt, Alcohol and telephone, and we also showed them during Christmas and New Year’s.

³⁰ GRI GS 416-1, 417-2.

Figure 27: All texts were also displayed in English. The sign below was translated creatively with a rhyme.



Figure 28: In forming signs, we used a text from a known Slovenian singer that evokes positive emotions in most people.



Figure 29: We also positively surprised drivers with signs during Christmas and New Year's.



Figure 30: During the preventive campaign when we warned users about the dangers of speeding, we asked our Facebook followers for help when selecting texts.



Ten years of the Rescue Lane initiative

In 2022, ten years have passed since the introduction of a preventive campaign that DARS, in collaboration with the Slovenian Traffic Safety Agency, the Police, the Ministry of Infrastructure and the Automobile Association of Slovenia (AMZS), initiated to raise awareness among drivers regarding the importance of making a rescue lane in case of emergencies. Upon that occasion, we thanked all of the partners contributing to the success of the campaign with a special event held at the Safe Driving Centre in Vransko. A summary of the 10-year-long campaign was presented at a media conference and then the proper arrangement of vehicles in case of a traffic accident on the motorway or expressway was shown at the test site.

Figure 31: At the Safe Driving Centre in Vransko, we celebrated ten years of the Rescue Lane initiative in October 2022.



Figure 32: Prior to the main tourist season, we placed new informative banners on overpasses.



Together with the participating partners of the preventive campaign, we believe that the formation of the rescue lane was well received by drivers and that the situation is much better than prior to 2012. We are convinced that the implemented activities have already contributed to better traffic safety and saved a life or at least mitigated the consequences of injuries. We also have a definite impact on traffic flow and the faster removal of the effects of traffic accidents.

Figure 33: At the International Trade Fair in Celje in September 2022, we presented the Rescue Lane initiative.



1.5.3 Traffic and concern for safety³¹

In the desire to improve traffic safety every year, the Company continued to pursue all actions – existing and new – and made intense efforts to offer users a safe journey along MWs/EWs. Safety campaigns and cooperation with stakeholders in that area have a positive effect on traffic safety, which is why activities in that area are very broad and continued. Below is a comparison of incidents by year and the consequences of traffic accidents on MWs and EWs by year, whereby the growth of incidents and certain consequences of traffic accidents have been recorded due to increasing traffic from year to year.

Compared to 2021, the number of incidents increased by 22%. Traffic is similar to 2019, though the number of incidents is increasing. There are two reasons for this increase. The first reason lies in the number of goods vehicles, which are a major indicator in the generation of incidents. The second reason is due to the better detection of events due to the constant upgrades and updates in line with the technological development in the traffic and traffic services area, including information provision.

Figure 34: Comparison of incidents resolved at control centres - by years

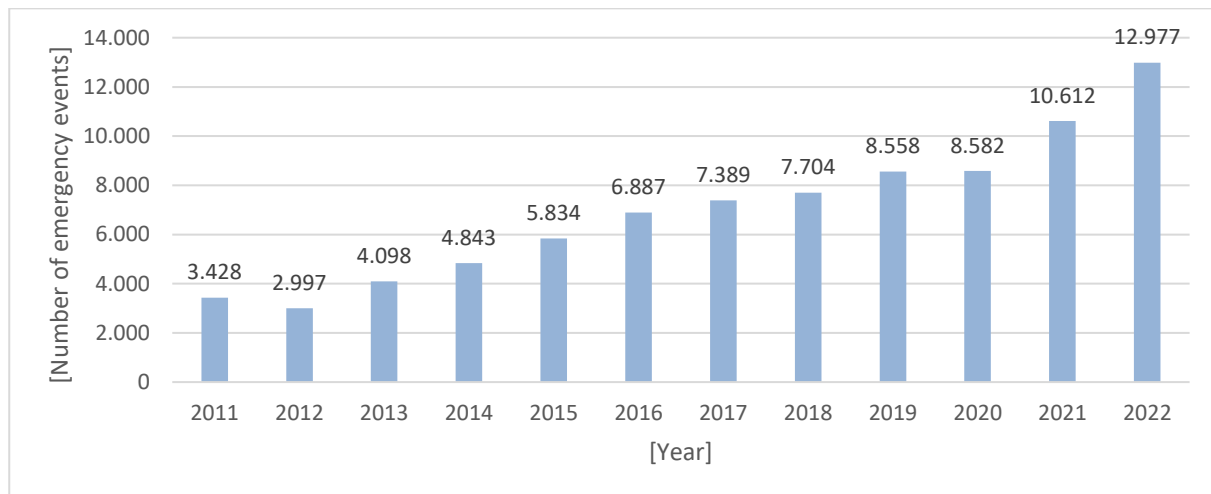
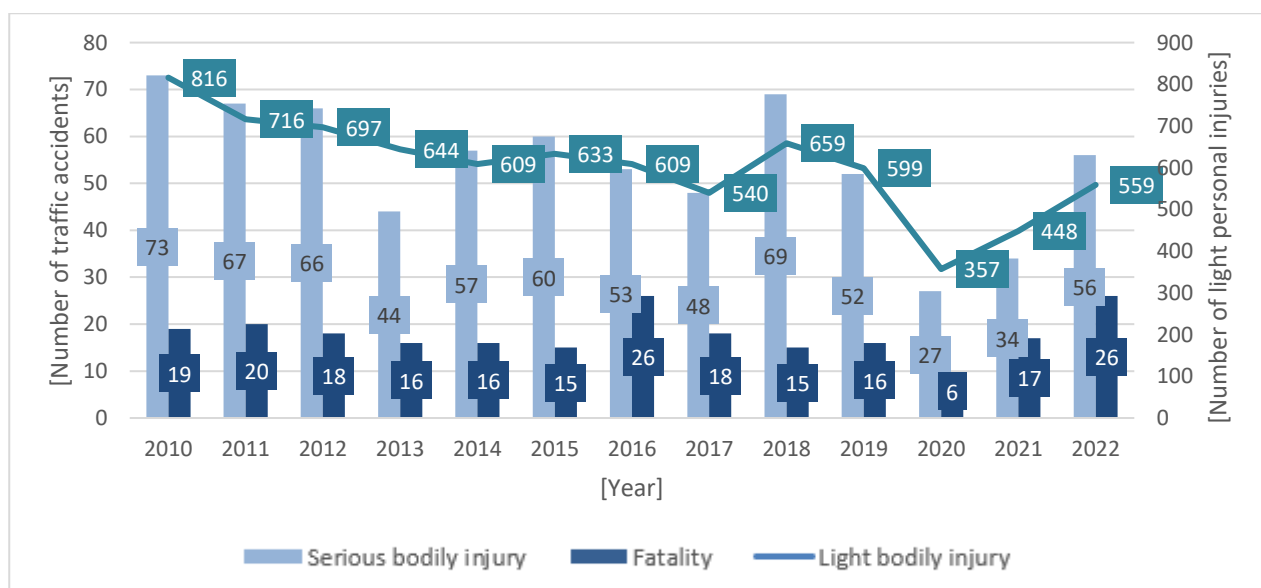


Figure 35: Consequences of traffic accidents on MWs and EWs by year



³¹ GRI 2-25.

Figure 36: Fatalities on MWs and EWs by year

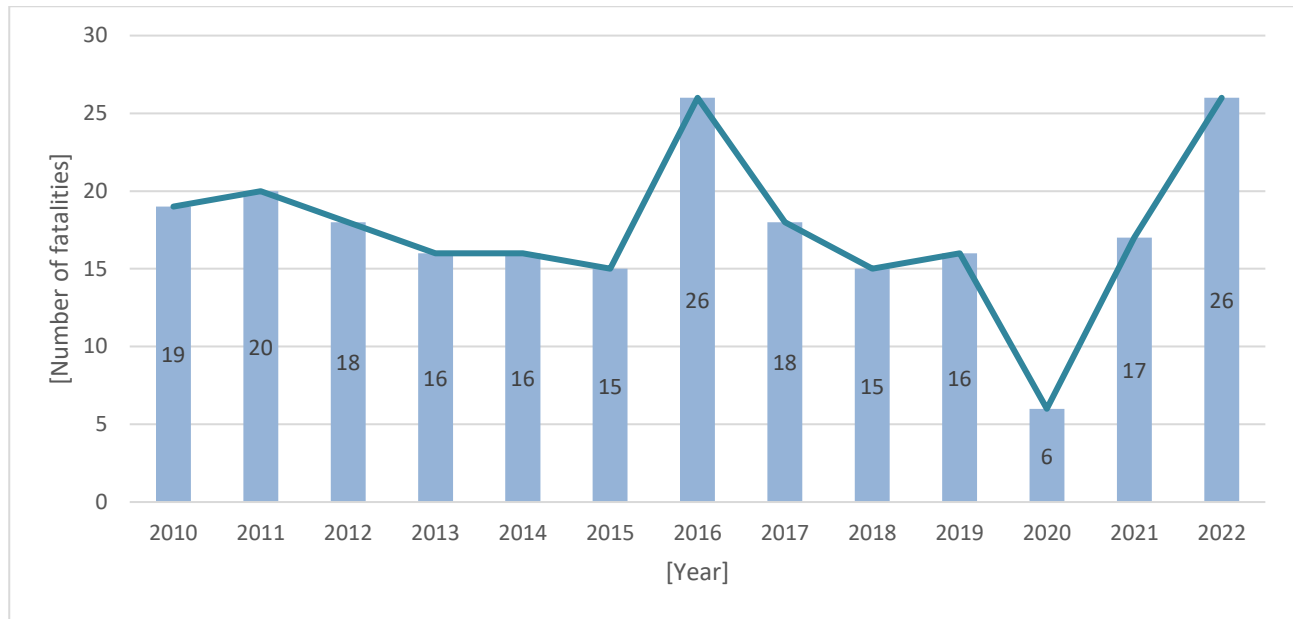
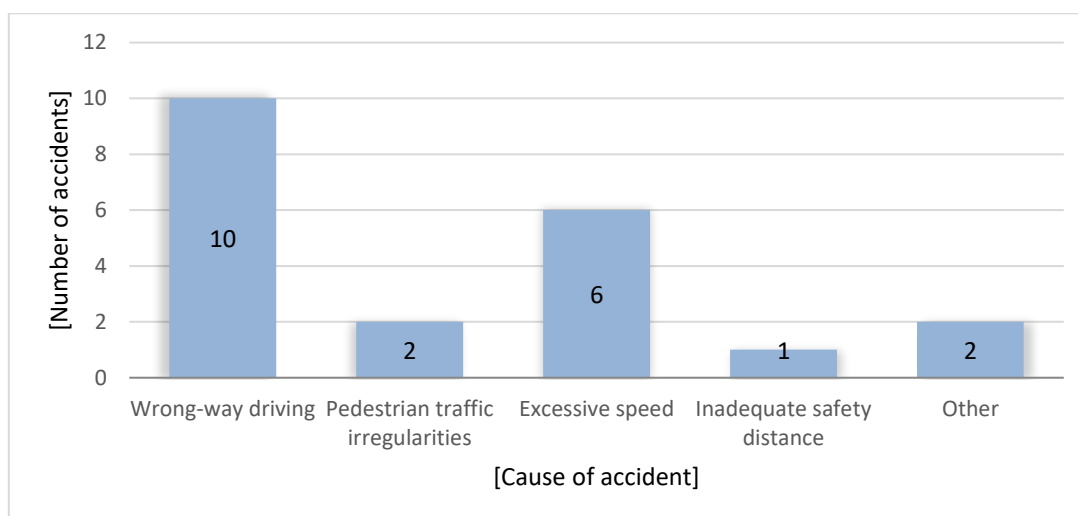


Table 10: Data on traffic accidents on motorways and expressways from 2012 to 2022

Year	Road category	Light bodily injury	Serious bodily injury	Fatality
2012	MW	631	59	18
	EW	66	7	0
2013	MW	564	44	16
	EW	80	0	0
2014	MW	548	51	16
	EW	61	6	0
2015	MW	551	55	13
	EW	82	5	2
2016	MW	545	46	23
	EW	64	7	3
2017	MW	491	43	16
	EW	49	5	2
2018	MW	601	63	13
	EW	58	6	2
2019	MW	534	49	15
	EW	65	3	1
2020	MW	303	26	6
	EW	56	1	0
2021	MW	398	33	17
	EW	50	1	0
2022	MW	508	54	25
	EW	51	2	1

Driving in the wrong direction is one of the most frequent causes of accidents, as is evident in the figure below.

Figure 37: Number of traffic accidents with fatalities based on the cause in 2022



Note: Incorrect driving direction: this not only includes driving in the opposite direction, but also (mostly) run-offs from the MW/EW onto the embankment.

The result of the EURORAP protocols: traffic safety has improved in the long run given continuous traffic growth, but with occasional short-term lapses.

The results of the Star Rating have again shown that based on the motorway design system and permitted normative speed of 130 km/h, there are few places on the Slovenian motorway network where more than three stars for road quality can be achieved. However, all ratings higher than two stars mean that the road is in good condition.

Motorway Police

The activities of the motorway police started to decline when an announcement of its termination was announced in 2022, and the police were finally terminated on 31 October 2022. Following the lack of their presence on the motorway network, we began to see an increased number of traffic violators, mainly concerning the ban on overtaking for heavy goods vehicles, as well as violations concerning permissible axle loads and the maximum mass of vehicles.

Traffic safety in tunnels - extraordinary events

There were a total of 59 accidents and incidents in tunnels longer than 500 metres in 2022, where emergency services were needed along with the temporary closure of the whole tunnel or a part of it. These were mostly due to vehicle breakdowns (31%) and uncategorised events (31%), which mostly involved overheight vehicles. Category I or II vehicle accidents followed (19%), as well as driving in the opposite direction (10%). Among the major accidents were two fire events due to the self-ignition of a mobile home or goods vehicle, as well as one Category III or Category IV traffic accident and an accident involving a hazardous substance. Tunnel traffic had to be temporarily closed, partially or fully, for a total of over 46 hours. Passenger cars were involved in less than half of the events (49%), while goods vehicles were involved in 31% of the events. One person suffered serious injuries during the event (the fall of a motorcyclist in the Markovec tunnel).

The weight of events and the efficiency of the response of the DARS competent services, external rescue services and the police can be assessed based on the data on the time of the temporary closure for each event. This has been falling over the last ten years, and was at approx. 47 minutes in 2022 on average. Closures during fire events with a relatively high fire potential, which is a major threat for users and tunnels with integrated equipment, lasted only approx. 2.5 hours on average, thanks to the active response of participants and the quick response of firefighters. The harmonised actions of the Slovenian and Austrian rescue services, especially the firefighting units, deserve all the praise for intervening in the fire incident of the motorhome in the Karavanke tunnel.

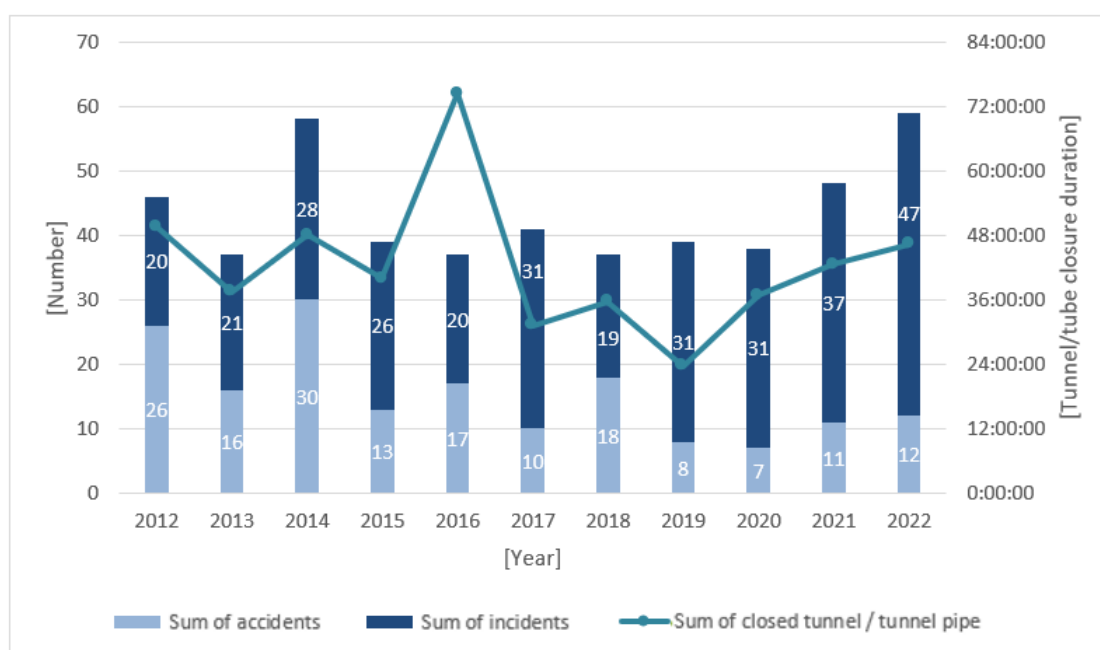
The September technical failure in the Karavanke tunnel also needs to be mentioned when there was a power outage in the portal fans on the Slovenian side due to the construction of the 2nd tube. Due to the efficient actions of the management and several DARS services in resolving the failure, normal traffic without restriction was restored in just 14 hours, which is significantly shorter than the expected time of a couple of days.

In addition to the above events, the left tube of the Kastelec tunnel had to be preventively closed six times in the first three months and in November for a total of 48 hours due to the bora wind.

We find that:

- the number of events has been increasing steadily for the second year in a row, though it is still relatively small,
- that the events were mostly caused by the actions of users, which is something that is practically beyond the control of DARS, while the ventilation system power supply failure at the Karavanke tunnel was caused by the construction of the 2nd tunnel tube,
- that one participant was seriously injured in these events, and direct damage was also recorded for tunnels with installed equipment,
- that no concentration of events was identified, though an increased number of vehicle failures were recorded in the Karavanke and Šentvid tunnels,
- the operation of tunnel safety systems and the response of the competent services to incidents was efficient.

Figure 38: Accidents and incidents in tunnels longer than 500m from 2012 to 2022



Rescue drills and employee training for incidents in tunnels

DARS unit drills and training and joint training for the heads of rescue services for tunnels longer than 500 m are set out in the operating plans for protection and rescue.

All seven planned rescue drills were carried out in 2022, of which four were of a central and three of a practical nature. The practical drills included the regional exercise in the Golo Rebro tunnel and the international exercise in the Karavanke tunnel. Practical drills included traffic accident scenarios with fires, and the central drills were carried out to verify the responsiveness of services in the event of a fire on a bus or electric vehicle.

Most of the planned training for DARS units and joint training for heads of rescue services was carried out. All unperformed activities are carried over to 2023.

The following will be carried out in 2023:

- training of DARS employees and common training sessions for the heads of rescue services that were not performed in 2022,
- regular drills (two practical regional, five central).

The activities will be carried out in the spring and autumn sets according to the tunnel systems where the same rescue services intervene. Drills will be conducted according to individual drill plans that are coordinated with the drill participants in advance.



I.5.4 Projects in traffic management and concern for user safety

DARS carries out many different measures every year that are directly related to safety, the comfort of motorway users and traffic fluidity. A prerequisite for good throughput is that the motorway system is furnished with state-of-the-art equipment. Modern equipment for traffic control, management and safety ensures fewer traffic accidents, faster detection and, consequently, reduced congestion. Greater safety for maintenance crews and other on-site interventions is ensured using modern equipment and an ever-faster flow of information.

I.5.4.1 Traffic control and management³²

24/7 traffic control and management

The Kozina, Ljubljana, Vranksko, Slovenske Konjice and Hrušica Control Centres and the Main Control Centre (MCC) with their teams of traffic supervisors ensure uninterrupted traffic control and optimum safety and fluidity on the Slovenian motorways and expressways. The Main Control Centre covers the entire MW/EW area in the Republic of Slovenia, while linking regional control centres and coordinating actions between them. Among other things, it provides traffic control and management at the national and international levels, ensuring that international traffic management plans are implemented without interruptions (Traffic Management Plans - TMP). In addition to RCC coordination, the MCC is responsible for coordination activities at major events, such as when excluding goods vehicles during the winter season. During major extraordinary events when these have an impact on the neighbouring RCC, it assumes the coordinator role even among the other areas of DARS and external intervention services.

³² GRI 2-13, 3-3, 416-1.

Figure 39: Traffic Control and Management Centres



Accidents involving fires in tunnels and major changing weather conditions, such as sleet, reduced visibility, snow blizzards and heavy winds that could lead to mass traffic accidents, call for the maximum expertise and proper actions by the traffic supervisors.

Lately, a great deal of attention has been paid to traffic safety and fluidity, which is why measures are adjusted to the current conditions on the motorway, while traffic condition detection systems are upgraded. This allows the Company to react faster to events and thus reduce dangerous situations and unnecessary congestion.

In 2022, the Traffic Department successfully adapted the work processes in the control centres in response to the COVID-19 epidemic. The working hours of control centre employees were adjusted as necessary and the traffic control and management actions were coordinated with all the stakeholders (Police, Administration of the Republic of Slovenia for Civil Protection and Disaster Relief, Toll Enforcement, etc.).

In 2022, the MCC successfully ran and coordinated all the major activities for ensuring traffic safety and fluidity on the motorways and expressways. We should also mention the successful operations of the winter service during the tourist season. With the help of employees in the Traffic Department, we implemented traffic closures with services that are tasked with maintenance or major restoration works on MWs/EWs.

Motorway traffic is controlled by qualified certified traffic supervisors

In 2022, we trained traffic supervisors in all the control centres with the help of the simulator for traffic control and management systems (TCMS). Periodic training on the TCMS and tunnel simulators is scheduled every year in order to achieve better response times in emergencies and to ensure that control centre employees know how to react. Based on the Protection and Rescue Plans (PRP), we tested the traffic knowledge of supervisors. Employees displayed very good knowledge in the area, for which they received certificates of competency. Traffic supervisors at RCC Ljubljana successfully completed training using the Šentvid tunnel simulator.

With the aim of improving cohesion, commitment and teamwork, a team-building exercise was organised in the Traffic Department in December 2022, which had a very positive impact on the working processes concerning traffic supervision and control over MWs/EWs.

In addition to the training, we plan other education courses in 2023 on the topic of traffic and traffic safety. For this purpose, we intend to organise a set of training sessions for all traffic supervisors on the topic of tunnel safety, tunnel ventilation management, traffic legislation, and novelties in traffic equipment and signalisation.

Awareness-raising on the importance of safe driving and the provision of information on traffic fluidity

DARS strives to provide conditions for safe driving and the maximum possible traffic fluidity. The provision of traffic safety is also at the focus of efforts made by other institutions that have an important effect on awareness-raising among users and DARS actively cooperates with such institutions or carries out certain activities (primarily those relating to traffic on the MWs/EWs) on its own.

The following activities and preventive campaigns (available at https://www.dars.si/Sporocila_za_javnost/5/prometna_varnost, www.promet.si and on social networks) were carried out to provide the maximum traffic safety:

- Common efforts to improve safety with the start of the motorcycle season – safe driving training for motorcyclists.
- Cooperation with the VOZIM Institute in the form of innovative interactive workshops called “I still drive - but I cannot walk” where the personal experiences of those injured in traffic accidents are presented.
- **“Save a life”** – Observing proper positioning in the case of congestion on the motorway, thus allowing emergency teams to arrive at the scene of the traffic accident as soon as possible. This preventive notice may be displayed on the gantries when there are no other active events.
- **“Observe the safety distance”** - an important preventive notice primarily due to the proven fact that there would be fewer traffic accidents on all roads if the distances between vehicles had been correct (more appropriate). This preventive notice is still shown at locations where additional traffic signalling, the so-called “caps”, has been established.
- **“Drive on the right, overtake on the left”** - a preventive notice that the Company started displaying in 2019. This may be displayed on the gantries when there are no other active events and when traffic in the driving lane falls below 1,200 vehicles per hour. In heavy traffic, such content is no longer appropriate, since the driving conditions change.
- Other important content, such as the provision of traffic information concerning waiting times (congestion) at border crossings, indicating alternatives (better routes) and information related to the epidemic that affects traffic and traffic events.

Figure 40: Variable Message Signs



In addition to the already mentioned campaigns, we participated in the preventive campaigns “Alcohol”, “Speed” and “Telephone” by the Slovenian Traffic Safety Agency. Their primary aim was to appeal to drivers to not drink and drive and to reduce/adjust their speed on the road.

Measures in traffic management and concern for user safety

- Curbing speed and increasing fluidity
- Replacement of safety barriers and traffic signs
- Erection of safety barriers on structures to prevent vehicles from skidding off the structures
- Replacement of signposts at motorway exit points.
- Replacement of end terminals and the erection of additional safety barriers and crash cushions

The management of intelligent transport systems (ITS) or smart motorways

The project of managing traffic on the radial roads to Ljubljana is being implemented: variable message signs (VMS) will be placed in the scope of the project, and new traffic detectors will be installed to actively monitor traffic flows. The purpose of the project is to obtain information that may be used to better predict traffic peaks and prevent congestion with appropriate measures.

The project concerning the automatic transfer of events from tunnel surveillance and control systems to the Kažipot and C-ITS system (2nd part) is in its implementation stage. The purpose of the project is to improve the provision of information to users about the situation and events on MWs and therefore improve traffic safety and traffic flow.

Implementation of European projects

Within the scope of the European Crocodile project, the Kažipot application was further developed in terms of the exchange of traffic data with neighbouring countries. This especially includes the introduction of the DATEX II standard

and its inclusion in GeoRSS. Furthermore, tools for tasks at DARS control centres were developed with the implementation of additional international standards, and improvements and upgrades to the DarsPromet+ application deriving from the use of such tools. Within the scope of the preparation of plans for international traffic management, plans for emergency traffic management were drawn up that were harmonised with the neighbouring countries.

Pilot projects are being carried out that include the digitalisation of traffic data through traffic detectors (traffic counters) and the transmission of this data from the infrastructure to the user (C-ITS with the microwave ITS-G5 technology and 3G/4G/LTE/5G mobile technologies).

Implementation of other projects

We launched pilot projects that will be the basis for the digitalisation of roads and autonomous driving in the future. Projects are being carried out that include the digitalisation of the infrastructure (lidar and laser images of infrastructure, the input of fixed and variable message signs in digital applications), digitalisation of the traffic data via traffic detectors (thermographic cameras, detection via fibre optics), weather detection with weather stations, and the transmission of this data from the infrastructure to the user (IoT).

In 2022, DARS continued implementing the road management project for the roads it operates. The PMS DARS expert system (PMS: Pavement Management System), which operates using the dTIMS_CT software tool (Deighton's Total Infrastructure Management System with Concurrent Transformation) was used in its new version 9.5 in 2022 and now offers the easier addition of new sections, an improved graphic display and the option to manage archival pavement data. In 2022, we successfully applied the results of the new BMS DARS system (BMS: Bridge Management System) to plan measures for bridging structures. .

In 2022, we completed the development project entailing the satellite monitoring of road structure movements, with which we verified the possibility of determining road structure movements using satellite data, and the development project entailing the digitalisation of monitoring the condition of bridging structures, with which we verified the possibility of using drones and modern data capture technologies to monitor the condition of bridging structures.

1.5.4.2 Sustainable mobility and alternative fuels

DARS follows the trends for the development of electrical mobility in its own vehicle fleet and the related supply of energy to electric vehicles. For this purpose, DARS equipped its operating locations with additional three-phase AC electric charging stations with a rated power of 22 kW. At the end of 2022, it had a total of 29 charging stations at 24 locations; the total rated power of the stations is 616 kW.

At rest areas where motorway users are offered services from service providers based on contracts concluded with DARS, there are also stations available for charging electric vehicles. At the end of 2022, a total of 74 efficient electric charging stations with a total rated power of 10,000kW was available for this purpose.

In line with the development of using vehicles powered by alternative fuels, an expansion of the network for supplying such vehicles is planned, whereby DARS will also take into consideration the guidelines of the competent authorities in the Republic of Slovenia and the European Union.

Following the trends and the development of sustainable mobility also requires certain changes in the concept of developing rest areas, which is defined in the Rest Stop Management Strategy on the motorway network by 2025, and it refers to changes to be made in line with the changes of traffic and traffic flows (habits), when rest stops are no longer limited merely to the motorways and the provision of services to motorway users in transit, but adopts the role of connecting the mobility between motorways and other traffic (mobile) flows.

Figure 41: Locations of charging stations for electric cars



1.5.4.3 The management of intelligent transport systems (ITS) or smart motorways

Overhaul of electrical and mechanical equipment in tunnels

- In the area of electro-mechanical equipment (EME), fire prevention algorithms of the mechanical ventilation operation in the Dekani tunnel were optimised. Two new generators were placed in front of the Vodole tunnel and the Močna cut-and-cover. Corroded anchor bolts on ventilators were replaced in the Kastelec and Dekani tunnels. The video detection equipment (VDE) was replaced in the tunnels of Pletovarje and Golo Rebro. DARS is carrying out the project for detecting hazardous cargo - the ADR system in the following tunnels: Kastelec, Dekani, Markovec, Barnica, Podnanos, Šentvid, Debeli hrib, Mali vrh, Podmilj, Trojane, Jasovnik, Ločica, Pletovarje, Golo Rebro and Cenkova. Procurement and replacement of the diesel generator for powering the Močna tunnel was carried out. The DD documents are being implemented for the optimisation of fire algorithms concerning the operation of the mechanical ventilation in the Šentvid tunnel. The DD documents are being drafted concerning the reconstruction of EME equipment in the Debeli hrib, Mali vrh, Ločica, Jasovnik, Kastelec, Dekani, Cenkova, cut-and-covers Močna, Vodole and Malečnik tunnels.
- In the Vipavski Križ cut-and-cover, a project is underway to replace the existing lighting with LED lamps. With the aforementioned projects, DARS is ensuring that the equipment is in good condition and that traffic safety in tunnels is high.
- The DD project documentation was drafted for the rearrangement and modernisation of the Ljubljana Traffic Management Centre (RCC Dragomelj). With the rearrangement, DARS will update its equipment and systems at RCC Dragomelj, increase system reliability and improve the working conditions of employees.
- The traffic management project involving the radial roads to Ljubljana that envisages using automatic speed limitation in this area to slow down traffic is being implemented. The project concerning program upgrades and the unification of the existing TCMS system is underway.
- The Hrušica control point has been established.
- The project concerning the placement of LED indicators for visual traffic management in the event of fog at the Višnja Gora slope is being implemented. The purpose of the project is to improve traffic safety in poor weather conditions.

- The project of restoring 15 road weather stations (RWS) is in motion. Project documentation was implemented for the procurement and placement of 16 new road weather systems. The project will restore the road weather equipment, which is essential for an efficient and timely intervention during unfavourable weather conditions, which is especially important in the winter.
- The emergency call system (KVS) has been restored at the MW Golovec - Trebnje west junction. The project documentation concerning the restoration of the emergency call system (KVS) at MW Vrba-Vodice was drafted.
- The fibre-optic communication lines between Blagovica and Slovenske Konjice were placed, whereby DARS is improving and expanding its communication network.
- The video surveillance system Genetic was upgraded. The construction and installation works for the digital video surveillance on the MW in the Republic of Slovenia (IPK4), as well as the project documentation for digital video surveillance at DARS facilities, were carried out.
- DD documents were prepared for setting up solar power stations on certain DARS facilities. A public procurement procedure is being prepared for the installation of solar power stations at MMC Kozina, Ptuj branch, Vipavski križ cut-and-cover, and TSs Log and Dob. With the project, DARS intends to improve its carbon footprint and reduce electricity procurement costs.

1.5.4.4 Provision of telecommunications

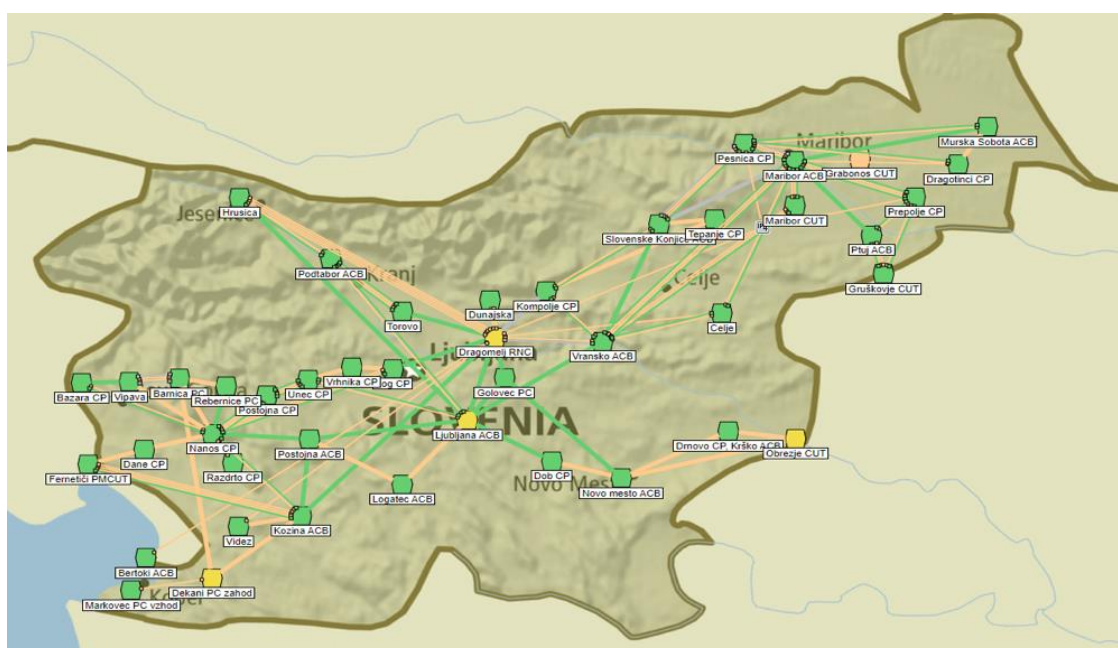
Data transmission and the operation of ICT (information communication technology) systems are crucial for business operations, tolling, traffic safety, and traffic control and management. DARS has recognised the risk of information transmission failure and consequently set up a Telecommunications Department that manages and maintains over 1,300km of fibre optic cables with 12, 24, 48, 96 or 288 fibres and over 700 pieces of network equipment. In 2022, we established MPLS functionality at 37 communication hubs, which allows us to better manage and operate the telecommunication network. Furthermore, we increased the capacities of the busiest telecommunication links on the DARS communication network from Ljubljana to Murska Sobota, Novo mesto, Hrušica and Koper to 10Gbit/s.

In 2022, we continued activities to set up fibre-optic telecommunication infrastructure at the Blagovica-Tepanje section, i.e. with a fibre-optic cable with a capacity of 192 or 96 fibres at a distance of 70km.

To ensure uninterrupted business operations, we also provide standby duty at home in order to achieve the target availability of the telecommunication network.

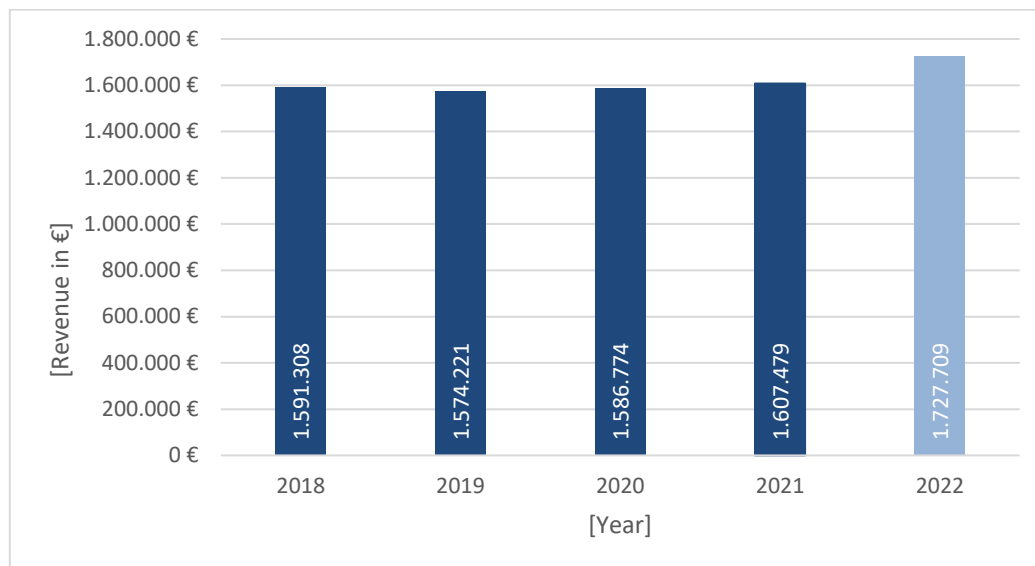
In 2022, an overhaul was made to the emergency call system and cable ducts from the Golovec tunnel to the Trebnje West junction.

Figure 42: Map of the most important telecommunication hubs from the control application



Due to the specifics of constructing a fibre optic network, some of the fibre remained unused and has been offered for lease to external users, which is an additional source of revenue and a way for the Company to recover part of the funds invested. By marketing surplus telecommunication capacities, in particular fibre optics, the Telecommunications Department is contributing to the greater utilisation of the infrastructure and making a significant contribution to the digitalisation of society. Several new contracts were signed for the lease of telecommunication capacities.

Figure 43: Revenue from the marketing of surplus telecommunication capacities and easements for base stations



1.5.4.5 Implementation of European projects³³

In the 2016–2022 period, DARS was part of the international C-Roads project, which aims to improve traffic and transport conditions through the implementation of internationally coordinated applied C-ITS solutions on the corridor road network. In 2022, achievements were presented of the successfully completed first part of the implementation of the pilot projects of the C-ITS cooperative intelligent traffic systems with mobile connections between vehicles and infrastructure with LTE networks and with a microwave connection (ITS G5) for information transmission between the infrastructure and vehicles. We will continue the C-Roads 2 project involving the integration of existing traffic management and information systems into the C-ITS and the expansion of the coverage of the motorway network with C-ITS technologies. Cross-border tests with neighbouring countries in terms of C-ITS interoperability were conducted.

Successfully completed projects within the CROCODILE 3 project by the end of 2022, which will contribute to the safety and fluidity of traffic on motorways:

- We have performed an evaluation of the international traffic management plans used for the international coordination of traffic management;
- We have made international traffic management plans in Slovenia with Italy, Austria, Hungary and Croatia
- We have designed a computer simulator to train control centre teams
- We have upgraded the video traffic control system in all control centres
- We have established the hazardous cargo transport monitoring system through motorway tunnels in Slovenia
- Established a traffic control and management system at motorways around Ljubljana and on the Styria motorway and Coastal motorway.

Detailed financial assets are defined in the Company's 2022 annual report.

DARS received a total of €4,814,489.24 of European grants in 2022 for works that were carried out in 2021 and 2022. We received funds under the Connecting Europe Facility (CEF) for the cross-border Karavanke road tunnel construction project, i.e. we received €2,069,111.36, which represents 10% of the eligible costs. In cross-border cooperation and the harmonisation of ITS applications, the Company received €229,962.23 for the Crocodile 3 project, which is co-funded in

³³ GRI 201-4.

the amount of 20% of the eligible costs. For the C-Roads Slovenia pilot project, which was co-funded in the amount of 50% and was completed in 2021, the Company received €33,335.32, as well as €257,380.95 for the C-Roads Slovenia 2 project, which is the continuation of the original project.

In the scope of the European Cohesion Policy for the 2014-2020 period, we received European grants from the Regional Development Fund in the amount of €1,975,005.49 for the preparation of the documentation for the construction of the expressway for the 2nd section of the third development axis north (from the Velenje South junction to the Slovenj Gradec South junction), as well as €249,693.89 for the preparation of the documentation for the 2nd section of the third development axis south (from the Maline junction to the international border crossing of Metlika and the Črnomelj South junction). The projects are co-funded in the amount of 80% of the eligible costs.

In 2022, we also received €1,035,500 of European grants in advance. In line with the Connecting Europe Facility (CEF 2), we received €1,014,500 for the construction of the connection radial roads Port of Koper - Srimin. The project is co-funded in the amount of 50% of the eligible costs and will be implemented between 2022 and 2026. We also received €21,000 for the ATLANTIS project from the HORIZON Europe research and development mechanism. The project will contribute to the improved vulnerability assessment and the establishment of the appropriate know-how and awareness on the resilience of the European critical infrastructure to systemic risks.

Images 47 and 48: Various C-ITS system technologies and message displays in the vehicle



1.5.4.6 The provision of traffic information

In 2022, motorway operators in Slovenia (DARS MCC) and the neighbouring countries used the TMP system several times to notify each other and coordinate actions. It has proven to be a good tool that improves and speeds up mutual communication; however, advancements in digitalisation dictate the continuous adaptation and upgrading of the system.

This is the first fully digitalised system for international traffic management in Europe. This is a major step forward towards faster and internationally harmonised information provision and traffic management on the main road connections in that part of Europe. Furthermore, it enables a much-improved response to major unforeseen emergencies requiring immediate operative international coordination.

The Traffic Information Centre (TIC): a source of credible and updated traffic information

Content on the website www.promet.si that is monitored the most by users:

- events and traffic conditions on a map,
- road cameras,
- fuel prices,
- wind measuring locations of the Burja system,
- the virtual assistant Stane.

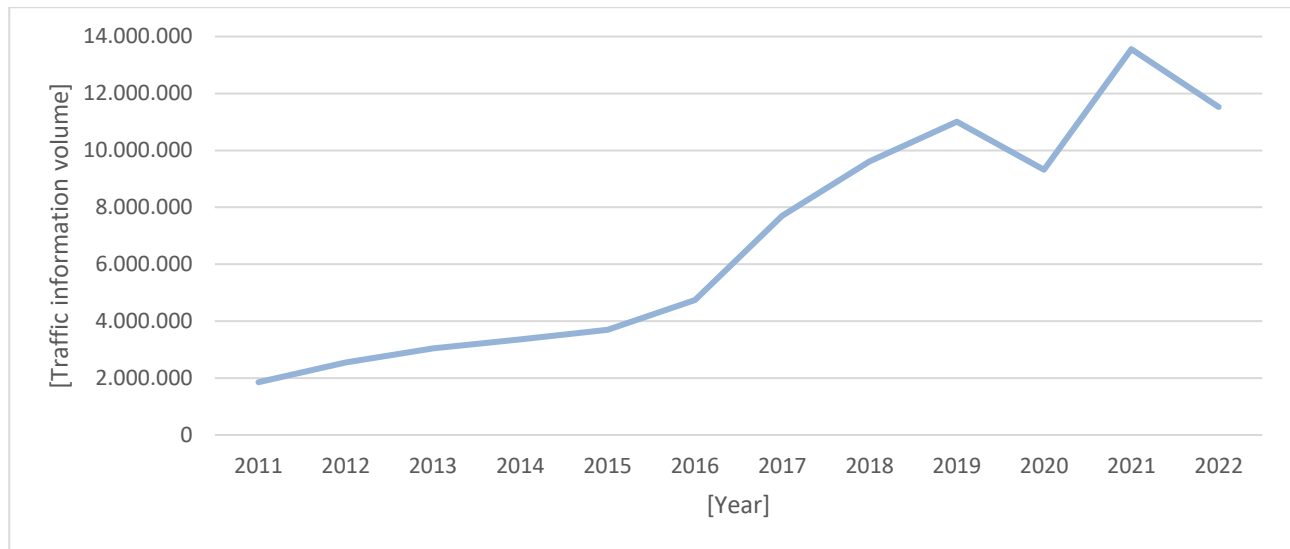
It is now possible to create your own user account (My Profile/Login), through which users can subscribe to information by email, e.g. weekly traffic forecasts, special warnings for trucks, etc.

In the past 15 years, the Traffic Information Centre (TIC):

- sent over 530,000 pieces of information on events occurring on the national road network: on average, 35,515 a year, 2,959 a month and 98 a day,
- received over 1,000,000 calls in the last eight years alone, while the website was visited by over 11,000,000 different users in that period.

The growth of traffic and events is reflected in the difference between events in the first year of TIC operations (2006) and those that occurred in 2022. In 2006, PIC reported on 11,545 events, and on 50,093 events in 2022. Due to the covid-19 crisis, the number of events was reduced in 2020, in 2021 it came close to the number in 2019, and in 2022 the number was exceeded. This means that the need for traffic information is increasing again. Despite the lower number of events, the information channels were used to a greater extent in 2021 than in 2019. The activities of the Traffic Information Centre and the PR department of DARS are a major factor in the promotion of traffic information.

Figure 44: Active use of traffic information



A demonstration of the active use of traffic information shows the use of several channels through which users access traffic information (Internet, Twitter, Facebook, the mobile phone app and calls made to the TIC).

Due to the COVID-19 epidemic situation, the active use of traffic information provided by the TIC in 2020 decreased to the level from 2018. This was significantly decreased in the traditional media, and the jump in 2021 was extreme, partly due to the quiescence the year before. In 2022, the trend was back to pre-2020 levels and we expect moderate growth in the future.

International traffic management (TMP)

DARS has cooperated with neighbouring countries in international traffic management for several years.

In 2022, motorway operators in Slovenia (DARS MCC) and the neighbouring countries used the TMP system several times to notify each other and coordinate actions. It has proven to be a good tool that improves and speeds up mutual communication; however, advancements in digitalisation dictate the continuous adaptation and upgrading of the system.

This is the first fully digitalised system for international traffic management in Europe. This is a major step forward towards faster and internationally harmonised information provision and traffic management on the main road connections in that part of Europe. Furthermore, it enables a much-improved response to major unforeseen emergencies requiring immediate operative international coordination.

Motorway network traffic management (Slovenian TMP)

In 2022, we successfully activated the national traffic management plans designed to improve actions and traffic redirection operations in the event of motorway closure. They were harmonised with the SIA and the police, and the experience gained in drafting international plans has been a great help in their production. The national plans serve as a basic guide for road operators in cases where traffic is redirected to a parallel road network due to emergencies.

I.5.4.7 Conformity in relation to the impacts of products/services on safety and health³⁴

DARS has placed great emphasis on the preventive identification of potential risks affecting the safety and health of all Company stakeholders for a number of years, which is reflected in the technical measures adopted on the road, in the acquisition of new work equipment and in organisational measures. The basis is the relevant legislation and a risk assessment for the employees' health and safety setting out measures and guidelines to prevent the deterioration of health on the part of the relevant stakeholders (employees, outsources, users, etc.). The measures are described in detail within the scope of point I.5.5.5 *Health and safety of employees*.

In 2022, as well as in the previous three years, no inspection measure was imposed on DARS d.d. by the Labour Inspectorate of the Republic of Slovenia.

In terms of the environment and energy, no major deviation from the legal and other requirements was identified. In 2022, 60 inspections were carried out and 29 inspection decisions were issued that refer to the topic of the environment.

I.5.4.8 Customer privacy³⁵

DARS is paying particular attention to being compliant with the applicable regulations governing the area of personal data processing. The data protection officer at the Company has been appointed.

We treat the personal data of our employees, business partners and other stakeholders in our business processes with care and respect their privacy. We collect, process and store personal data only for specified, clear and legally permissible purposes and to the extent strictly necessary.

Hardware and software are protected in line with the internal acts and principles for managing access to information solutions.

Different forms of employee training and awareness are carried out, since well-informed employees can contribute significantly to the compliance of personal data processing.

The information commissioner did not introduce any new inspections against DARS in 2022. Two previously initiated proceedings were suspended, and one minor offence decision was issued based on the findings in one of the proceedings, whereby a warning was issued for the minor offence, both to the responsible person and to DARS as the legal entity.



³⁴ GRI GS 2-27, 3-3, 416-2, 417-1.

³⁵ GRI GS 3-3, 2-27, 418-1.

1.5.5 Sustainable relationships with employees³⁶

Engaged and competent employees are one of the three strategic guidelines of DARS deriving from the DARS Strategy for 2021–2025. The key strategic goals within the scope of that strategic guideline are:

- continued enhancement of employee engagement and competence,
- leadership development and
- the provision of occupational safety and the promotion of employees' health.

DARS is well aware that highly motivated, engaged and properly trained employees are the key to success and crucial for achieving and surpassing the set strategic goals. It is the employees who create the key added value for our organisation with their knowledge, engagement and commitment, which is why:

- the Company enables employees to strengthen their competencies on an ongoing basis within the scope of in-house and external training, thus promoting their professional and personal development;
- the Company provides for the development of managers and their competencies, encouraging them on their path to leadership;
- we ensure the safety and health of employees;
- employees can coordinate their family life and job duties more easily within the scope of measures deriving from the full Family-Friendly Company certificate;
- proposals for improvements and sound ideas of employees are considered and awarded;
- recognitions and commendations of employees are awarded for their achievements and efforts at work;
- the Company ensures sound intergenerational cooperation;
- upon difficult life challenges, employees are provided with a high level of social security, solidarity aid, psychosocial support and counselling;
- the Company protects the employees' dignity at work using the relevant internal rules and acts, which are implemented consistently, and has zero tolerance towards any form of violation of human rights and dignity.

1.5.5.1 Key data on employees³⁷

Key data on employees has been collected on the basis of HR records.

Table 11: Key data on DARS employees for 2020–2022

	2020	2021	2022
Status of employees at DARS			
Number of employees at DARS - incl. replacements	1,269	1,234	1,256
Number of employees at DARS - excl. replacements	1,263	1,233	1,252
Demographic data on employees			
	2020	2021	2022
Average age of employees	46.4 years	46.9 years	47.2 years
Share of women employed	25.5%	25.2%	25.5%
Number of men employed	946	923	936
Number of women employed	323	311	320
Employee educational structure			
	2020	2021	2022
Share of employees with up to level 4 education	35.5%	35.3%	34.8%
Share of employees with level 5 education	32.2%	31.8%	31.4%
Share of employees with level 6 education	18.7%	18.9%	19.7%
Share of employees with level 7 or higher education	13.6%	14.0%	14.1%

³⁶ GRI GS 3-3.

³⁷ GRI GS 2-7, 201-3, 405-1.

Social security of DARS employees	2020	2021	2022
Number of solidarity benefits granted	53	58	51
Number of employees with disability status	46	48	55
Number of procedures introduced for disability recognition	19	27	30
Number registered in voluntary pension insurance	52	23	66
Share of sick leave	6.56	6.76%	7.55%
Employee development – education and training	2020	2021	2022
Scope of education in hours per employee	10	9	12.50
Value of education per employee	132	111	133.87
Number of participants in education	1,788	1,781	3,938

All the employees who entered into an employment relationship with the Company have the chance to choose a collective supplementary pension insurance scheme of their choice in one of the three pension fund managers.

I.5.5.2 DARS is a reputable employer³⁸

The Company has been one of the most reputable employers in Slovenia for a number of years according to research conducted by the MojeDelo.com agency. Job seekers and experts see employment at the Company as interesting, providing a well-organised and responsible working environment and a high level of economic and social security.

Staffing at the Company is based on a prudently and carefully prepared systemic procedure to select the best human resources. After an employment relationship has been concluded, the adequacy of the selected candidate is monitored for a trial period, thereby validating the success of the procedure. Career development is provided to employees through:

- performance measurements and additional bonuses;
- horizontal promotions at the workplace;
- internal and external training provided to employees to develop their expertise, skills and competencies with possibilities for career advancement within the organisation;
- employees who decide to obtain a higher level of education during work are offered the chance to have their study co-financed and to take paid time off work for their study requirements, and
- vertical advancement within the scope of the in-house labour market based on the internal job openings and succession plan.

Most processes at DARS are conducted by Company employees, while investments and the management of the DarsGo system are conducted by contractual partners.

I.5.5.3 Employees realise the Company mission³⁹

Recruitment

In order to achieve the set business objectives for 2022 and uninterrupted operations, the Company recruited new people pursuant to the adopted Operative implementation section of the HR plan for 2022. A total of 90 external and 20 in-house vacancy notices were published in 2022, i.e. a total of 110 vacancies. In 2022, 45 employees left DARS, while 67 persons were recruited.

³⁸ GRI GS 404-3.

³⁹ GRI GS 2-7, 3-3, 405-1.

At the end of 2022, DARS employed 1,256 workers, which is 22 more than the previous year.

Figure 45: Number of employees at DARS from 2018 to 2022

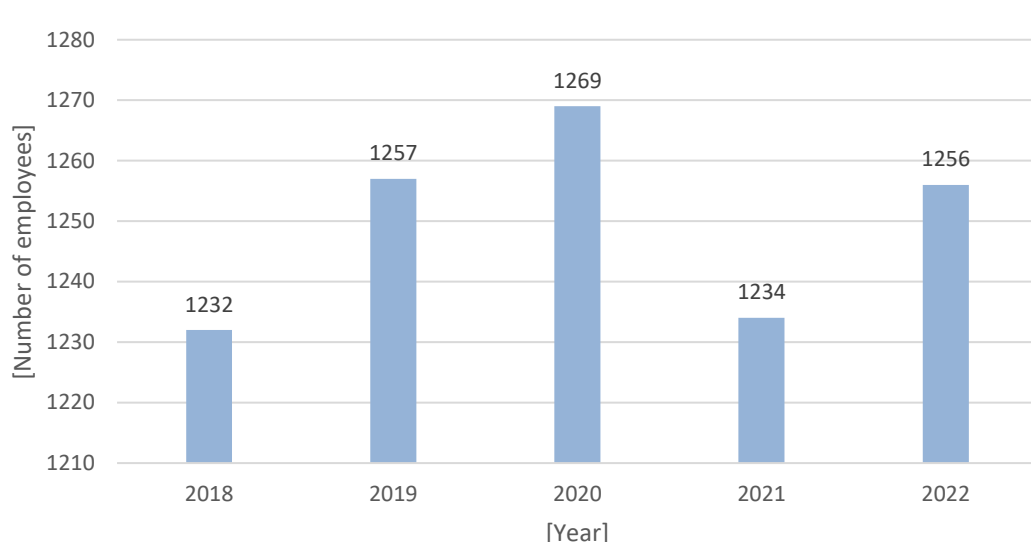


Figure 46: Employees at DARS with respect to education level as at 31 December 2022 (%)

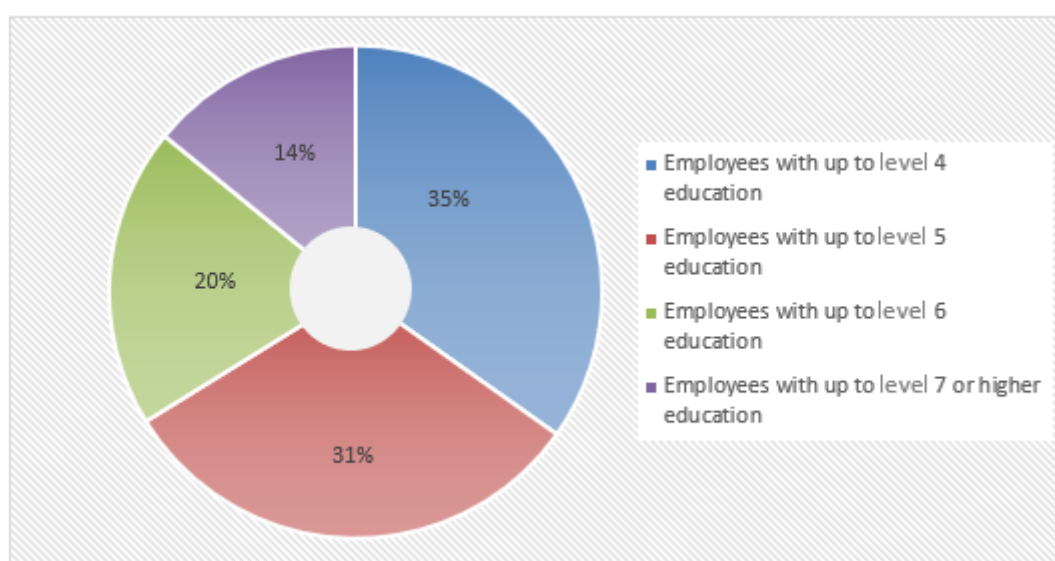


Table 12: Employees at DARS with respect to the type of employment (part-time, full-time) as at the last day in 2022

Type of employment in respect of working hours	2018		2019		2020		2021		2022	
	number	(%)	number	(%)	number	(%)	number	(%)	number	(%)
Part-time	11	0.9	11	0.9	17	1.3	18	1.46	25	2
Full-time	1,221	99.1	1,246	99.1	1,252	98.7	1,216	98.54	1,231	98
Total	1,232	100	1,257	100	1,269	100	1,234	100	1,256	100

Table 13: Employees at DARS with respect to the type of employment (temporary, permanent) for 2018–2022 (as at 31 December)⁴⁰

Type of employment	2018		2019		2020		2021		2022	
	number	(%)	number	(%)	number	(%)	number	(%)	number	(%)
Fixed-term	4	0.3	12	0.9	15	1.2	8	0.65	10	0.80
Permanent	1,228	99.7	1,245	99.1	1,254	98.8	1,226	99.35	1,246	99.20
Total	1,232	100	1,257	100	1,269	100	1,234	100	1,256	100

Under the Collective Agreement, DARS employs 99% of all employees on a permanent basis. The remaining part of the employees include members of the management board and some directors of certain areas.

Table 14: DARS employees with respect to the type and form of employment in 2022 by gender

Type of employment	Men	Women	Total
Permanent	929	317	1,246
Fixed-term	7	3	10
Form of employment in respect of working hours	Men	Women	Total
Full-time	928	303	1,231
Part-time	8	17	25

Table 15: Parental leave and part-time work in 2022⁴¹

	Women	Men	Total
No. of employees on parental leave in 2022	13	2	15
No. of employees who came back from parental leave	6	2	8
No. of employees who came back from parental leave and still worked for the Company after 12 months	6	2	8
The rate of reinstatement and the rate of employee retention after the end of parental leave are at 100%.			
No. of employees working part-time	4	0	4

Table 16: Fluctuation⁴²

	2018	2019	2020	2021	2022
Fluctuation in %	7	3	3.25	4.63	3.71

The main reasons for the fluctuation in 2022 were retirement and the mutual termination of employment. The Company recruited 67 persons, while 45 employees left, mostly aged between 51 and 60.

⁴⁰ GRI GS 2-30.

⁴¹ GRI GS 401-3.

⁴² GRI GS 401-1.

Table 17: Fluctuation by age, gender and region in 2022⁴³

REGION	up to 40 years		41 to 50 years		51 to 60 years		TOTAL
	Men	Women	Men	Women	Men	Women	
Osrednjeslovenska	0	0	4	4	6	3	17
Dolenjska	0	0	0	0	0	0	0
Gorenjska	1	0	1	0	1	2	5
Primorsko-notranjska	4	0	3	0	4	1	12
Štajerska	4	0	2	0	5	0	11
TOTAL	9	0	10	4	16	6	45

Table 18: Recruitments by age, gender and region in 2022⁴⁴

REGION	up to 30 years		31 to 40 years		41 to 50 years		51 and more		TOTAL
	Men	Women	Men	Women	Men	Women	Men	Women	
Osrednjeslovenska	2	3	6	6	6	3	3	0	29
Dolenjska	1	0	1	0	0	0	0	0	2
Gorenjska	3	1	3	0	3	0	0	0	10
Primorsko-notranjska	3	1	3	0	3	0	0	0	10
Štajerska	7	1	3	3	1	1	0	0	16
TOTAL	16	6	16	9	13	4	3	0	67

The average total length of service of Company employees in 2022 amounted to 25.5 years, while the length of service of employees at DARS alone amounted to 15.7 years.

Figure 47: Employees at DARS with respect to age as at 31 December 2022 (%)

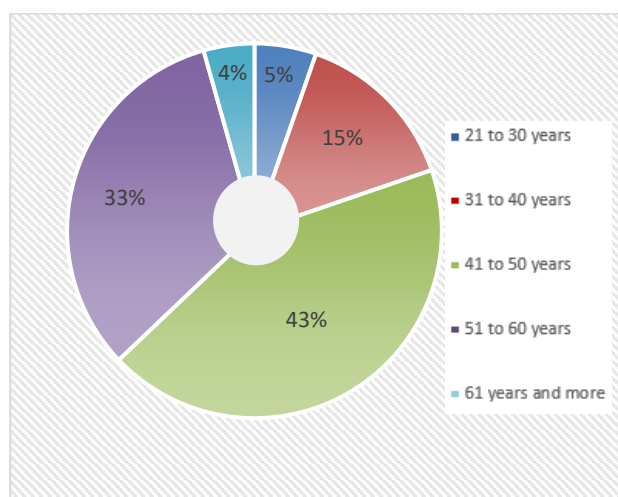
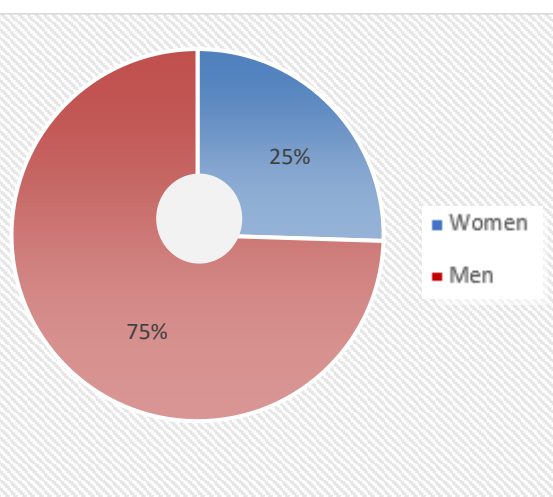


Figure 48: Employees at DARS with respect to gender as at 31 December 2022 (%)



⁴³ GRI GS 401-1.

⁴⁴ GRI GS 401-1.

Figure 49: Employees at DARS by gender, age and region of employment as at 31 December 2022⁴⁵

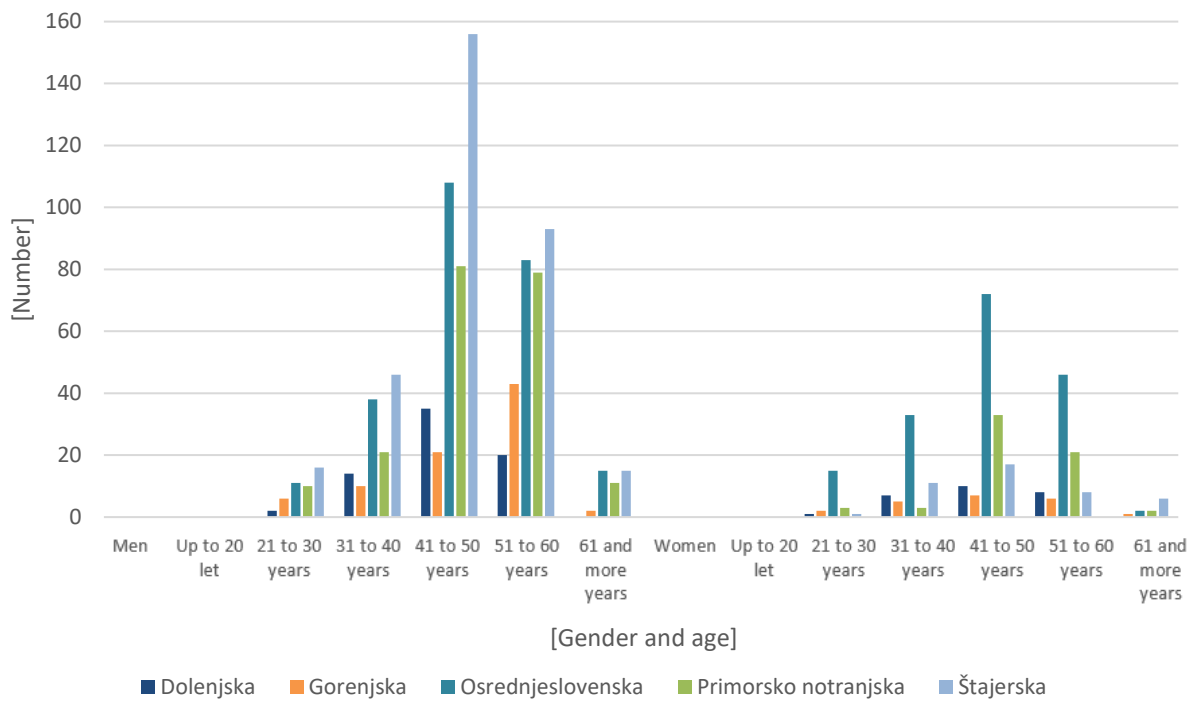
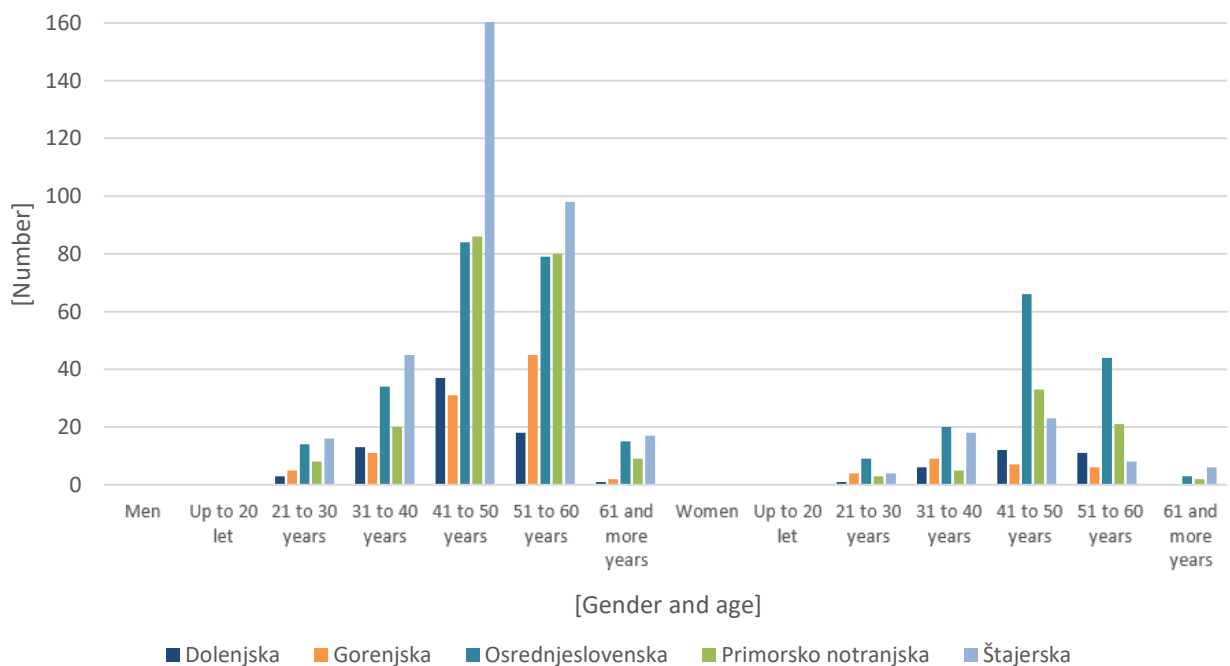


Figure 50: Employees at DARS by gender, age and region of residence as at 31 December 2022⁴⁶



⁴⁵GRI GS 405-1.

⁴⁶GRI GS 405-1.

1.5.5.4 Knowledge is the basis of our successful operations⁴⁷

Without constant learning and obtaining new knowledge, the world would stagnate. Knowledge broadens one's horizons, provides an impulse for developmental change and fuels advancements. DARS is very much aware of this and it appreciates the knowledge of its associates and manages it in a responsible manner. Skilled and well-qualified employees are the basis for efficient and successful Company operations, which is why DARS strives to ensure the continuous development of knowledge, abilities and skills for its employees. We offer our employees education and training sessions both within and outside the Company in various forms. It is a systematically organised process at the Company that aims to meet the requirements of work processes and employee interests in upgrading their expertise, thus achieving personal growth.

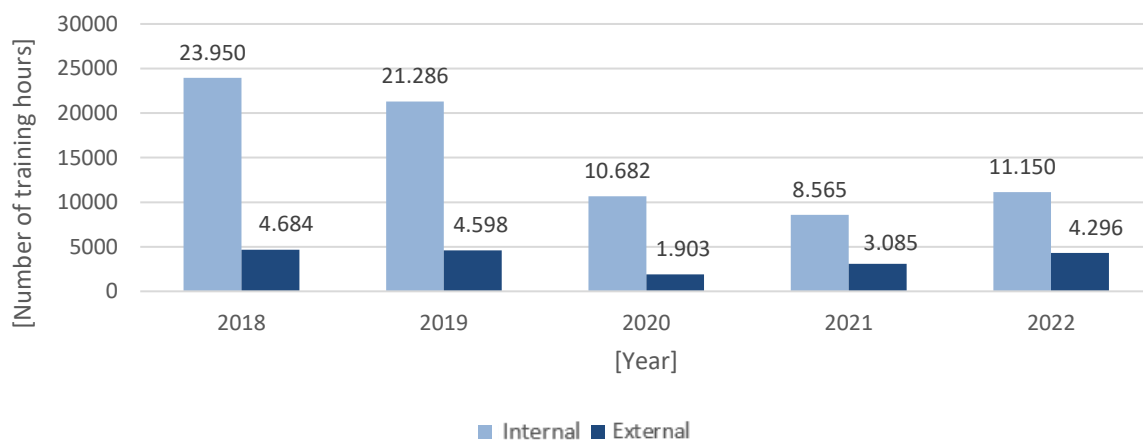
Investing in people because it is a sound investment

The success of the Company is brought about by people who know how to and are willing to achieve the set goals, people who care about the quality of the work performed and the satisfaction of the users. Such people evolve within the organisation and develop, grow and become a part of the organisation through challenges. Their professional and personal growth also represents the growth of our organisation, which is why investing in the knowledge and development of our colleagues is actually investing in the development of our Company. This is an investment with which DARS is successfully realising its strategic goals and managing the challenges and risks of the modern and rapidly changing environment.

Training and education sessions in 2022 were a continuation of the trend in computer literacy. The covid-19 epidemic in previous years increased the awareness of the importance of the digitalisation of operations and intensified the efforts that our company should develop appropriate business processes and the computer literacy of all employees in order to have undisturbed operations. All of this was also used to provide most of the education and training sessions in digital and electronic form through various educational portals and platforms. With the goal of giving employees the necessary and desired additional knowledge and skills to make them more successful and independent in their use of digital technology, we began measuring their digital competencies in 2021 and, based on that, provided systematic and targeted training in computer knowledge that was tailored to the employees, which mostly marked the year 2022. In 2022, we also started using our own e-portal for independent learning and training purposes, where employees are able to obtain knowledge in various contents to develop their professional and personal competencies.

By organising in-house training through live, online or e-training courses, we want to give as many employees as possible the opportunity to gain knowledge and skills for both professional and personal development. To our experts and employees who need to keep up with developments in the profession and the regulatory and technological changes for their work, we provide opportunities to acquire highly technical and specialist skills outside our Company and abroad.

Figure 51: Number of training hours at DARS in the 2015–2022 period



⁴⁷ GRI GS 3-3, 404-1, 404-2.

The first third of 2022 was still under the restrictive measures due to the coronavirus, which also affected the scope of the training sessions. In light of the above, the Company managed to realise a total of 15,446 training hours in 2022, which is 33% more than the year before. In-house training represented the greatest share – 72%, while external training represented 28%. 3,938 employees participated in the training, and each employee trained for an average of 12.5 hours. The number of those participating in training sessions was 121% higher than the year before, mainly due to the lifting of coronavirus restrictions and the improved accessibility of the training sessions on the newly established e-education portal.

Table 19: Number of participants in education and training at DARS in the 2018–2022 period

No. of participants/year	2018	2019	2020	2021	2022	2022/2021 index
In-house education and training	2,244	3,275	1,594	1,535	3,592	234
External education	306	379	194	246	346	141

Table 20: Number of training hours at DARS in 2022 by gender⁴⁸

	Number of employees	Total number of training hours	Number of training hours per employee
Men	936	10,397	11
Women	320	5,049	16

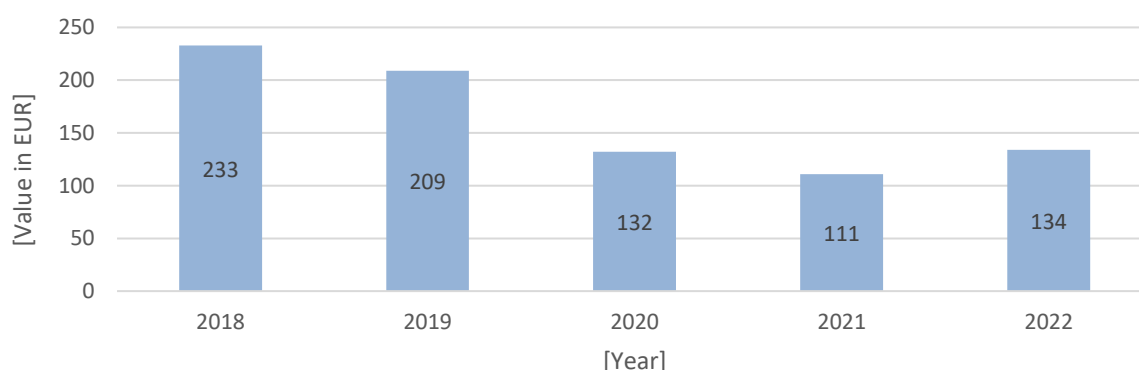
Education and training sessions for employees were organised in various forms, which enabled reaching the highest number of participants and the efficient transfer of new know-how. Live internal education sessions still hold the highest share in terms of the number of training hours (42%), followed by external education sessions (25%) and education sessions through digital connections (33%). E-education plays an important role in this, which was introduced at the start of the year and has a 15-percent share in the total number of training hours.

Table 21: Number of training hours at DARS in 2022 by employee category⁴⁹

Employee category	Number of employees	Total No. of training hours	No. of training hours per employee
Operative workplaces	960	7,609	8
Overhead expert workplaces	296	7,837	26

In 2022, the value of the external training per employee amounted to €63, while the value of in-house training per employee amounted to €71.

Figure 52: Value of the funds spent on training per employee in the 2018–2022 period



⁴⁸ GRI GS 404-1.

⁴⁹ GRI GS 404-1.

Promoting education

A higher education enables better understanding and gives new opportunities for personal and professional development, which is why we are encouraging our workers to educate themselves while working to obtain a higher level of education. Employees who want to improve their level of education and enrol in work-study programmes are supported by co-financing their tuition fees and granting them paid leave of absence for their study commitments. In 2022, the Company co-financed tuition fees for 15 employees, and granted 23 employees paid educational leave of absence for study obligations.

Helping with the first steps on the job⁵⁰

We are aware that first impressions and work experiences are vital for employee engagement, focus on development and the constructive cooperation of young people in the work process that they enter after graduating. This is why DARS strives to help secondary school and university students obtain practical experience, providing them with a realistic and professional insight into the field they are educated in. In 2022, eight secondary school and university students were accepted for internship in cooperation with educational institutions.

No. of participants/year	2018	2019	2020	2021	2022	2022/2021 index
Internship	25	12	11	11	8	73

Knowledge has true value when it is shared with others

In cooperation with the Slovenian Traffic Safety Agency and the Police, safe driving lessons were provided free of charge in 2022 to two-wheeled vehicle riders. These are lessons where bike riders can refresh their knowledge and safe driving skills before the start of the main bike season. There is a lot of interest from participants, which shows that bike riders are aware that road safety takes priority when enjoying oneself on a motorbike. A total of 110 bikers took the lessons on three dates, as much as the weather allowed.



HR development

HR development in 2022 was focused on developing key staff. Key staff are above-average workers with vast professional know-how and skills, as well as managers. The latter were subjected to the assessment of managerial and social competencies in 2022, with the aim of preparing an individual development plan for each manager. The results are also used to analyse the management situation in the company and to prepare programs for the further systematic development of managerial competencies.

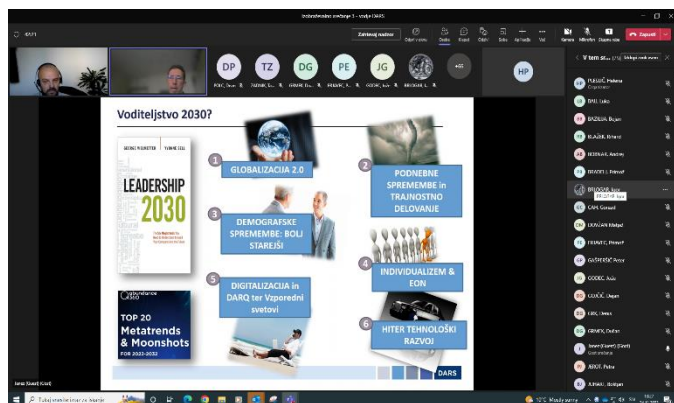
Digital competencies proved to be vital for the efficient performance of work in a modern and current business environment in previous years. In order to identify any gaps in computer and digital tool use, we continued to measure the digital competencies of employees in 2022, and we also carried out targeted computer training sessions with the purpose of eliminating any gaps in digital competencies.

In order to ensure qualified staff in the future, we at DARS have introduced scholarships to high school and university students for jobs where we estimate new employments in the future, while sourcing workers is difficult due to the lack of workers on the market.

⁵⁰ GRI GS 2-8.

Employee management is a responsible task

A large scope of changes has been noted in the management area in the last couple of years. Management is becoming a complex task both in realising the strategic goals of the organisation in the rapidly changing environment, as well as due to direct operations with subordinates, whereby challenges are emerging, such as managing different generations of colleagues, the directness and dynamics of young colleagues, changes in work organisation due to the digitalisation of operations, remote management, etc. All this has an important impact on leadership and the work of the leader. The leader is required to spend more time and attention managing changes in the working processes and to adjust the work organisation to the new changes, which requires time and energy and was, until recently, spent on direct leadership and communication with subordinates. We are aware that there is a gap present in leading, with a direct impact on the motivation and commitment of employees, which is why we are carrying out various activities to support leaders in their responsible work.



We invite leaders to participate in short internal training sessions, which are organised up to twice per month in online form. Current challenges are being discussed at training sessions concerning working with employees, and various leadership trends and approaches are presented. DARS leaders are given professional support and guidance for successful leadership tasks. Leaders are also included in other forms of training, such as coaching and various workshops. In addition to the above, leaders are also given the VODJA DARS newsletter, which gives them

up-to-date information and additional professional guidance and support.

Rewarding achievements and the engagement of Company employees

We are monitoring the engagement, work achievements and successes of employees. Every year we choose those employees who contributed the most to our common mission, and we reward them accordingly. In 2022, 52 employees received jubilee awards for 20 or 30 years of service at DARS, and 20 employees received recognitions for exceptional work achievements and hard work. We also rewarded one employee for reported improvement or innovation. There were three recipients of the golden award for lifetime achievements in 2022 who, through their long-term and committed work, have left a strong mark on our workplace.

Respecting the family life of employees

The Company has been the holder of the full Family-Friendly Certificate for a number of years and as such offers employees various measures to better coordinate their work and family life. They greatly appreciate the possibility of flexible arrival and departure times from work with fixed central working hours, which enables those who have children to carry out their family and job duties more easily. Employees' children always receive gifts upon birth and during the Christmas and New Year's holidays.



In 2022, we focused more on supporting employees with mental issues because the previous years, marked with coronavirus restrictions, have left a mark in terms of loneliness and isolation. With the aim of eliminating any concerns and stigma regarding the utilisation of psychological support and counselling, free and anonymous psychosocial support was offered to workers at all major locations, which DARS has been offering to its employees for several years. It was easier for employees to accept the offered help and use the services of psychological support and counselling.

Social security of employees is the cornerstone of trust and belonging

In accordance with the applicable labour legislation, the Collective Agreement and other adopted internal acts of the employer, DARS continued in 2022 to implement the established good practices that contribute considerably to improving the social security of the employees and the status of future retired persons. The social security of employees is the foundation upon which employee trust, loyalty and professional development can be built.

The employer enabled the option of inclusion in collective supplementary pension insurance for all employees in 2022, which serves as an important and long-term aspect in the provision of social security to employees.

We also continued to exercise professional and responsible care to ensure that all the measures taken in respect of employees involved in disability procedures, changed work capacity procedures, retirement procedures and support for those employees who were in a difficult life situation and needed solidarity aid were handled accurately and fully. There were 30 disability procedures pending in 2022, whereby 12 employees were granted a disability status anew.

We also actively monitor the health of our employees, recognising that a deterioration in their health has a major impact on the implementation of work processes and the quality of life of employees. In 2022, justified absence from work amounted to 7.55% with respect to regular work, up 0.79% compared to the previous year. In caring for the health of employees, DARS carried out regular activities aimed at promoting health, and in October 2022 it also offered additional health insurance to its employees, who can utilise the necessary health and special examinations faster and receive proper treatment.

In 2022, 18 employees retired, while 36 employees continue to work after reaching the pensionable age for the statutory retirement pension. The Company also signed 25 contracts with its retired employees for part-time or occasional work.

1.5.5.5 Health and safety of employees⁵¹

Occupational health and safety management system⁵²

Employees at the Company are performing a wide range of work in construction, tolling, and the operation and maintenance of motorways and expressways. Diverse work processes, the geographical distribution and several dangers at work also call for appropriate expert support for the provision of occupational health and safety for leaders and employees, which is provided by four engineers from the Occupational Health and Safety Service. The occupational health and safety system includes employees with their representatives in the Workers' Council, where the Occupational Health and Safety Committee has been appointed. The core legislative requirements are set in the Health and Safety at Work Act and in subordinate acts.



Hazard identification, risk assessment and accident investigation⁵³

Identifying and assessing new risks for the health and safety of employees is a day-to-day process at the Company. Employees are encouraged to report to their superiors and directly to Occupational Health and Safety about deficiencies, dangerous phenomena and incidents without reservations. Received information about incidents and dangerous phenomena when the life of workers was or could have been threatened at work, as well as the circumstances that led to accidents with injuries sustained by workers, are analysed in the service and new measures are proposed.

Occupational health services⁵⁴

We have five contracts for occupational health services with health facilities near our units in Slovenia. As is applicable for practically all branches in healthcare, there is also a lack of specialists in occupational medicine. Retirements of occupational medicine specialists are an increasing problem because there are practically no new specialists. There are delays and problems because doctors who temporarily replace those absent are not familiar with the work. Due to the changes in technological processes (the introduction and control of e-vignettes) and job classifications, we wish to obtain new professional bases for risk assessments (health analysis of jobs); however, employees at the Ljubljana primary health care centre (who are the only ones providing health inspections to DARS employees) are unable to make them in such conditions.

⁵¹ GRI GS 2-27, 3-3.

⁵² GRI GS 403-1.

⁵³ GRI GS 403-2.

⁵⁴ GRI GS 403-3.

Worker participation, consultation and communication on occupational health and safety⁵⁵

Employees are involved in issues concerning their safety at work through the Workers' Council, which has set up a special occupational health and safety committee. Employees' initiatives are discussed at committee meetings with representatives of Occupational Health and Safety and included in further consultation procedures (meetings between the Workers' Council and the Management Board). Last year, we harmonised the workers' request to change annex 1 to "Rules on the eligibility and use of the personal protection equipment at the workplace" at two committee sessions.

Worker training on occupational health and safety⁵⁶

In 2022, we renewed the first aid training of 276 workers at the Red Cross. The Occupational Health and Safety Service workers carried out their periodic training for safe work and fire protection for workers in the tolling area. The maintenance crew will carry out their periodic training in 2023.

Promotion of worker health⁵⁷

DARS has adopted a five-year plan for health promotion. The key purpose of promoting health is to preserve and strengthen the physical and mental health of employees. In 2022, activities were focused on managing stress and mental distress, and preserving physical fitness. With the aim to enable broad recreation options to employees, we established the DARS Sports Club in 2021, which organised recreation activities in gyms last year (ball games, badminton, fitness, guided exercises, bowling and swimming), as well as cycling tours, hiking activities, skiing days, rafting, everything that has a positive impact not only on their health, but also on improved interrelations. More than 440 employees and their family members have already joined the club, and the number of members is increasing.

The prevention and mitigation of occupational health and safety is directly linked to business relationships⁵⁸

Maintenance crews and toll inspectors perform work on the road alongside running traffic. Their safety is endangered by drivers speeding and not observing the traffic signs posted. Accidents occur involving collisions with traffic signs and Company employees. The Company therefore dedicates a great deal of attention and funds to the enhanced provision of information to users regarding road works (traffic information in the media, the Kažipot application, notices on gantries and other traffic signs) and the enhanced protection of employees with traffic closure signs that include crash cushions. Despite this, there were 15 crashes into road work sites in 2022, with no injuries sustained by our workers. We have been offering collective accident insurance to our employees for several years, and since last year, employees and their loved ones can also opt for the additional collective health insurance Varuh zdravja. Insurance includes consultations with a general practitioner (24/7/365), quicker access to specialist health services, diagnostics, specialised clinics, surgeries, second opinions, physiotherapy sessions, and psychological support.

Accidents at work⁵⁹

26 workplace accidents were reported to the Occupational Health and Safety Service in 2022, which is 5 fewer than the year before (31). 22 maintenance workers, 3 toll supervisors and 1 student (Head Office help) were injured. The injuries did not result in workers' disability, 6 workers took prolonged sick leave of over 30 days, and in 2 cases the workers only sustained minor injuries and did not need sick leave.

The 499 working days lost due to injuries in 2022 are the fewest in the last 11 years. Because there were fewer workplace injuries last year compared to the years before, the total sick leave due to workplace injuries (considering the continuation of treatment of three persons injured in 2021) was also the lowest since 2017. All the employees who were injured in 2021 completed their treatment last year, while 6 workers that were injured in the last months of 2022 are still undergoing treatment.

Each accident at the Occupational Health and Safety Service is analysed and measures are proposed in order to eliminate the cause of the accident to prevent repetition.

⁵⁵ GRI GS 403-4.

⁵⁶ GRI GS 403-5.

⁵⁷ GRI GS 403-6.

⁵⁸ GRI GS 403-7.

⁵⁹ GRI GS 403-2, 403-9.

Figure 53: Number of people injured at work

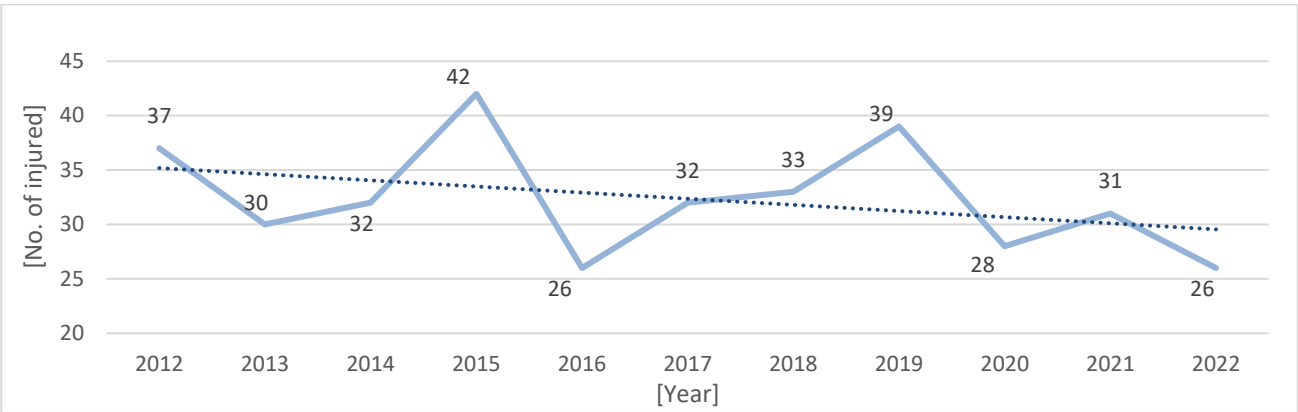
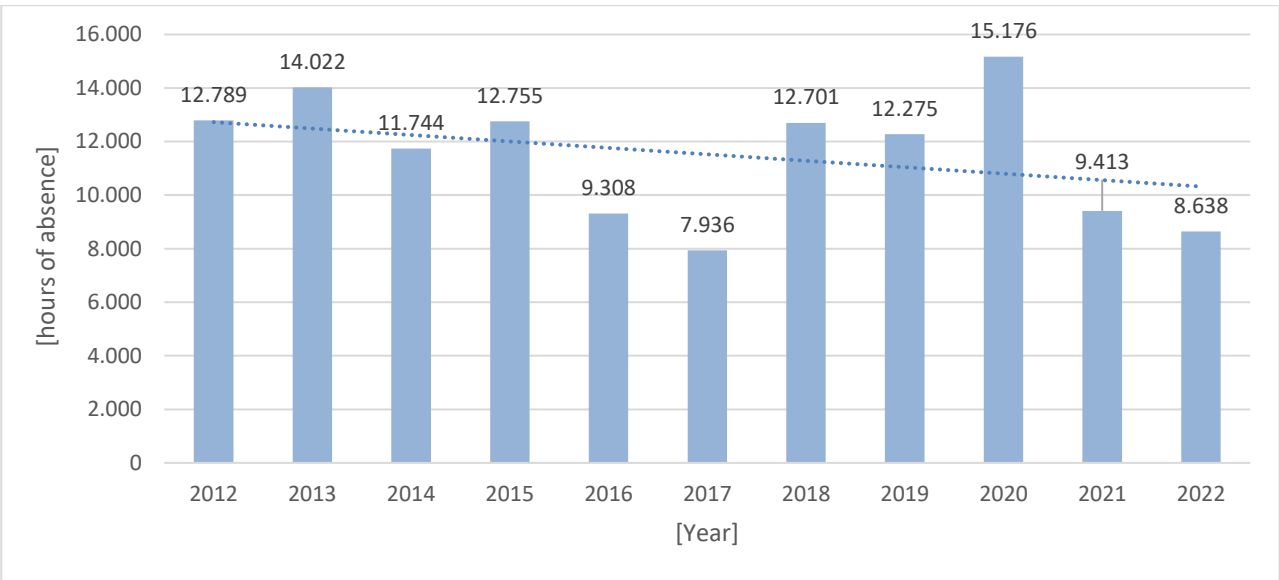


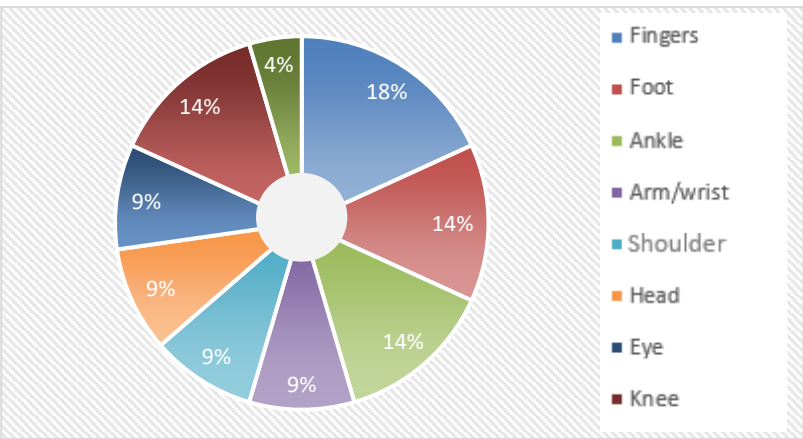
Figure 54: Sick leave due to work injuries



Accidents involving injuries suffered by maintenance crews

In 2022, the most common accidents involving maintenance crews were injuries to the fingers (4x), to the foot (3x; cut, press against an object), knee and ankle, and 2x to the head, eye, hand and wrist. One worker damaged his hip during a fall accident.

Figure 55: Injured body parts



In 2022, the most common injuries resulting in prolonged sick leave included being struck by an object or being crushed against an object (5) and slips and falls when walking on a slope (4).

Figure 56: Circumstances and number of accidents resulting in injuries

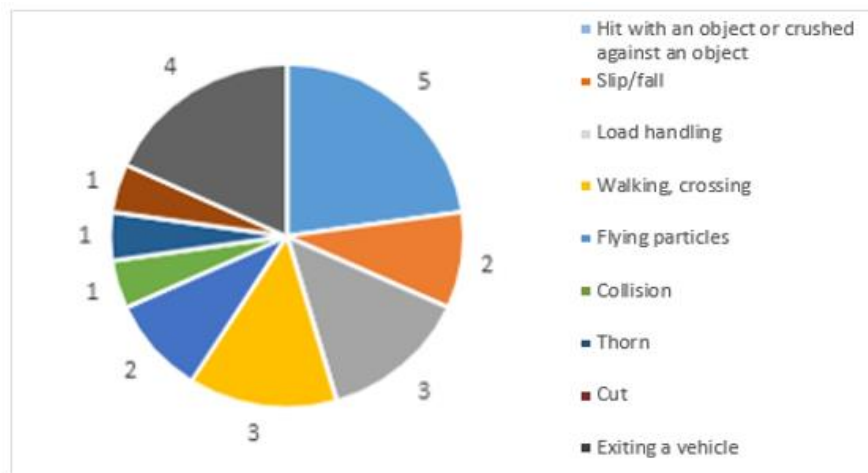


Table 22: Occupational safety indicators in 2022

Occupational safety indicators for persons involved/year	Number
Average No. of all employees	1,239
No. of hours worked	2,612,345
Number of injured employees	26
Accidents resulting in a fatality	0
of which seriously injured (disabled)	0
Employees on sick leave for more than 30 days	6
Frequency index = No. of all employees injured x 100/No. of employees	2.08
Disability index	0.4
Average No. of days lost per employee	19.2
Severity	1.99
Average duration of absence	
Level of work-related injuries (No. of injured employees/ no. of hours worked) x 200,000 hours	

Work-related ill health⁶⁰

The Company has recorded no case of work-related ill health, though multiple workers have health restrictions for work. Doctors have also highlighted the issue of musculoskeletal and connective tissue diseases. It has been estimated that such disorders result mainly from the ageing of the Company manpower (degenerative changes). Without doubt, they are also affected by work in unfavourable weather conditions (wind, rain and snow), which cannot be avoided in road maintenance.

⁶⁰ GRI GS 403-10.

1.5.5.6 Organisational climate and employee satisfaction and engagement⁶¹

The organisational climate emanates commitment to quality

DARS measures the organisational climate and employee satisfaction every year. We believe that employees can only optimally develop their potentials and motivation in an organisation in which they feel good. This is why continuous efforts are being made – while the results guide us in such efforts – to preserve those organisational advantages that promote creativity, a sense of belonging and motivation in employees, and to improve areas where there are opportunities for development in the working environment.

Our organisational climate recognises that employees respect good and quality work, innovation and initiative, show motivation and engagement, and that there are higher expectations of the rewards system, career development and internal communications.

Employee satisfaction and engagement are the power of our organisation

Employee satisfaction and engagement give power and stability to the working processes because a satisfied and committed employee with a positive impulse may perform their work and overcome working challenges. Being aware of the above, we are implementing appropriate measures to improve employee satisfaction and engagement and this obliges us to have deep respect and responsibility for employees and to build new opportunities for their career and personal development.

Regardless of the above, the satisfaction score of employees is lower in 2022 compared to the previous year. This is mostly due to the circumstances surrounding the coronavirus measures, which deteriorated further due to the feeling of uncertainty because of the new economic crisis. To improve the satisfaction of employees, certain new measures were formed and adopted, aimed at the internal organisational factors of employee satisfaction.

Elderly employees constitute a treasure box of know-how at DARS

Elderly employees constitute a pillar of know-how at DARS. Demographic changes are also reflected in our organisation because the share of older employees is increasing, thus also increasing our average age of employees, which is currently at 47.2 years. We are aware of the importance of having elderly employees, which is why we have been implementing various activities for several years in order to promote their inclusion, and we are adjusting and rewarding the skills and knowledge of the older employees to new work requirements, especially in the area of digital competencies. In 2018, we actively participated in the project of providing comprehensive support to companies for the active ageing of the labour force – ASI project – where it was recognised as a best practice example. We honestly appreciate and respect the knowledge and work of the older workers because they represent a steady pillar of knowledge and experience. Because we value their work, we allow our employees to continue to participate in our business after they retire. In 2022, 25 of the Company's retired employees continued working with us under a contract on part-time employment and occasional work.

Offering employees additional benefits and solidarity aid⁶²

- DARS pays additional funds for supplementary pension insurance for all employees, i.e. €44.65 per employee and further contributes 25% to the employee's own contribution.
- In 2022, employees have health insurance under favourable conditions, which allows them to have quicker access to the necessary health inspections and treatment.
- Employees have accident insurance under favourable terms.
- DARS helped 51 employees in distress in 2022 by providing them with financial solidarity aid.
- There were 109 employees who received jubilee benefits.

Home working as a new form of work

Working from home has turned into a recognised and highly efficient form of work at DARS. More than 400 employees whose work is of such a nature that it may be performed remotely, were given the option of working from home in hybrid form in line with their employment contract. Working processes are running smoothly and the employees

⁶¹ GRI GS 2-9, 2-25, 3-3, 401-2.

⁶² GRI GS 201-3.

appreciate this form of work, mainly due to the saved time that would otherwise have been spent on commuting, and also due to the easier coordination of their family commitments.

Exemplary cooperation with social partners

Within the scope of the Company, there are two representative trade unions and the Workers' Council with which a special participation agreement or, rather, an agreement on employee participation in management has been made. The Company holds joint consultations with the Workers' Council about all foreseen status or organisational changes at least 15 days before a decision is adopted, and sends every document encroaching upon employee rights and obligations to the trade unions and the Workers' Council for an opinion. In this way, DARS has cooperated successfully with employees through social partners for a number of years.

Responsible concern for the employees' health

Concern for the employees' health is based on long-lasting efforts and activities to promote health at work. The Company has received national recognition for a good practice example from the Ministry of Labour, Family and Social Affairs, and from the European Network for Workplace Health Promotion (ENWHP). Considerable emphasis is placed on employee recreation, which is organised throughout Slovenia.

DARS uses a responsible approach to resolving any case of disability or changed ability to work due to health impairment. Special efforts are made to find an adequate solution on a case-by-case basis. The Company employs 55 disabled persons who can do work in work processes in line with their remaining ability to work.

Promoting innovations and improvements

We continuously promote new innovative and modern approaches while developing new and improving the existing services of the Company, including with a view to increasing energy efficiency. A creative and innovative mindset is our guide because we know that this is the only way to develop innovative services with high added value for the organisation, employees, users and the owner.

Employees at all levels of the organisation are committed to putting forth initiatives, improvements and innovations that increase the efficiency of the business processes and the consumption of natural assets, preserve biodiversity and introduce new technologies, which is reflected on the basis of projects and activities with which we are realising our set goals throughout our operations that we have set in the Strategy of DARS 2021-2025. We are reporting on their realisation in the annual and sustainability reports.

Respecting human rights and dignity⁶³

DARS has zero-tolerance for any form of human rights violation. Compliance with the human rights regulations and best practices is the fundamental Company motto when dealing with employees and it is guided by an awareness that the working environment has to be safe so that employees can fully utilise their potentials and talents, thereby contributing to excellent business performance.

Human rights are consistently observed taking into account the applicable legislation (the Constitution of the Republic of Slovenia, ILO Conventions, the Protection Against Discrimination Act and the Employment Relationships Act), the DARS Code of Conduct and the internal Company acts dealing primarily with discrimination in the workplace, workplace harassment and fundamental economic and social human rights. The Company is always promoting new innovative and modern approaches to increase respectful conduct and communication in the workplace and in relation to business partners with a view to fostering an awareness and culture that contributes to bringing out the best in every employee. We did not receive any reports in 2022 relating to harassment, discrimination or threats to dignity at the workplace.

Diversity and equal opportunities⁶⁴

The Company's Supervisory Board adopted a Diversity Policy in 2018 and revised it in 2022. The Policy lays down the approach to diversity in the Management and Supervisory Boards (including the Supervisory Board Committees). The Policy is used to promote diversity in the Management and Supervisory Boards, while setting criteria that enable the Supervisory Board to substantiate its choices. It is necessary to take into account all the relevant aspects of diversity to ensure that the Management and Supervisory Boards have sufficiently diverse opinions, expertise and experiences as

⁶³ GRI GS 3-3, 406-1, 410-1.

⁶⁴ GRI GS 3-3.

needed for an in-depth understanding of current developments, risk management and the identification of opportunities related to Company operations.

The goal of the Policy is to promote the diversity of Management and Supervisory Board Members in terms of their knowledge, skills, experiences, professional qualifications, age, gender, method of work and other aspects. Such diverse Management and Supervisory Boards work to the benefit of the Company.

The purpose of the Policy is to maximise the efficiency of the Management and Supervisory Boards, thus improving operations and reputation of the Company. The advantage of a diverse composition in the managing and supervisory bodies is one of the essential elements in the preservation of jobs and the competitive edges of the Company. The realisation of the Diversity Policy is pursued at the Company by the shareholder in the appointment of members of the Supervisory Board, by the Supervisory Board in the appointment of members of the Supervisory Board Committees, by the Supervisory Board Remuneration Committee in the appointment of members of the Management Board, and by the Workers' Council in the appointment of the Labour Manager.

The Supervisory Board has several options for procedures to select candidates or recruitment channels enabling the attraction of a wide enough range of candidates, namely direct search, public vacancy notice or a combination of both.

The selected diversity aspects are:

- professional diversity of members,
- interdisciplinary knowledge,
- continuity of work and age structure,
- gender representation.

Table 23: Structure of the management bodies by gender (as at 31 December 2022)⁶⁵

Body	Men	Women	Total	Women in %
Supervisory Board	6	2	8	25
SB Remuneration Committee	2	2	4	50
SB Audit Committee	3	1	4	25
SB Investment Committee	4	0	4	0
Management Board	2	0	2	0
Division Directors	5	1	6	17
Workers' Council	12	3	15	20
Total	34	9	43	21

The composition of the Management and Supervisory Boards is formed to pursue the goal of the balanced representation of women and men, in addition to their efficiency. The goal by the end of 2026 is to achieve 40% of the less represented gender for members of the Supervisory Board and a total of 33% for members of the Supervisory and Management Boards.

The implementation of the Policy is monitored by the Supervisory Board Remuneration Committee. The Supervisory Board reports annually on the implementation of the Policy within the scope of the Corporate Governance Statement, which is a component part of the Company's Annual Report.

⁶⁵ GRI GS 405-1.

1.5.6 Responsibility to the natural environment⁶⁶

In light of its mission, the Company has built and operated a motorway network that is closely linked to the natural environment in the stages of siting, operation and the future development of the motorway network. The Company is committed to environmentally friendly actions in all stages of operations and the continuous reduction of adverse environmental impacts.

Figure 57: Responsibility to the natural environment



1.5.6.1 Systematic environmental and energy management

DARS systematically manages the energy area, as confirmed by the acquired international ISO 50001 standard.

Achieving environmental compliance

An important part of the systematic management of the environment and energy is the management of all the compliance requirements, meaning that all the environmental and energy aspects are equally included in the compliance provision process.

In terms of the environment and energy, no major deviation from the legal and other requirements was identified. In 2022, 60 inspections were carried out and 29 inspection decisions were issued that refer to the environment topic. Data on compliance regarding the environment and energy is detailed in chapter 1.4.7.1 *Business risks*, where the operational risks of the Company are presented for all areas.

Cooperation with outsourcers and suppliers

Cooperation with outsourcers and suppliers is a component part of the Company management systems and is systematically managed. In terms of the environment and energy, it is vital that cooperation is based on public procurement, which includes the Decree on green public procurement, as set out in detail in chapter 1.5.8 *Responsibility to suppliers/contractors*.

Use of materials

The total volume of materials used for investments is evident in the construction log book for a particular project, which is also the basis for the billing of works. Amounts are shown in line with the inventory of works and in various units of measurement.

DARS, as the motorway and expressway operator, considers information on the length of newly built roads and reconstructed sections in a particular year as important in terms of sustainability.

⁶⁶ GRI 2-25, 2-27.

Table 24: Length of reconstructed carriageways and newly built roads

	2016	2017	2018	2019	2020	2021	2022
Length of reconstructed carriageways of individual sections (km)	37.06	26.54	50.28	68.1	52.8	71.2	37.7
Length of newly built roads (km)	0	7.26	5.69	0	0	6.8*	0

* This includes recategorized sections of managed roads.

Regarding maintenance works, the reconstruction of 112,000m² of pavement structures in the amount of €4.8 million was carried out in 2022. Other maintenance works on pavement and bridging structures were also carried out, in the total amount of €1.8 million.

In the following Sustainability Reports, DARS will show the amounts of reused or recycled materials resulting from compliance with the requirements set out in the Decree on green public procurement. This is described in the chapter Construction waste management.

1.5.6.2 Siting of motorways and expressways⁶⁷

Spatial planning and siting is a process involving plans for the use of space and the distribution of activities in space. The process considers and harmonises the needs and interests of individual sectors and users of the space, the main goal being harmonised spatial development ensuring the economical, just and sustainable use of space.

National infrastructure, which also includes motorways and expressways, is typically sited by way of national spatial plans (NSP). The national spatial plan, as adopted by the Slovenian Government, includes all planned spatial arrangements, identifies their area, spatial and implementing conditions, permitted deviations and provides the basis for the preparation of building permit designs and the acquisition of the land required for construction. Procedures to prepare NSPs are run and coordinated by the ministry responsible for spatial planning, the initiator for NSP preparation is the ministry responsible for infrastructure, the entity contracting expert bases and the NSP is typically the investor, with the other participants in the procedure being spatial planning authorities, the service responsible for strategic and normal environmental impact assessments, municipalities (local community) and the general public.⁶⁸

DARS carries out individual tasks related to spatial planning and motorway siting in procedures to prepare the NSP so as to cooperate and provide all documents required for the latter.

The procedure to position a motorway on-site starts with the preparation of an initiative, followed by a decision on national spatial plan preparation. In the continuation of the procedure, a study of variant solutions is performed with a proposal for the most suitable variant that will provide the basis for NSP preparation for the selected variant and the adoption of an NSP decree. All the mentioned key documents are adopted or confirmed by the Government of the Republic of Slovenia.

In 2022, siting activities were carried out for the following important projects (including cooperation with the local community):

- SR Slovenj Gradec–Dravograd,
- SR Oti ski vrh–Holmec,
- Podgora-Letuš connecting road (part of the Šentrupert-Velenje section),
- MR Ptuj–Markovci,
- Postojna–Jelšane MW,
- Koper–Dragonja EW,
- ecoduct on the MW section Unec–Postojna,
- Karavanke platform,
- Kranj North MW junction,
- expansion of the Ljubljana Ring Road and radial motorways.

⁶⁷ GRI GS 3-3.

⁶⁸ GRI GS 413-1.

In line with the spatial planning regulations, it is necessary to perform a strategic environmental impact assessment for works that could have a major impact on the environment, including motorways, during the siting stage, and the strategic environmental impact assessment (SEIA) procedure in subsequent stages of the design and building permit acquisition. In such procedures, environmental impacts are identified and assessed, along with the inclusion of requirements to protect the environment, conserve nature and preserve human health and cultural heritage in the design. In the final stage of the procedure, approval is obtained from the ministry responsible for the environment on the acceptability of the planned works in environmental terms and, in the closing stage of the SEIA procedure, which is conducted in subsequent stages of design and building permit acquisition, an environmental permit is obtained.

Environmental protection is a major aspect in the process of variant solution planning, while its environmental acceptability is vital for the assessment of its overall acceptability. Some 10% of the land in Slovenia falls within nature conservation areas and 35.5% falls within Natura 2000. Furthermore, it is necessary to take into account the cultural heritage conservation regimes, water protection areas and prime farming land areas, while including expected climate change, since the designed structures have to be climate-resilient. In the process of designing variants and searching for solutions, works in floodplains are particularly demanding to plan.

Inclusion of the public (including the local community) in procedures to prepare national spatial plans⁶⁹

In addition to the environmental protection aspect, it is imperative for the successful siting of roads that the planned spatial arrangement is acceptable to the local environment.

Spatial planning is in the general interest, which is why it primarily follows the public interest and common benefits; however, private interests, which must not override the public interest, are also assessed during planning. Private interest is mostly protected through the cooperation of the public in procedures to prepare spatial plans, the cooperation of persons with a legal interest in procedures to issue individual administrative acts (accessory participants in administrative procedures to permit construction or other works under sectoral regulations), and with the option of legal protection against general and individual legal acts. Public interest is protected in the preparation of spatial plans through the cooperation of spatial planning authorities and the evaluation of different variants for a particular spatial arrangement.

The public is included in the spatial planning process pursuant to the applicable regulations, which, inter alia, implement the principles of the Aarhus Convention. The applicable regulations governing spatial planning place great emphasis on the early inclusion of the public. In practice, this means that the public is involved in the procedure to prepare an NSP when all the options are still open and may, therefore, influence the basic considerations regarding the planning of individual spatial arrangements, which is also in line with the principles of the Aarhus Convention foreseeing the following activities:

- 1) the provision of information, access to public information and the publication of documents and acts being prepared with the aim of informing the public about them and allowing people to respond;
- 2) public participation in decision-making, where the public can be actively involved in the procedure to prepare an act with remarks, which are taken into consideration;
- 3) public access to justice and the possibility of judicial examination of the decisions adopted by other authorities.

During NSP preparation, the public has the possibility of participating in the following stages:

- publication of an initiative,
- preparation of a variant study if workshops and consultations are organised,
- public unveiling of a variant study,
- publication of an NSP proposal.

All the main stages of the procedure to prepare an NSP are open to the public, meaning that the public is informed about the current texts and graphics of the documents being prepared. The cooperation of the public covers both the publication of materials and the public unveiling of documents, public consultations, the collection of proposals and remarks, and the preparation of positions regarding such remarks and proposals. Furthermore, the public may ask for information relating to a particular NSP at any time or obtain it on the website.

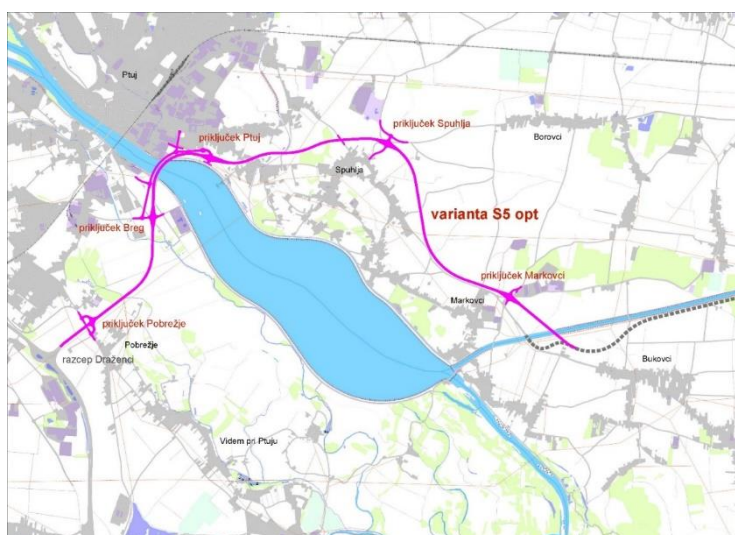
⁶⁹ GRI GS 413-1, 413-2.

Example of siting MR Ptuj–Markovci

The Study of Potential Variant Solutions was produced as part of the preparation of the variant study for the Ptuj–Markovci main road. Among all the assessed variants, only seven were potentially feasible, while materials for the acquisition of the supplemented guidelines of spatial developers were produced for the five most feasible variants. Most variants were dismissed due to requirements for environmental protection and nature conservation and the associated extensive redressive and/or mitigating measures, while other variants were questionable economically. Some variants have been shown to be problematic in terms of acceptability in the local environment.

Due to the complexity of the space in which the road is sited or, rather, due to the conflicting positions of the local communities and nature conservation restrictions, seeking variants that will be discussed in the study of variants was very complex and lengthy. In order to speed it up, a working group was established for this NSP to coordinate solutions in the NSP preparation procedure that includes representatives of the Ministry of Infrastructure, the Ministry of the Environment and Spatial Planning and DARS, representatives of local communities (mayors of the affected municipalities, representatives of the civil society initiative, representatives of the common municipal administration) and representatives of individual spatial planning authorities. As a result of the working group's efforts, a new variant has been developed (S5 opt) that represents a compromise solution. The working group has adopted the decision to discuss this variant as the only variant in the study of variants.

Figure 58: MR Ptuj–Markovci as per the variant S5 opt



1.5.6.3 Concern for the preservation of biodiversity⁷⁰

A special challenge when siting motorways is to preserve biodiversity, since Slovenia features extremely diverse and relatively well-preserved nature. As such, Slovenia is considered an area with above-average biodiversity and one of the richest natural environments in Europe and the world.

The greatest risk in siting infrastructure as complex as motorways is the risk of a high level of fragmentation of natural habitats. Therefore, the inclusion of principles for the preservation of biodiversity in spatial planning procedures is vital to make the planned works admissible.

The baseline in spatial planning is to avoid areas of high environmental value.

An example of this is the planning of the Postojna–Jelšane motorway variants. As part of the second round of the variant study, intensive coordination with the IRSNC was carried out. This resulted in one of the variants being dropped due to the extensive encroachment on the natural habitat of the whinchat in the Natura 2000 area. This means that the subject variant was excluded from consideration in the variant study.

⁷⁰ GRI GS 3-3, 304-1, 304-2, 304-3.

Additionally, as a result of the coordination with the IRSNC, an analysis of the presence of environmental DNA of the olm (*Proteus anguinus*) in the spring of Replje pri Gradcu was prepared as part of the strategic environmental impact assessment.

When works in areas of high environmental value are unavoidable and the MW or EW alignment encroaches upon important nature conservation areas with various statuses or on NATURA 2000 areas, it is necessary to provide replacement habitats (RH) as a nature conservation measure or to implement other measures to mitigate negative impacts. It is necessary to provide suitable passages or underpasses linking game animals and other wildlife habitats to preserve them. Measures also need to be implemented to reduce the impact to an acceptable level where works are planned to be done in special bird conservation areas, which cover 27% of the Slovenian territory.

An example shown in the figure below is the Pomurje motorway leg, where replacement habitats were provided, which is one of the first cases of such nature conservation measures. The following MW/EW sections are located in protected areas or areas of high biodiversity value, have significant impacts on biodiversity and habitats that are protected or re-established.

Figure 59: Pomurje motorway leg



Spodnja Senarska–Cogetinci section (section length 9.5 km):

- Verjane (establishment of a replacement biotope for amphibians):
 - Size/surface area of the (then existing) habitat that was affected by motorway construction: not provided.
 - Location of the (then existing) habitat that was affected by motorway construction: east of Spodnja Senarska, the motorway crossed a forest fragment. A part of the population was cut off from the spawning ground south of the motorway along Stara Pesnica.
 - Size/surface area of the replacement habitat provided: 500 m² (25 m × 20 m).
 - Location of the replacement habitat after execution (land plots and parts of them): c.m. Zgornje Verjane: 442/1, 443/1, 444, 445/1; in km 17 + 300 north of the motorway (puddle).
- Komarnica (establishment of a replacement biotope for amphibians and the conservation of marsh meadows):
 - Size/surface area of the (then existing) habitat that was affected by motorway construction: not provided.
 - Location of the (then existing) habitat that was affected by motorway construction: area of marsh meadows near Komarnica along the Cogetinski potok stream.
 - Size/surface area of the replacement habitat provided: 1,942 m².
 - Location of the replacement habitat after execution (land plots and parts of them): c.m. Cogetinci: 1295, 300/2, 303, 306, 307/1, 307/2, 308/2, 339/2; c.m. Spodnja Senarska: 158/4, 159/1, 159/2, 160/1, 733/2; km 22+550 north of the motorway.

Beltinci–Lendava section (section length 17.4 km):

- Gosposko (establishment of a rough meadow):
 - Size/surface area of the (then existing) habitat that was affected by motorway construction: approx. 60 ha.
 - Location of the (then existing) habitat that was affected by motorway construction: area of Črni log and Gosposko.
 - Size/surface area of the replacement habitat provided: 25 ha (a part of the population within the influence strip will remain there, which is why it was necessary to find a replacement for the missing part of the population).
 - Location of the replacement habitat after execution (land plots and parts of them): c.m. Brezovica v Prekmurju: 633, 634, 635, 636, 637, 638/1, 638/2, 639, 640, 641, 642, 643, 644, 645/1, 645/2, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658/1, 658/2, 659, 661, 1193, 1194, 1195, 1196, 1197, 1198, 1199, 1200, 1201, 1202, 1203, 1204, 1205, 1206, 1207, 1208, 1209, 1210, 1211, 1212, 1213, 1214, 1215, 1216, 1217, 1390, 1391, 1392, 1393, 1394, 1395, 1396, 1397/1, 1397/2, 1400, 1401, 1402, 1403, 1404, 1405, 1406, 1407, 1408, 1409/1, 1409/2, 1410, 1411, 1412, 1413, 1415, 1416, 1417/1, 1417/2, 1418, 1419, 1420, 1421, 1422, 1423, 1424, 1425, 1426, 1427, 1428, 1429, 1430, 1431, 1432, 1433, 1434, 1435, 1436, 1437, 1438, 1439, 1440, 1441.
- Črni log–Hotiška gmajna (afforestation):
 - Size/surface area of the (then existing) habitat that was affected by motorway construction: 330 ha (i.e. a 300-metre strip on both sides of the road where the impact of the road will be known during operation).
 - Location of the (then existing) habitat that was affected by motorway construction: forested surfaces in Črni log.
 - Size/surface area of the replacement habitat provided: 207,905 m². (Only about 20 ha needs to be provided to connect these forested areas by afforestation into a single forested area.)
 - Size/surface area after execution:
 - surfaces being overgrown 72,000 m²
 - new forest edge 7,900 m²
 - new forest stock 128,000 m².
 - Location of the replacement habitat after execution (land plots and parts of them): c.m. Mala Polana: 151, 154, 155, 156, 157/1, 157/2, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183/1, 183/2, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 195, 196, 197, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 240, 241, 243, 244, 245, 246, 247, 248, 249, 250, 252, 253, 255, 256, 257, 258, 259, 260, 261, 2757, 2762.

Lenart–Spodnja Senarska section (section length 7.8 km):

- Komarnik north (establishment of rough meadows):
 - Size/surface area of the (then existing) habitat that was affected by motorway construction: not provided.
 - Location of the (then existing) habitat that was affected by motorway construction: c.m. Zamarkova, land plot No.: 1013/1, 1027/2, 1030/1, 1030/2, 1033/5, 1033/9, 1037/2, 1037/4, 1037/5, 1038/12, 1033/8, 1025/3, 1365/39, 1025/3.
 - Size/surface area of the replacement habitat provided: 10 ha.
 - Location of the replacement habitat after execution (land plots and parts of them): c.m. Zamarkova, land plot No.: 1013/1, 1025/3, 1027/1, 1027/2, 1030/1, 1030/2, 1033/5, 1033/8, 1033/9, 1037/2, 1037/4, 1037/5, 1038/12, 1365/39.
- Črni les (replacement biotope for amphibians):
 - Size/surface area of the (then existing) habitat that was affected by motorway construction: 35 ha proposed by MESP, 17 ha proposed in EIA.
 - Location of the (then existing) habitat that was affected by motorway construction: south of the motorway junction Lenart proposed by the MESP; north of the planned motorway junction Lenart proposed in the EIA.
 - Size/surface area of the replacement habitat provided: 500 m² (25 m × 20 m).
 - Location of the replacement habitat after execution (land plots and parts of them): c.m. Zamarkova, land plot No.: 717, 735; c.m. Varda, land plot No.: 230, 245/1, 245/2.

- Kamenšak north (establishment of rough marsh meadows and re-establishment of the Globovnica blind river branch):
 - o Size/surface area of the (then existing) habitat that was affected by motorway construction: 56 ha proposed by the MESP, 3.4 ha proposed in the EIA.
 - o The location of the (then existing) habitat that was affected by motorway construction: provision of rough marsh meadows between the Radehova lake, Velke channel, the existing road link between Biš and Radehova and the Pesnica channel. After examining all this, another location was proposed (and realised).
 - o Size/surface area of the replacement habitat provided:
 - renaturation of the Globovnica stream in the length of 436 m,
 - arrangement of a rough marsh meadow with various levels of humidity on a surface area of 21,155 m²,
 - re-establishment of a blind branch of the Globovnica stream in the length of 160 m,
 - execution of substitute flood prevention arrangement, i.e. the construction of a new flood defence and the expansion of the existing defence in the length of 451 m.
 - o Location of the replacement habitat after execution (land plots and parts of them): c.m. Zamarkova, land plot No.: 1393, 1395, 1554, 1555, 1556, 1557, 1558, 1559, 538/1, 574/2, 574/3; c.m. Radehova, land plot No.: 454/2, 709, 723, 724.
- Kamenšak south (afforestation between the forest and motorway):
 - o Size/surface area of the (then existing) habitat that was affected by motorway construction: 56 ha proposed by the MESP, 3.4 ha proposed in the EIA.
 - o Location of the (then existing) habitat that was affected by motorway construction: c.m. Zamarkova, land plot No.: 1418, 1419, 1420, 1421, 1470, 1471; c.m. Radehova, land plot No.: 460/1, 469.
 - o Size/surface area of the replacement habitat provided: not provided.
 - o Location of the replacement habitat after execution (land plots and parts of them): c.m. Zamarkova, land plot No.: 1418, 1419, 1420, 1421, 1470, 1471; c.m. Radehova, land plot No.: 460/1, 469.
- Daffodil site in Veržej (site arrangement):
 - o Size/surface area of the site provided: 635 m or 20 ha.
 - o Location of the site after execution: Goriško Landscape Park, areas of the Cankova and Rogašovci municipalities (coord. X: 160418, coord. Y: 590152).

Lendava–Pince section (section length 16.5 km):

- Petišovci (establishment of a replacement biotope for amphibians):
 - o Size/surface area of the (then existing) habitat that was affected by motorway construction: interrupted migration routes for a distance of 3 km.
 - o Location of the (then existing) habitat that was affected by motorway construction: regional road section Lendava–Pince from Dolnji Lakoš to Petišovci.
 - o Size/surface area of the replacement habitat provided: 2039 m².
 - o Location of the replacement habitat provided: in the area between km 5+890 and km 5+970.

Figure 60: Establishment of a replacement biotope for amphibians



Establishment of the replacement habitat was executed in the following steps:

- production of a design to establish and preserve the replacement habitat,
- confirmation of the design by the IRSNC,
- technical arrangement of the replacement habitat (execution),
- active development steering towards the desired state until the establishment of the replacement habitat,
- confirmation by the IRSNC that the RH has been established,
- transfer of state-owned land plots in the replacement habitat to management by the relevant operator,
- conservation of the replacement habitat.

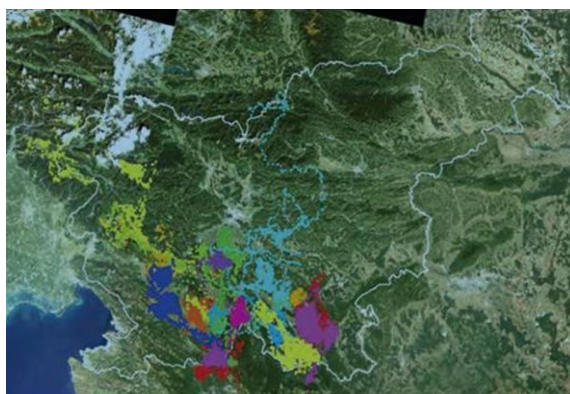
After establishing the replacement habitat, DARS transfers state-owned agricultural land plots and forests to the Farmland and Forest Fund of the Republic of Slovenia and state-owned riparian land to the Ministry of the Environment and Spatial Planning.

Since its establishment in 1993, DARS has provided all the necessary measures to ensure the reduced fragmentation of migration habitats for species by establishing wildlife crossings during the siting and construction of MW and EW sections pursuant to the requirements of the competent services and spatial planning authorities.

Adequate measures to provide animal passages across the future MW or EW are foreseen in the preparation of the NSP for newly planned roads. Pursuant to the legislation governing spatial development, guidelines are obtained from spatial planning authorities in the procedure to prepare the NSP, which need to be taken into account during the siting and design of a new MW or EW section. The spatial planning authorities are, among others, the Ministry of Agriculture, Forestry and Food, the Forestry and Hunting Directorate, the Ministry of Natural Resources and Spatial Planning, and the IRSNC, which provide guidance for planning measures to provide the adequate integration of migration corridors within the scope of the guidelines. Their requirements are reflected in the siting and in design solutions for the planned MW or EW section that has to ensure animal passages across it. Mostly, such measures are not solely intended for animal passages, but involved adjusted solutions for MW or EW arrangements that also serve other purposes (e.g. a viaduct instead of a landfill, a dirt track underpass with wider dimensions, etc.). In cases where proper migration corridors cannot be provided in such a way, a special structure is foreseen within the scope of the NSP that is intended solely for animal passages (ecoduct).

On the MW section between Vrhnika and Postojna, which measures some 30 km in length and is the first constructed section of a modern 4-lane motorway in Slovenia, DARS began monitoring in 1997 with the aim of searching for optimal locations to erect bridging structures and provide other possible measures that would reduce the fragmentation of habitats in the area of the Vrhnika–Postojna motorway section, thus enabling animals (predominantly bears) to cross the motorway safely. Monitoring was completed with the paper “Expert bases for the construction of bridging structures (ecoducts) for the safer passage of brown bears (*Ursus arctos*) and other large mammals across the Vrhnika–Razdrto–Čebulovica motorway sections” (Department of Forestry and Renewable Resources, Biotechnical Faculty, University of Ljubljana, and Slovenian Forestry Institute, November 2000). In the conclusion of the study, three areas of the most likely brown bear crossings were defined, i.e. between Verd and Planina, between Unec and the Ravbarkomanda viaduct, and between Razdrto and Čebulovica. Further measures for animal passages were proposed for the first two areas (between Vrhnika and Postojna), while no additional measures were found to be necessary for the last area (between Postojna and Čebulovica).

Figure 61: GPS locations of 33 monitored bears in the 2005–2011 period*



* Locations marked with the same colour were recorded for the same bear (source: Jerina et al., 2012)

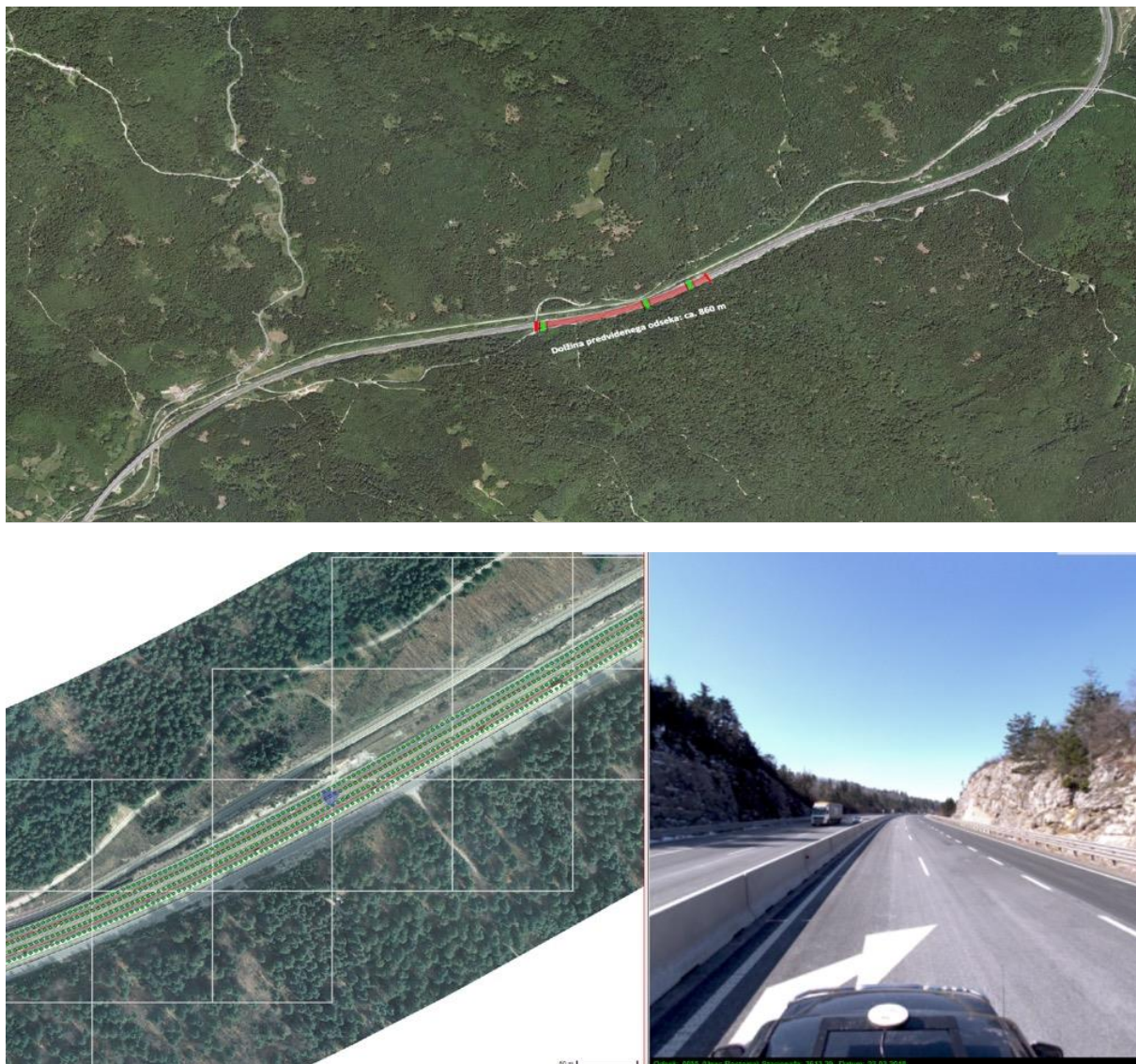
In previous years, several measures were implemented in that section (e.g. the erection of electric safety fences) in cooperation with DARS, along with monitoring their performance. The project LIFE DINALP BEAR (the comprehensive management and conservation of brown bears in the northern Dinaric Mountains and the Alps) was completed at the end of June 2019.

The Plan of investments in traffic and traffic infrastructure for 2020–2025 adopted in December 2019, among other things, defines the obligation to provide adequate migration corridors for large beasts and other large mammal species on the existing MW network, but no more than two.

In September 2019, expert bases were made at the request of DARS for the provision of adequate migration corridors for large beasts and other large mammal species on the Vrhnika-Postojna motorway section (Environmental Protection College, Velenje), which describe the existing situation, provide an analysis of the guidelines for designing measures already provided in the past, and propose measures to establish functional migration corridors across the motorway in the Vrhnika-Postojna section.

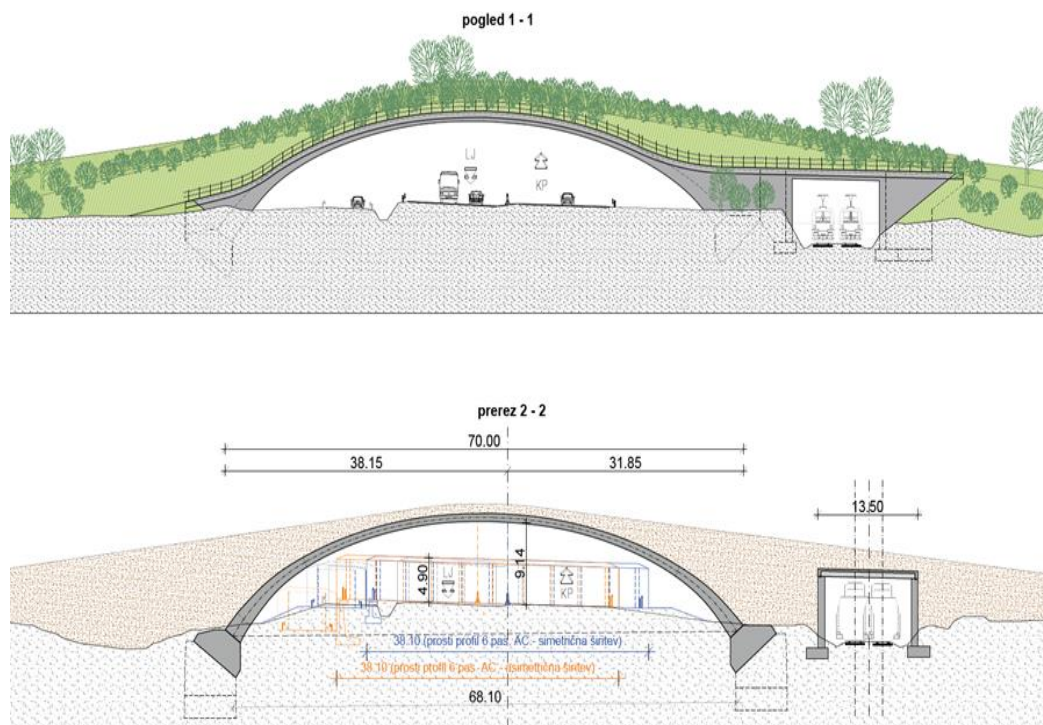
Experts defined a roughly 800-metre-long section of the Vrhnika–Postojna MW section (Unec–Postojna subsection) that is best suited for a green bridge (ecoduct) and that would contribute to the reduced mortality of wild animals on roads and increased safety for all road users, in addition to providing migration routes for large mammals and gene flow between the Dinarides and the Alps.

Figure 62: Proposal for the siting location of the planned green bridge or ecoduct (Unec–Postojna subsection)



The materials produced will provide grounds for national spatial planning and the analysis of the guidelines. Activities in relation to this task commenced at the end of 2019, when a range of several possible ecoduct variants were made, which differed in terms of the location and the execution of the structure. At the end of 2020, the variant proposed in the national spatial planning initiative was selected. After the initiative was published in 2021, the spatial planning authorities submitted their guidelines and opinions relating to it. The initiative or the chosen variant was also presented at a public discussion to the interested public. The response to the proposed project has been overwhelmingly positive. Based on the guidelines and opinions received, an analysis of the guidelines was carried out in 2021. The RS government adopted the decision on national spatial planning in May 2022, which serves as the basis for implementing further NSP draft phases.

Figure 63: Image of the planned “green bridge” or ecoduct (Unec–Postojna subsection)



I.5.6.4 Energy management⁷¹

DARS ranks among the large energy consumers in Slovenia with an annual energy consumption of 41.796 GWh (in 2022). With respect to the Company processes, which are characterised by the need for tunnel management and lighting, as well as road operation and maintenance, electricity accounts for the largest share of the total energy consumption (51.8%), followed by fuel (38.1%). A minor share of energy is used for heating facilities, which is an important element of energy management due to the high potential for optimisation.

The 2021–2025 Strategy is heavily focused on energy efficiency and environmental protection, and compared to the strategy for the past period, the energy management system and the environmental management system were further upgraded, expanded and enhanced.

A new strategic goal was identified, namely “Development of sustainable infrastructure and a circular economy,” within the scope of which the following measurable key indicators were specified:

- To reduce the share of energy use by 5% per MW and EW km managed by 2025 with respect to 2019.
- To reduce the share of CO₂ emissions per MW and EW km managed by 15% by 2025 with respect to 2019.

⁷¹ GRI GS 3-3, 302-1, 302-4, 302-5.

Operational goals supporting the key indicators are:

- Electricity consumption will have been reduced by 15% by 2025 with respect to the existing condition of electricity users in 2015.
- To reduce the consumption of energy products for heating by 30% by 2025 and emissions of CO₂ from products for heating by 30% by 2025 with respect to the baseline year of 2015.
- To reduce the average fuel consumption for work vehicles and machinery and light-duty vehicles by 2% by 2025 with respect to 2019.
- To increase the share of energy from renewable sources by 2025 in the total consumption for:
 - o heating by 15% with respect to 2019,
 - o electricity by 2% compared to the year 2019.
- To establish at least one energy community that will be based on renewable energy sources by 2025.
- To provide 20% of the passenger vehicle fleet for business travel powered by alternative fuels (electric or CNG or hybrids).

Total energy consumption⁷²

The table below shows the energy consumption and trends in energy consumption by energy product. A comprehensive approach to managing energy along with pertaining measures has allowed the Company to reduce electricity consumption and heating costs; a substantial part of the measures planned was executed on the basis of energy audits. In 2021, we initiated a pilot use of compressed natural gas (CNG) in one vehicle for supervising works and one inspection vehicle at MCC Hrušica.

Table 25: Energy consumption (MWh)

		2015	2016	2017	2018	2019	2020	2021	2022
Electricity	MWh	25,735	25,181	24,526	23,598	22,584	21,670	22,190	21,656
Fuel	MWh	16,384	17,538	16,369	18,662	18,081	16,752	17,646	15,911
Natural gas	MWh	1,866	1,524	1,676	1,443	1,386	1,564	1,812	1,642
Compressed natural gas (CNG)*	MWh							17	27
LPG - propane	MWh	2,018	2,253	2,123	1,964	1,857	1,736	1,994	1,681
LPG - propane, butane	MWh	1,171	1,225	1,105	852	475	428	403	408
Heating oil	MWh	238	344	291	238	97	58	82	74
Biomass	MWh						452	482	400
District heating	MWh	586	810	778	638	550	0	0	0
Total	MWh	47,998	48,875	46,868	47,395	45,030	42,660	44,626	41,799

Table 26: Energy consumption (TJ)

		2015	2016	2017	2018	2019	2020	2021	2022
Electricity	TJ	86.9	92.6	90.7	88.3	85.0	78.0	79.9	78.0
Fuel	TJ	62.8	58.7	62.8	58.7	67.0	60.3	63.5	57.3
Natural gas	TJ	5.9	6.7	5.5	6.0	5.2	5.6	6.5	5.9
Compressed natural gas (CNG)*	TJ							0.1	0.1
LPG - propane	TJ	5.1	7.3	8.1	7.6	7.1	6.2	7.2	6.1
LPG - propane, butane	TJ	3.6	4.2	4.4	4.0	3.1	1.5	1.5	1.5
Heating oil	TJ	0.9	0.9	1.2	1.0	0.9	0.2	0.3	0.3
Biomass	TJ						1.6	1.7	1.4
District heating	TJ	1.7	2.1	2.9	2.8	2.3	0.0	0.0	0
Total	TJ	166.9	172.5	175.6	168.5	170.4	153.6	160.6	150.4

* Based on the Sustainability Report for 2021, the change in the total volume of the carbon footprint due to the inclusion of compressed natural gas (CNG) use in one vehicle for supervising works and one inspection vehicle at MCC Hrušica.

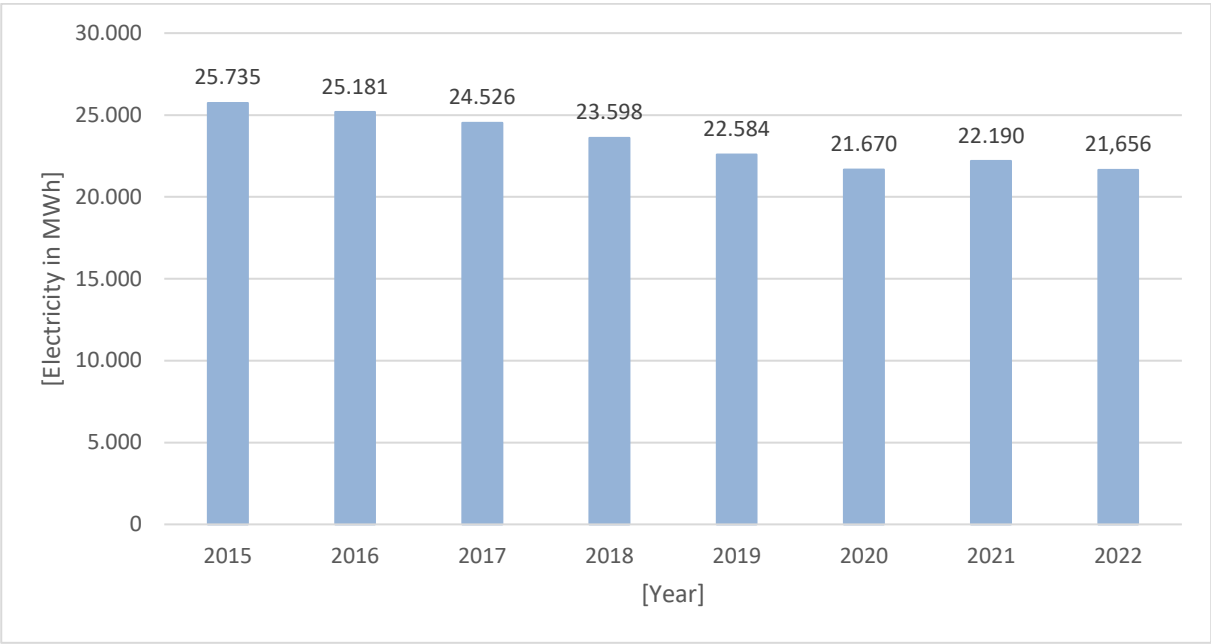
⁷² GRI GS 302-3.

The report includes data in kWh, MWh or GWh, the conversion factor of 1 kWh being 3,600,000 J (source: Bojan Kraut, Engineer's Manual).

Electricity⁷³

The Company keeps introducing measures to reduce electricity consumption. The total quantity of electricity supplied in 2022 from 100% renewable sources was 10,829 MWh. Which we have proven on the basis of received certificates on the source of electricity produced from renewable sources.

Figure 64: Total electricity consumption (MWh)



The largest group of electricity consumers includes tunnel equipment, which accounts for 47% of the total electricity consumption at the Company. Electricity in tunnels is mainly used for lighting, ventilation and other devices. In 2019, activities began to reduce reactive energy in the area of the Trojane tunnels (medium voltage cables were disconnected and an agreement is being harmonised between Elektro Celje and Elektro Ljubljana), which will continue at other locations where it makes sense following successful implementation.

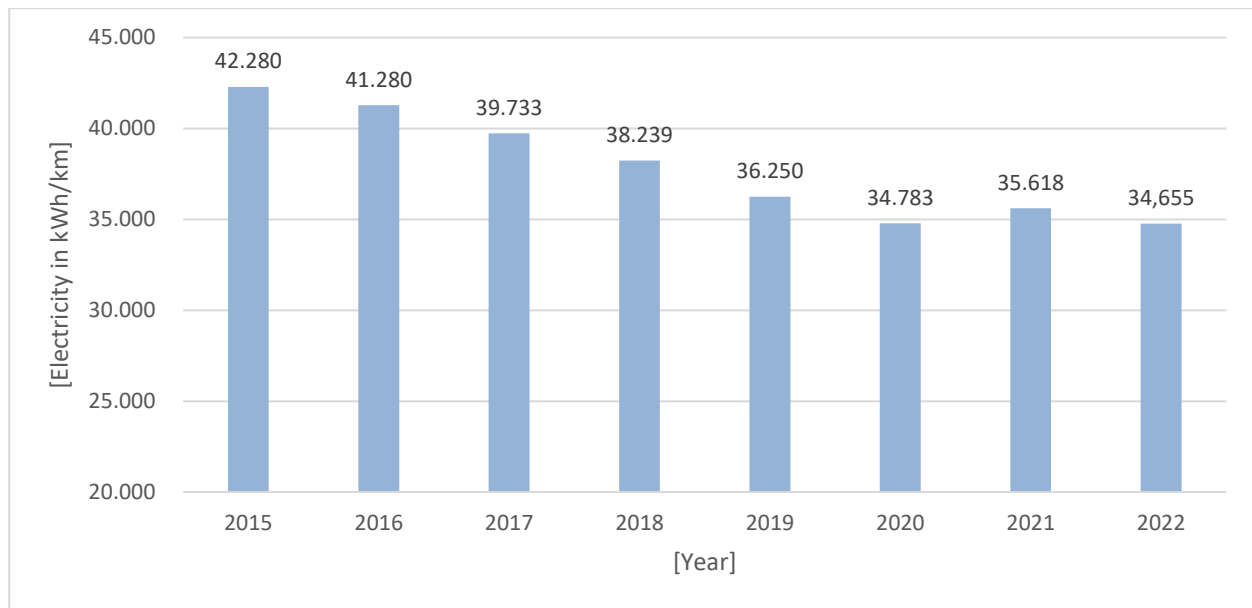
The second-largest electricity consumer is street lighting. In this respect, we have replaced old and worn-out lighting with new LED lamps in the last six years with the aim of meeting the requirements laid down in the Decree on limit values due to the light pollution of the environment. At switchboards and metering points where lighting has been replaced, the cost was also cut due to the reduced installed capacity. The project to replace lighting pursuant to the Decree on limit values due to light pollution of the environment, stage 5, has been implemented, as well as the implementation tender in 2023.

The third-largest group of electricity consumers in the Company, accounting for 11% of the total consumption, is the electricity intended for the operation of motorway maintenance centres (MMC) and toll stations (TS). Due to toll system changes in 2018, the role or purpose of the toll stations is changing, since some toll stations are being abolished or rearranged into toll control points. In that respect, electricity consumption has been reduced for heating and cooling systems, toll booth ventilation, and toll platform lighting. Lighting at frontal toll stations was rearranged for the purposes of toll inspection, while lighting at lateral toll stations is now only provided at the access and exit ramps.

The chart below shows the effects of the measures introduced in electricity management per kilometre of maintained MW.

⁷³ GRI GS 302-3.

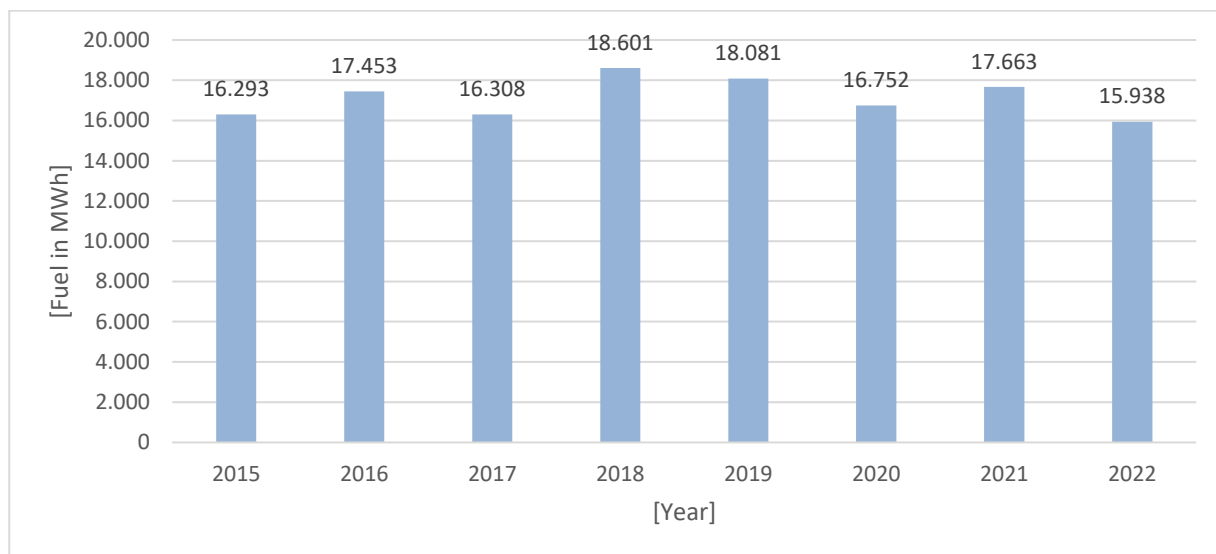
Figure 65: Total electricity consumption per MW kilometre (kWh/km)



Fuel for the vehicle fleet

In 2022, the Company had 670 work vehicles, 157 of which were heavy goods vehicles for winter service and annual maintenance, 143 were light-duty vehicles that were used mainly for regular inspections and minor maintenance works, 124 were combination vehicles, 36 were special-purpose vehicles used for the special-purpose maintenance of structures and alignment, 40 were all-purpose vehicles for winter, summer and technical maintenance, and there were 176 units of various work machinery used for winter and summer maintenance. In 2022, the Company recorded reduced diesel fuel consumption, primarily due to fewer ploughing days compared to the previous winter. To reduce the consumption of fuel and grit material, a wet salting system is being introduced throughout the MW and EW area, where preventive salting is done faster and at longer time intervals, since the solution remains on the pavement. In addition, we are planning a major overhaul of the Company vehicle fleet in 2023, which includes the purchase of 58 heavy goods vehicles with the latest ecological standards. In 2020, the Company procured test vehicles powered by compressed natural gas (CNG) to conduct inspection services and supervise works at MMC Hrušica. In addition to the previously indicated work vehicles, the Company had 157 passenger cars and 36 toll inspection vehicles in 2022. The DARS vehicle fleet included 8 electric vehicles in 2022.

Figure 66: Annual fuel consumption (MWh)



Heating⁷⁴

The largest energy consumers for heating at DARS are 9 motorway maintenance centres (MMCs) and 7 branches, followed by the office building in Celje and 8 buildings that remained after the removal of the toll stations, the intended use of which has changed. Facilities at six locations are connected to the natural gas network, MMC Postojna uses LPG propane and butane for heating, MMC Hrušica uses woody biomass (chipped wood) for heating, while other buildings use LPG propane for heating and only the holiday unit in Rogla uses light fuel oil for heating, for which a comprehensive renovation is planned in 2023, including a change of energy product.

Within the scope of a comprehensive energy audit in 2015 and 2016, one of the measures foreseen was the introduction of an energy information system (EIS), which was installed at MMC Vransko on a test basis, after which it was installed at 6 locations in 2018 and 2019 situated in the eastern cohesion region (MMC Murska Sobota, MMC Maribor with the Ptuj branch, MMC Novo mesto with the Drnovo branch, and MMC Slovenske Konjice), and then in 2020 and 2021 at the facilities in the western cohesion region (MMC Kozina with the Bertoki branch, MMC Postojna with the Vipava and Logatec branches, MMC Ljubljana with the Dob branch, MMC Hrušica with the Podtabor branch and TS Hrušica). By implementing the system, facility administrators gained a useful tool to monitor the consumption of energy products and take actions to reduce energy consumption.

To reduce energy consumption by heating, the following measures were implemented in 2016 to 2022 as a result of a comprehensive energy audit:

- Two heat pumps for heating sanitary water during the summer were installed at MMC Vransko and MMC Postojna as replacements for the deteriorated gas boilers.
- At the former TS Divača and Senožeče, deteriorated gas boilers were replaced with two heat pumps that are used to heat sanitary water in the summer months and premises in wintertime.
- The supply of natural gas was provided in line with the provisions of the Energy Act and the Public Procurement Act, and MMC Slovenske Konjice was connected to the natural gas distribution network in November 2019.
- The energy performance at MMC Hrušica was improved and a boiler room was constructed that burns woody biomass or, rather, wood chips for the purposes of heating MMC and TS Hrušica. The executed stage 1 of the energy improvement at MMC Hrušica and the use of woody biomass to heat MMC and TS Hrušica had a favourable effect on reducing CO₂ emissions, which is in line with the efforts of DARS to reduce greenhouse gas emissions and improve energy efficiency.
- TS Hrušica was thoroughly refurbished in 2020.
- The first stage of the renovation of MMC Ljubljana has been completed, covering the energy improvement of large and small garages, and the implementation of the energy information system.
- To better monitor the consumption of energy products for heating, meters were installed that allow the much better monitoring of energy consumption and, consequently, immediate actions.
- In 2020, the energy information system was also implemented at the remaining MMCs (Kozina, Hrušica, Postojna and Ljubljana) and branches (Podtabor, Dob, Logatec, Vipava and Bertoki),
- The former TS Log was rehabilitated completely and a heating pump is used for heating and cooling purposes; a heating pump was also installed at the former TS Dane where the rehabilitation process has not been initiated yet.
- Three workshops were organised for caretakers and maintenance crews on the topic of efficient energy use.

The charts in the figures below show energy consumption for heating in MWh and per m² of heated surface. The reduced consumption is attributed to the abolition of toll booths, temperature optimisation in buildings through the introduction of the energy information system, and relatively favourable weather conditions. The absolute energy savings for all energy products used for heating buildings at the end of 2022 with respect to the baseline year of 2015 amounts to 1,674 MWh (about 28.5%), while CO₂ greenhouse gas emissions were reduced by 461 t (about 36%) with respect to the baseline year of 2015.

⁷⁴ GRI GS 302-1, 305-4, 305-5.

Figure 67: Energy consumption for heating buildings (MWh)

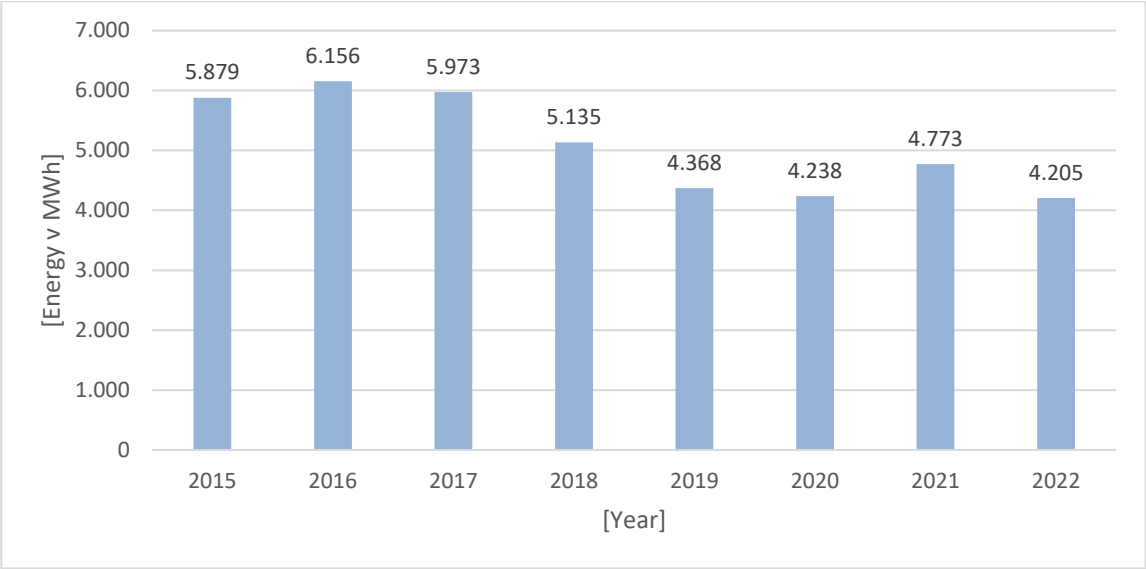


Figure 68: Heat energy consumption per m² of heated surfaces

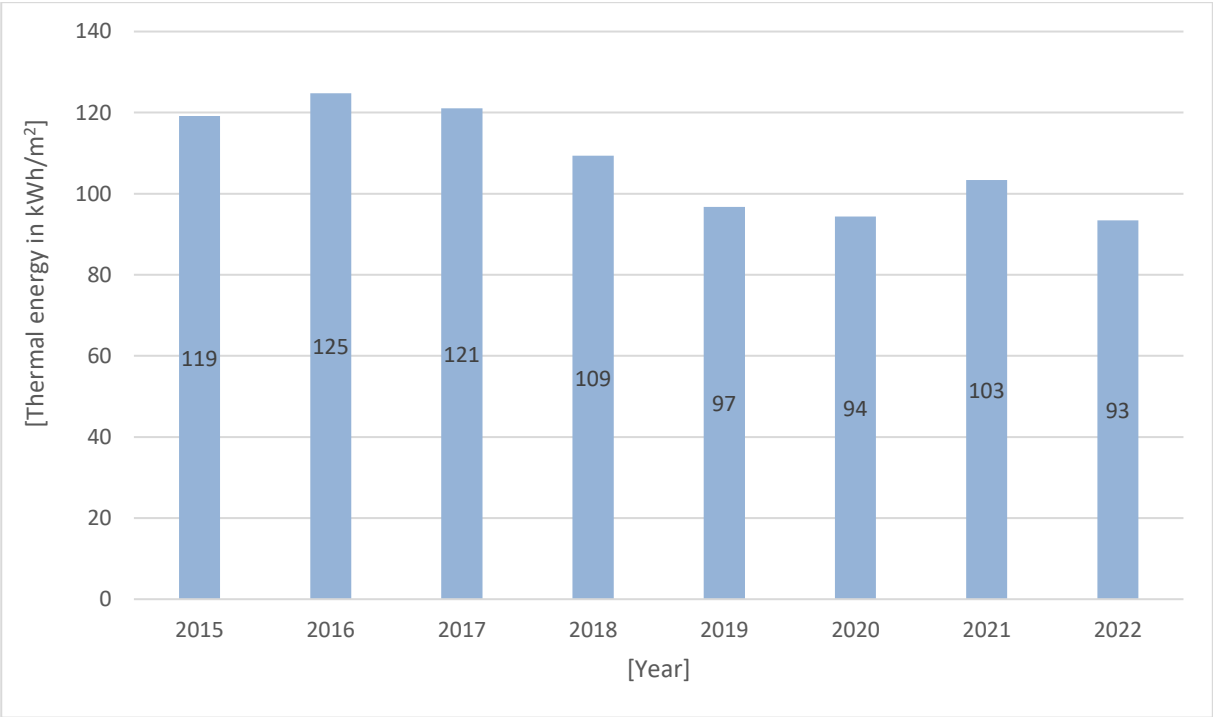
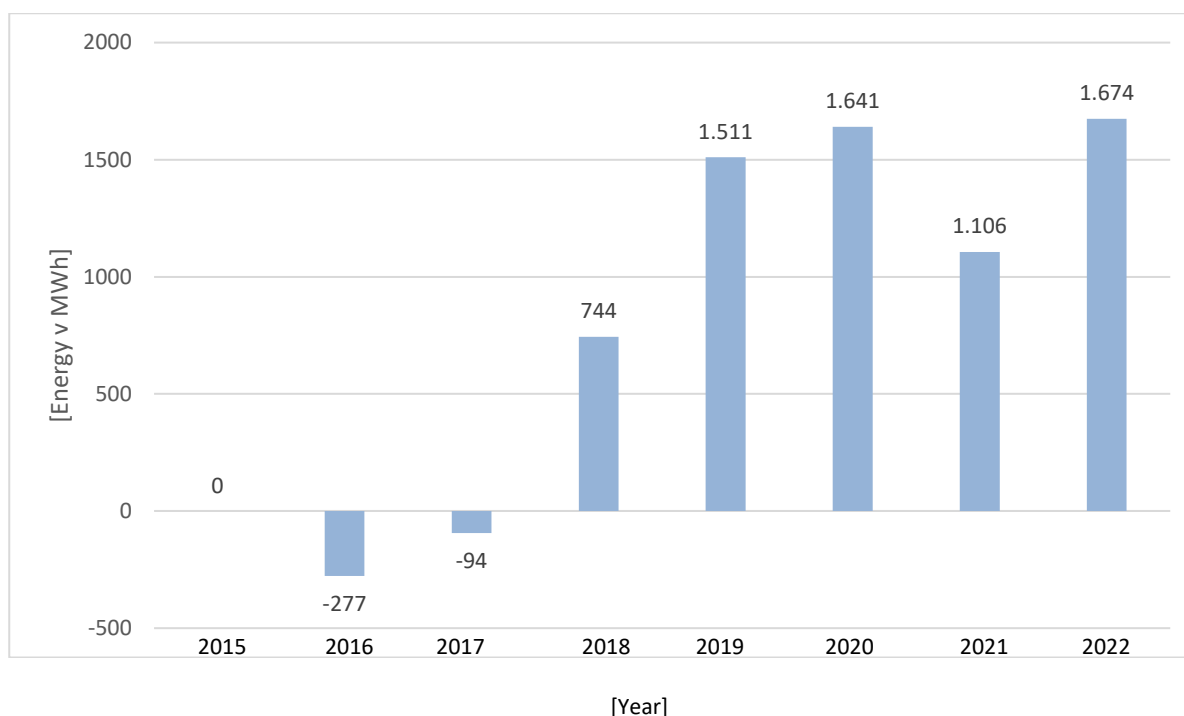


Figure 69: Savings in energy consumption for heating with respect to the 2015 baseline year (MWh)



1.5.6.5 Light pollution⁷⁵

Light pollution is the emission of light from light sources that increases the natural illumination of the environment. The International Commission on Illumination (CIE) does not use the term “light pollution” but the term “light trespass”. One of the first EU Member States to adopt a Decree on limit values due to light pollution of the environment was Slovenia. The Decree requires the lighting operator to use lamps with an upward light output ratio of 0% (ULOR = 0), thus reducing the electricity consumption intended for lighting. On 21 January 2020, we were included in a working group that was put together and is now active within the scope of the Ministry of the Environment and Spatial Planning. The Ministry is also preparing amendments to a decree foreseeing the reduction of the LED colour temperature to 3,000K or 2,700K. Pursuant to the amendment of the decree, the Company procured an amended Detailed Design for the 5th stage street lighting replacement. The invitation to tender was performed in 2022, the implementation and finalisation of works concluded in 2023.

With the amended Detailed Design, we propose that design documents should be adjusted accordingly with respect to the evident reduction in colour temperature as per the newly prepared Decree on limit values due to light pollution of the environment.

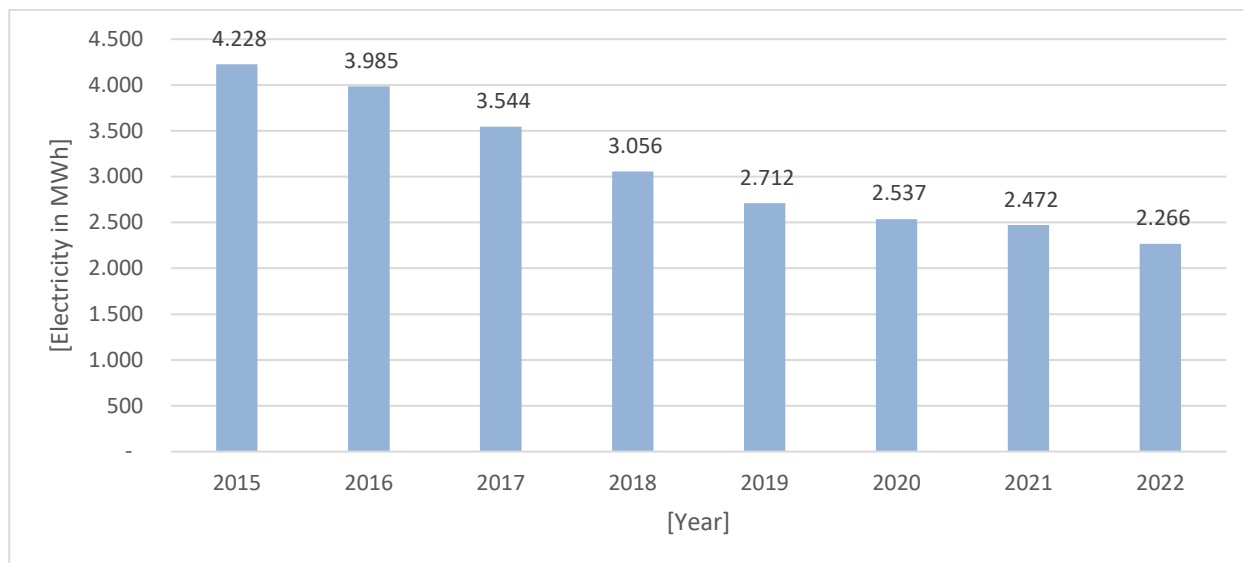
In 2016, stage 1 lighting replacement was completed, in which inadequate lights on the Dolenjska and Primorska MW legs and on the Ljubljana ring were replaced. The stages were broken down into the following lots:

- Lot 1: A1 Šentilj–Koper; Ljubljana–Koper and H6 Koper–Semedela,
- Lot 2: A2 Karavanke–Obrežje; Ljubljana–Obrežje and the Ljubljana ring road,
- Lot 3: A3 Gabrk–Fernetiči and H4 Razdrto–Vrtojba.

Reduced electricity consumption for lighting is an indicator of reduced light pollution, which is shown in the figure below based on the successful completion of several stages of lighting replacement.

⁷⁵ GRI GS 3-3, 302-1, 302-4, 302-5.

Figure 70: Electricity consumption for stages 1, 3 and 4 of the lighting replacement



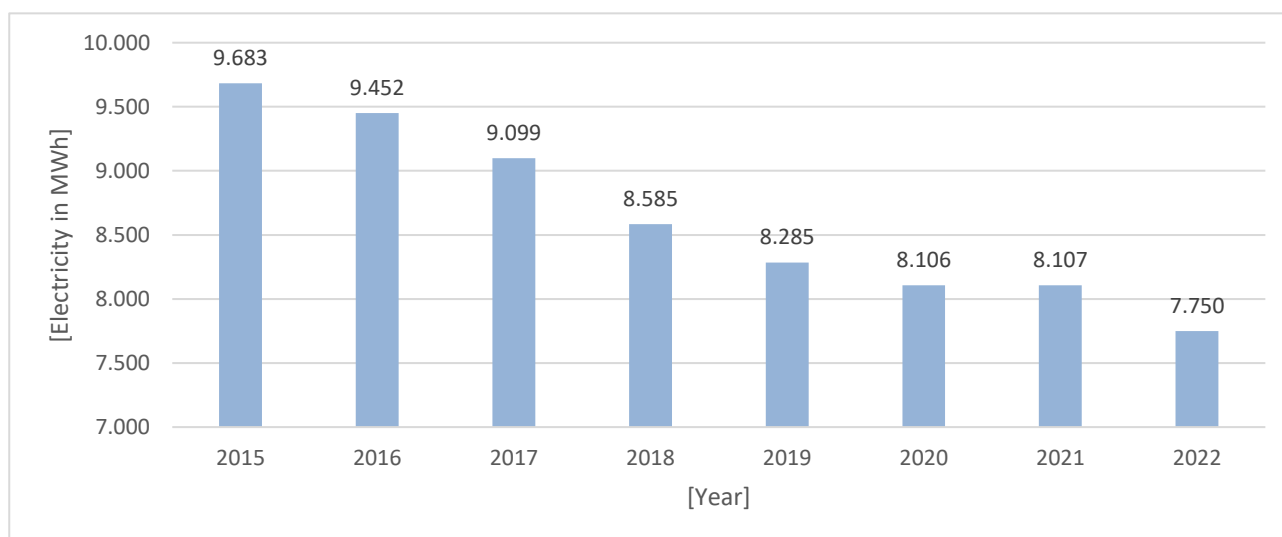
In stage 2, the lights at all MMCs were replaced.

In 2018, the Company completed stages 3 and 4 of the lighting replacement, whereupon 1,500 lamps were replaced in the following sections:

- A1 Šentilj–Koper,
- A2 Karavanke–Obrežje,
- A5 Maribor–Pince,
- H2 Pesnica–Maribor (Tezno),
- H3 Zadobrova–Koseze, Zadobrova–Tomačevo (lighting in the central reservation from the Tomačevo roundabout to the Zadobrova interchange),
- H5 Škofije–Sermin–Koper,
- H7 Dolga vas–Hungarian border.

The above figure (chart) includes all the metering points at motorway junctions where lighting was replaced and electricity meters were installed. The data does not include places where investment maintenance needs to be carried out, but where the Company has no electricity meters of its own (petrol stations).

Figure 71: Electricity consumption – lighting (MWh)



In addition to outdoor lighting on the motorway network, the Company executed a tender procedure under which lighting will be replaced with LED lamps in addition to the electrical and mechanical equipment in the Golovec tunnel and the Strmec cut-and-cover. The figure above shows the reduced electricity consumption intended for overall lighting. In addition to the measures implemented with the replacement of the lamps, the graph also shows reduced consumption on account of the abolition or changed intended use of toll stations.

In 2020, the Company was actively involved in the study of economically, environmentally and energy-acceptable measures to reduce electricity consumption. A project was prepared for stage 5 of the replacement of lighting, which has not yet been executed, since a procedure was initiated to amend the Decree on limit values due to light pollution of the environment. In 2021, an invitation to tender was carried out to obtain a provider for the economic and technical analysis of solar power stations to be set up at DARS facilities (MMCs Kozina and Vransko, Ptuj branch, Vipavski križ cut-and-cover, TS Log and regional control centre Dragomelj). In the analysis, the provider calculated which of the schemes (PX2, PX3, self-supply) is more suitable for a particular facility, and prepared all the documents for execution. The required electricity consents were obtained and the DD documents were drafted for DARS facilities (Kozina motorway base, Ptuj branch, Dob branch, cut-and-cover Vipavski Križ, and the Log toll station). The implementation and completion of works are planned in 2023.

A letter of intent was signed with Holding Slovenske elektrarne, d.o.o. on mutual collaboration in the examination of potential sites and the preparation of investment documents for individual site projects related to setting up photovoltaic power plants along the Slovenian motorway network managed by DARS.



I.5.6.6 Carbon footprint monitoring⁷⁶

The carbon footprint is the total amount of greenhouse gas emissions related to the operations of DARS. The carbon footprint calculation at the Company level took into account the direct greenhouse gas emissions (CO₂) that are generated at DARS locations. We will report on the other direct greenhouse gas emissions, such as methane (CH₄) and nitrous oxide (N₂O) in the next sustainability report for the year 2023 and thus list the equivalent of greenhouse gas emissions (CO₂e). We have chosen the year 2015 as the baseline year because we started to systematically collect data on energy consumption in that year in the framework of the established environment management system.

The calculation of the carbon footprint took into account the emission factors indicated in ANNEX III: Emission factors for determining reduced carbon dioxide emissions, page 1996 / No. 14 / 24 March 2017, Official Gazette of the Republic of Slovenia.

For emission factors that are not listed in the previous table, we have used the emission factors "GHG-conversion-factors-2022-condensed-set"⁷⁷ and thus updated the emission factors and the carbon footprint calculation, especially lot 3.

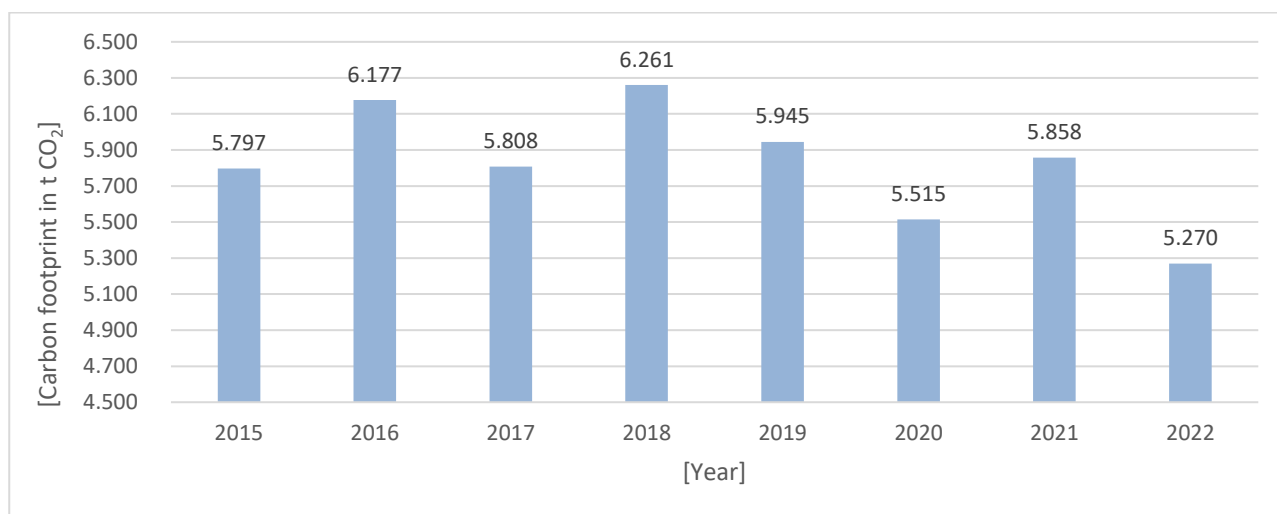
The carbon footprint calculation includes:

- **Lot 1:** fuel consumption by own vehicle fleet, energy consumption for heating (natural gas, LPG propane, LPG propane-butane, extra-light fuel oil (ELFO), wood biomass, loss of coolants;
- **Lot 2:** electricity and thermal energy consumption, geographical method used.
- **Lot 3 - partially:** employee commutes (assessment), airplane transports (European and transoceanic flights), mixed communal waste (assessment), WATER (assessment), office paper; the calculation does not include the quantity of generated greenhouse gas impacts from MW and EW users and from the construction of MW and EW.

Note: The carbon footprint calculation does not include the leased office spaces measuring 2,928.8 m². Based on the previous year, the change in the total volume of the carbon footprint is due to the error in listing the use of office paper (Lot 3), and we also added the additional consumption of compressed natural gas (CNG) in one vehicle for supervising works and one inspection vehicle at MCC Hrušica.

Chapter I.5.6.7 *Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system* shows the reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system.

Figure 72: Carbon footprint – scope 1



⁷⁶ GRI GS 2-4, 3-3, 305-1, 305-2, 305-3, 305-4.

⁷⁷ Accessible at: <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022>.

Figure 73: Carbon footprint – scope 2

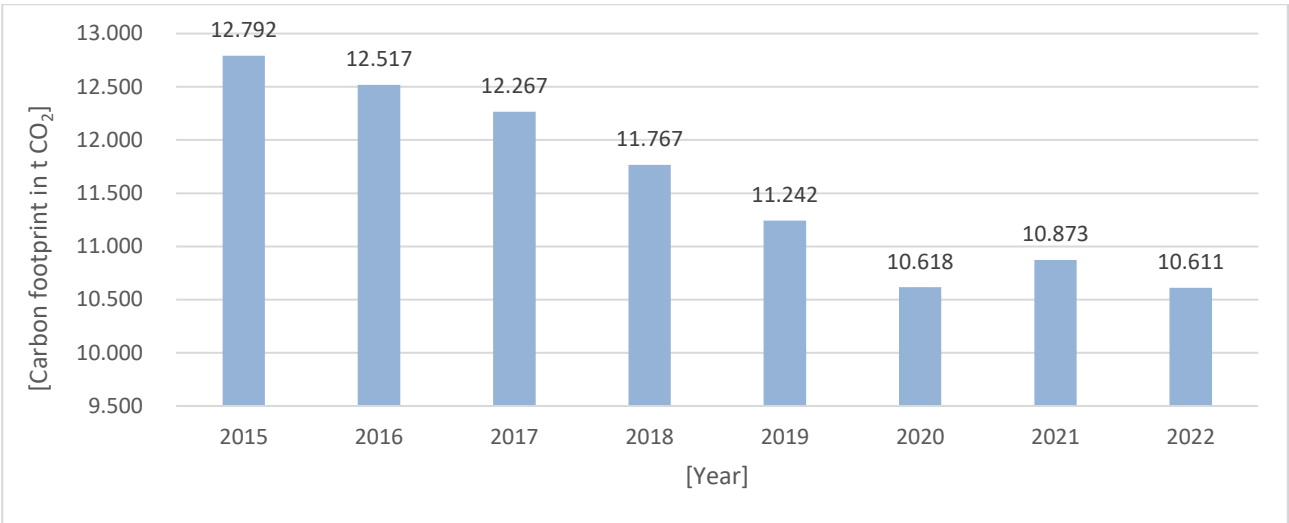


Figure 74: Carbon footprint - lot 1, lot 2 and part of lot 3

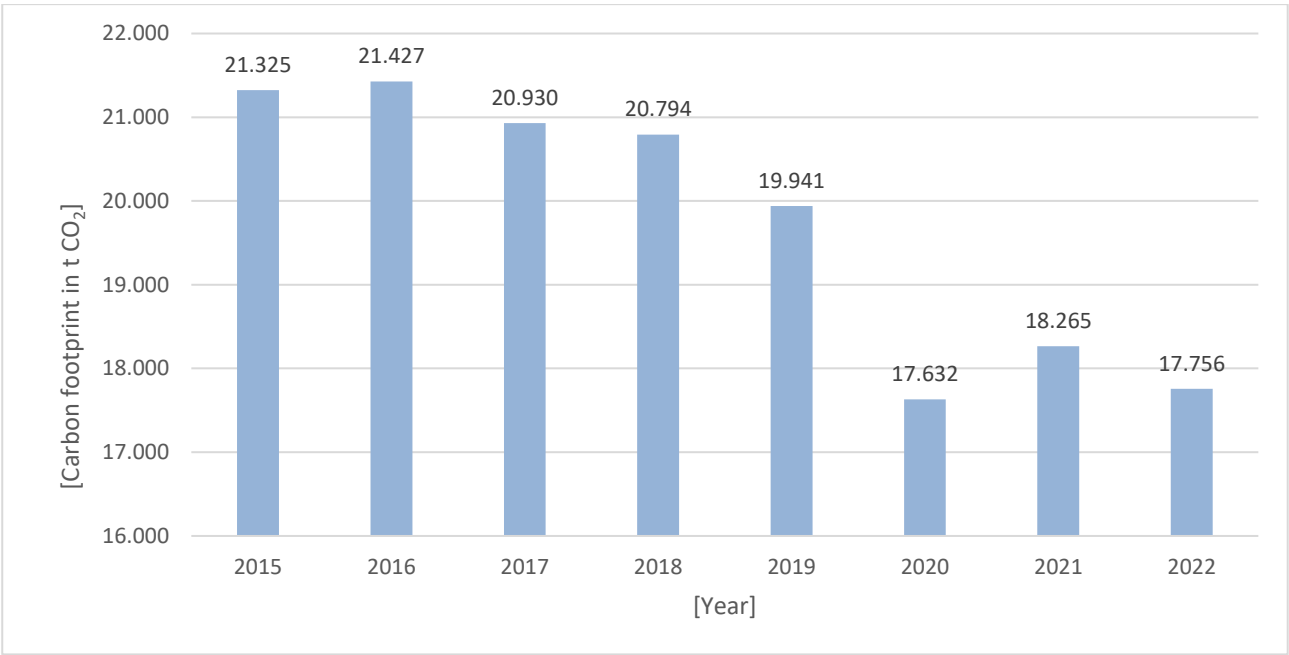


Figure 75: Carbon footprint - lot 1 and lot 2 per MW kilometre

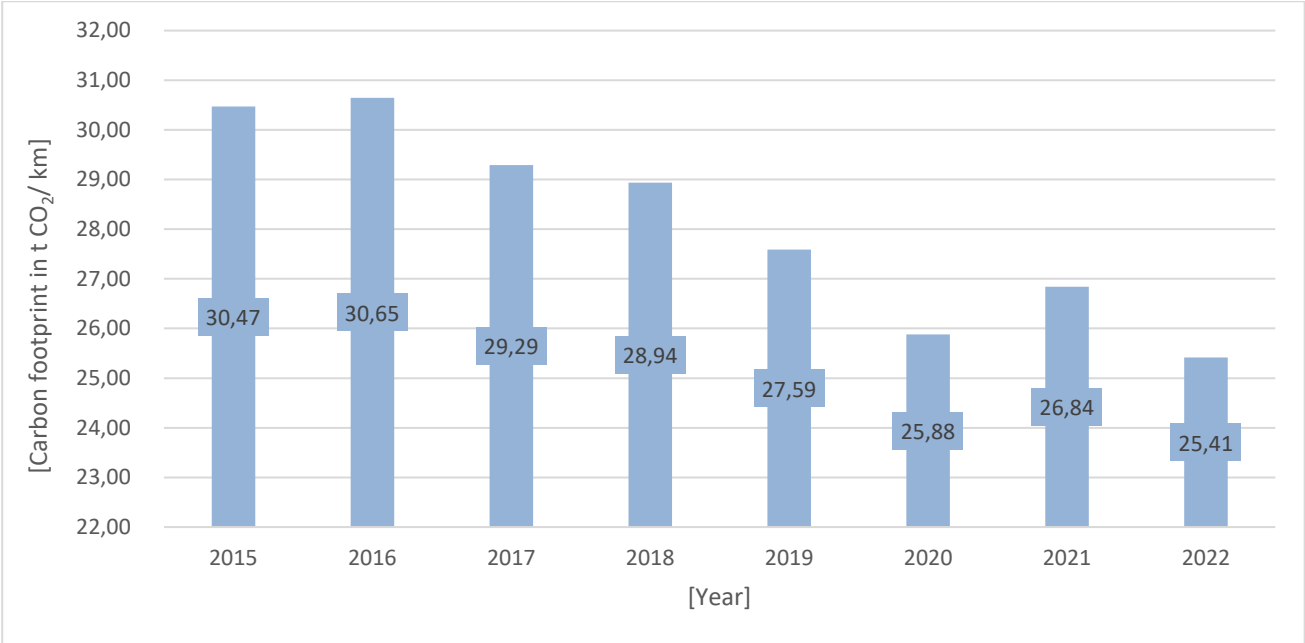


Figure 76: Carbon footprint - lot 1 and lot 2 per employee

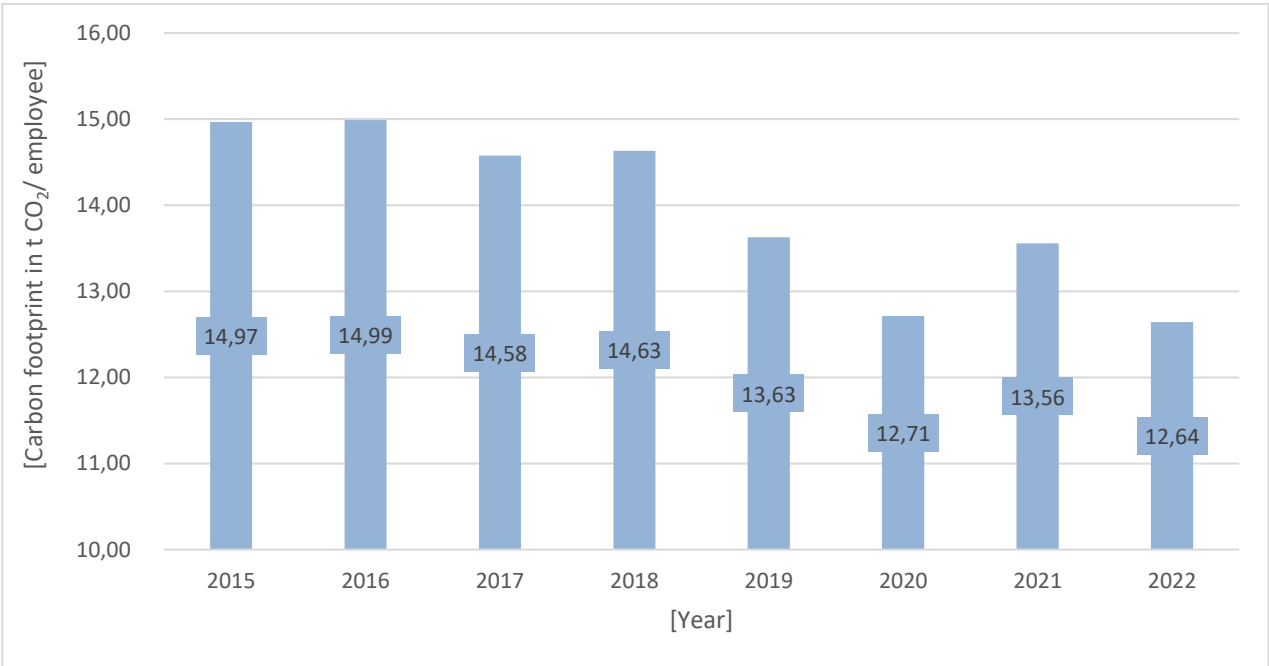


Figure 77: Carbon footprint – electricity

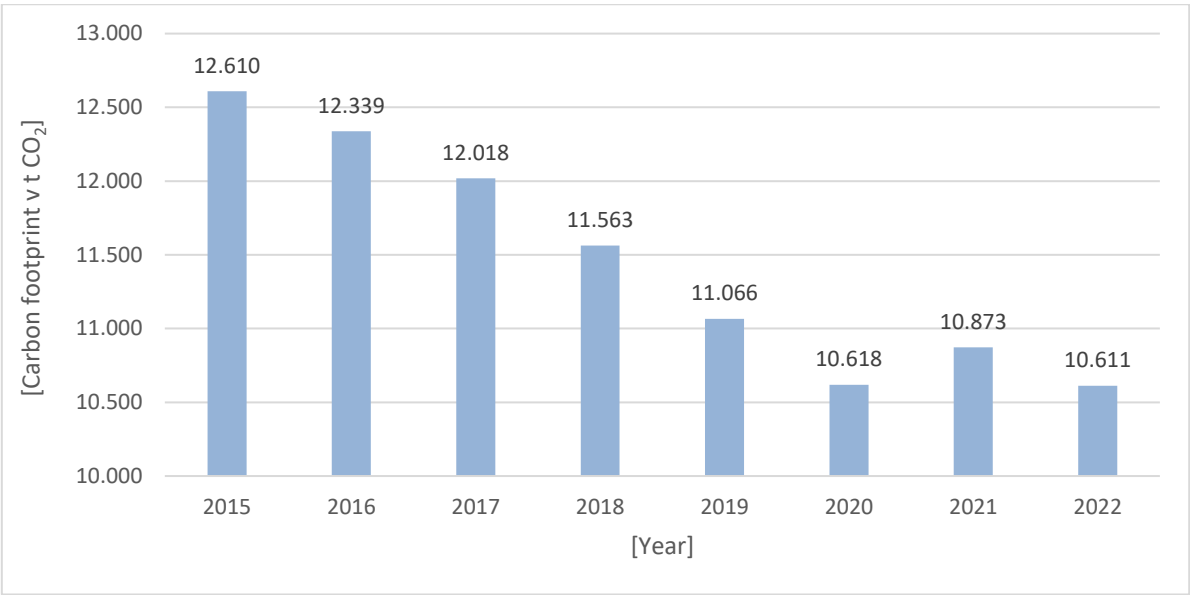


Figure 78: Carbon footprint – heating

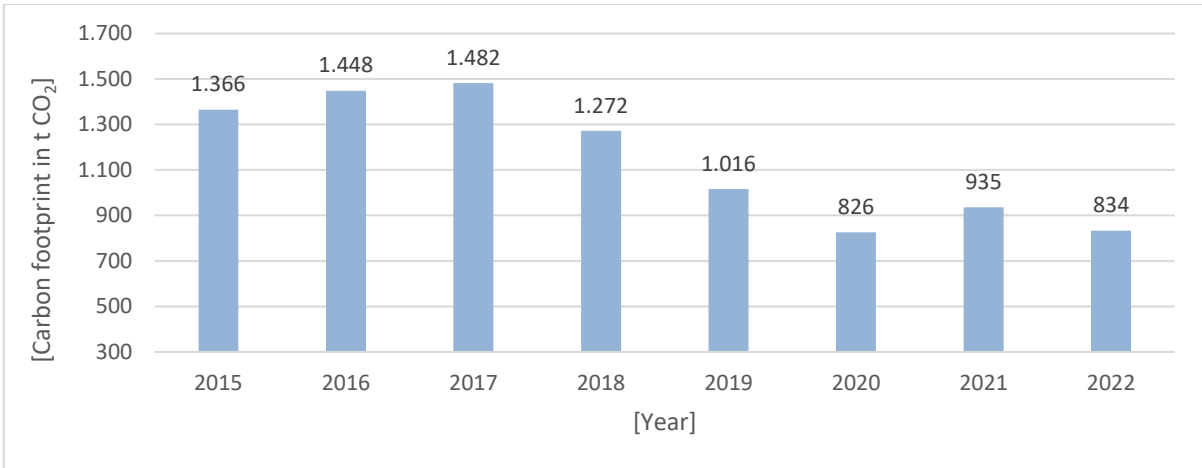
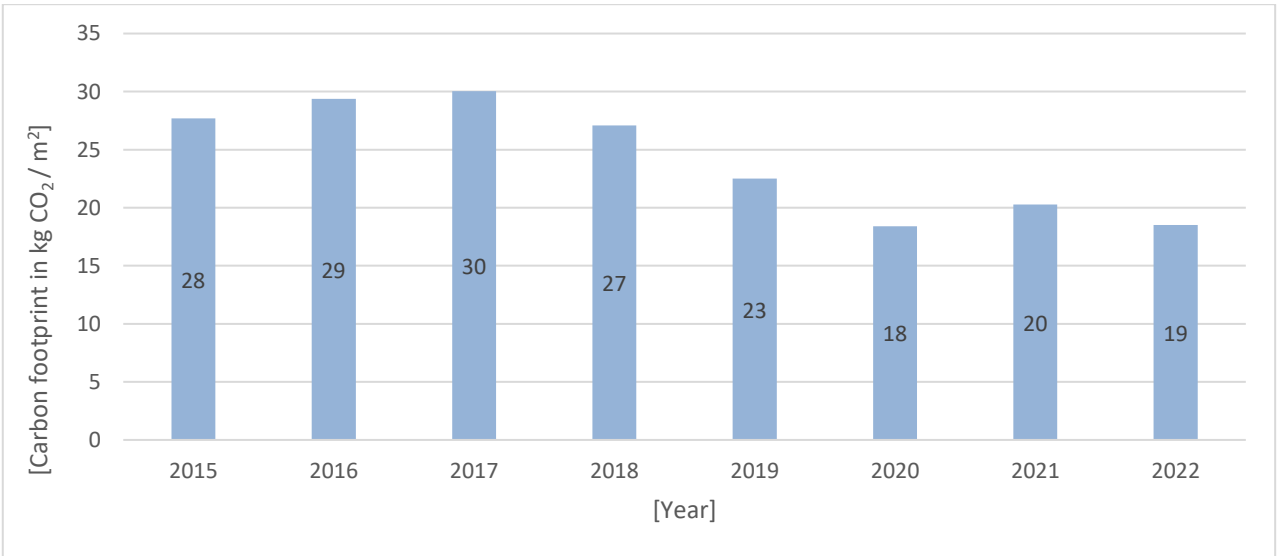


Figure 79: Carbon footprint – heating per m₂ of heating surface



1.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum authorised mass exceeding 3.5 tonnes due to the deployment of the DarsGo system.⁷⁸

As presented below, the introduction of the DarsGo system has also yielded positive environmental and economic effects in vehicles with a maximum permissible weight exceeding 3.5 tonnes. Tolling in the DarsGo system is conducted in free traffic flow, whereby heavy goods vehicles no longer stop at toll stations, which is why its introduction has reduced emissions and fuel consumption.

To that end, the Energy Efficiency Centre of the Jožef Stefan Institute evaluated the effects of the deployment of the DarsGo electronic tolling system on reduced fuel consumption and the consequently reduced emissions of carbon dioxide (CO₂), nitrogen oxides (NO_x) and dust particles (PM_{2,5}) in a research paper.

Potential savings may be calculated for 2017, since the DarsGo system had not yet been introduced (based on passages through toll stations). Potential savings were calculated for the first 3 months of 2018, before the toll system was changed on 1 April, while the actual savings were calculated for the remaining months. The calculation of emissions reduction upon the introduction of the DarsGo system took into account data from the DarsGo system, i.e. actual passages under toll gantries that are erected in the direct proximity of former toll stations.

Table 27: Total reduction of emissions due to the deployment of electronic tolling in Slovenia

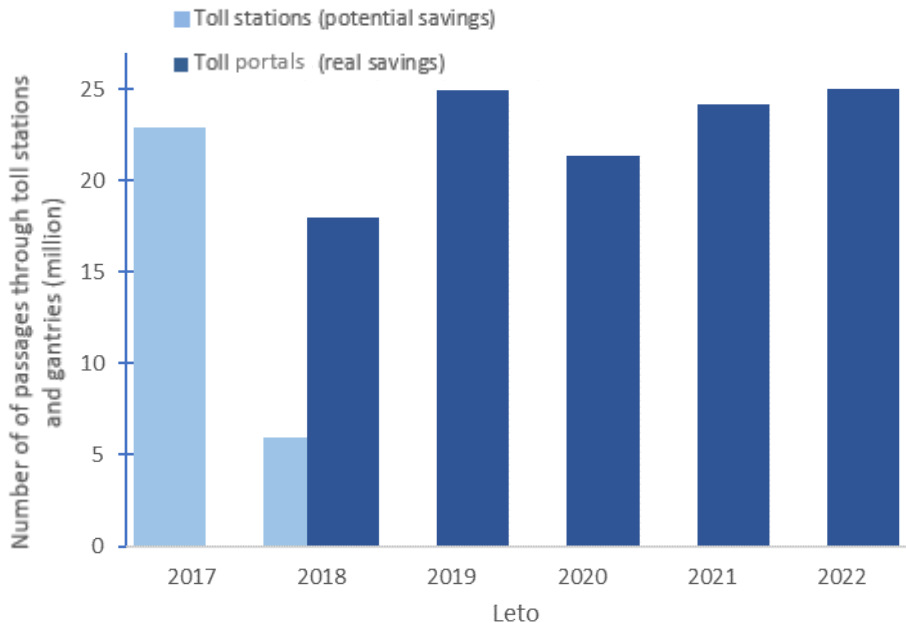
Year	No. of passages through toll stations	Fuel savings [t]	Fuel savings [GWh]	CO ₂ emissions [t]	NO _x emissions [t]	Emissions PM _{2,5} [t]
2017	22,936,633	0 (potential saving 12,456)	0 (potential saving 147)	0 (potential saving 38,308)	0 (potential saving 140)	0 (potential saving 2.3)
2018*	23,927,107 (5,728,548 in I–III 2018)	9,750 (potential total saving 12,995)	115 (potential total saving 154)	29,986 (potential total saving 39,966)	84 (potential total saving 112)	1.7 (potential total saving 2.2)
2019	24,960,247	13,553	160.5	41,680	77.2	1.80
2020	21,333,005	11,585	137.1	37,259	35.56	0.70
2021	24,196,493	13,141	155.6	42,254	33.36	0.66
2022	25,012,285	13,584	160.9	43,363	28.82	0.57

*Savings occurred after 1 April 2018 due to the deployment of the tolling system. Before then, only potential savings can be discussed.

The results from the table above are shown below. Potential savings before April 2018 are shown in a light colour, while the actual savings after 1 April 2018 are shown in a dark colour. In 2022, fuel savings and CO₂ emissions increased due to a higher number of passages by heavy goods vehicles, while the drops in NO_x and PM_{2,5} emissions are mostly affected by heavy vehicles transferring to higher EURO emission classes.

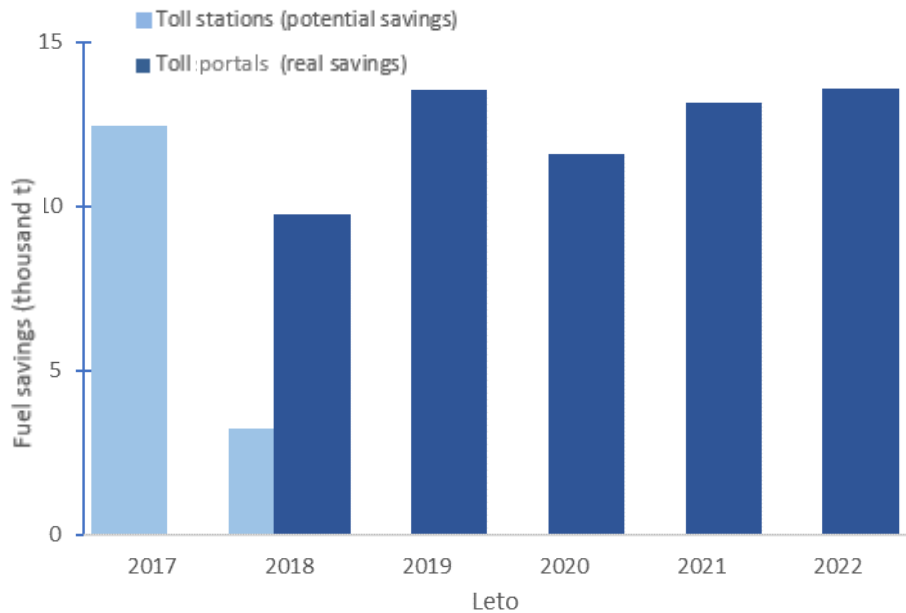
⁷⁸ GRI GS 3-3, 302-4, 302-5, 305-3, 305-7.

Figure 80: No. of passages through toll stations and under toll gantries from 2017 to 2022



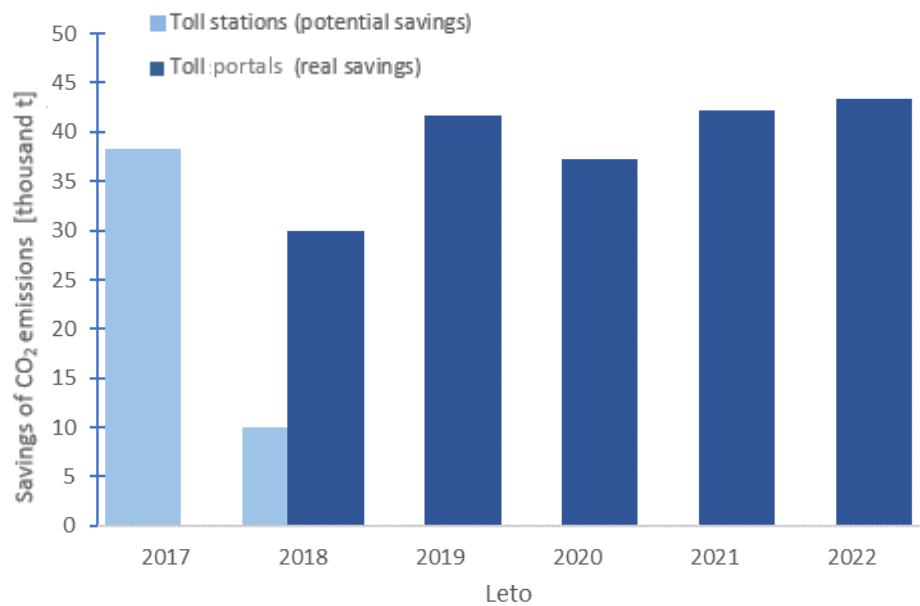
The figure below shows potential and real fuel savings due to the deployment of the DarsGo system without stopping at toll stations, i.e. from 2017 to 2022.

Figure 81: Potential and real fuel savings due to the deployment of the DarsGo system without stopping at toll stations from 2017 to 2022



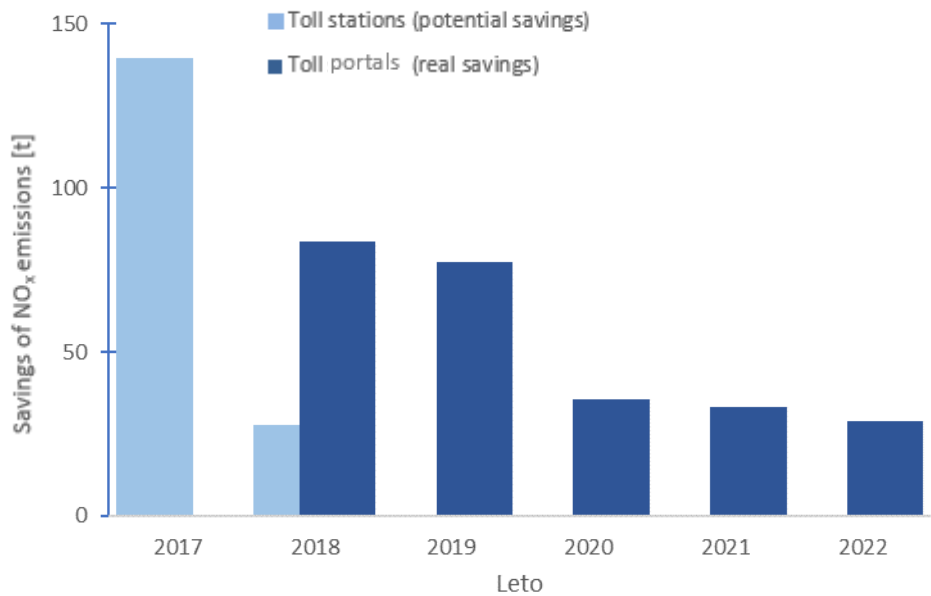
The figure below shows potential and real fuel savings due to the deployment of the DarsGo system without stopping at toll stations, i.e. from 2017 to 2022.

Figure 82: Potential and real CO₂ emission savings due to the deployment of the DarsGo system without stopping at toll stations from 2017 to 2022



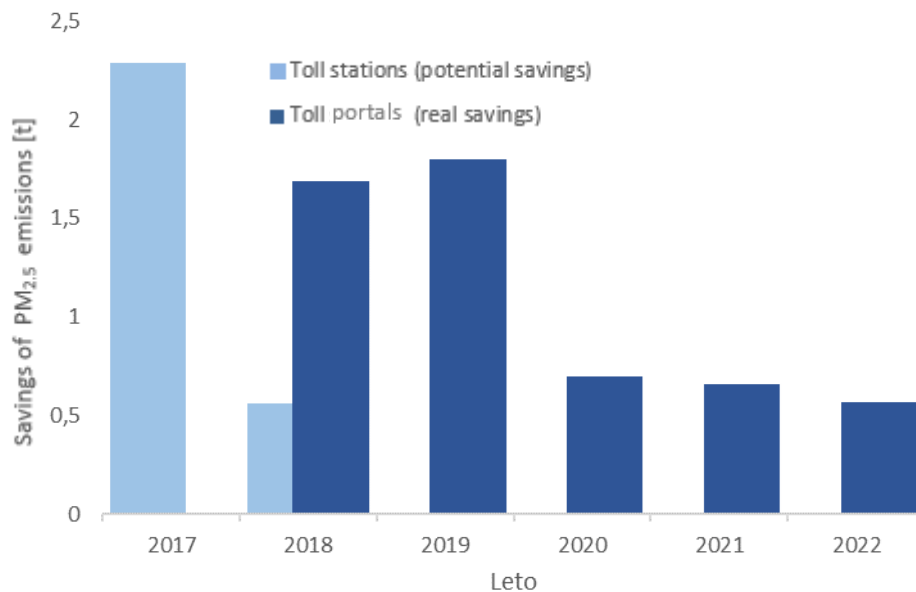
The figure below shows the potential and real savings of NO_x emissions due to the deployment of the DarsGo system without stopping at toll stations.

Figure 83: Potential and real NO_x emission savings due to the deployment of the DarsGo system without stopping at toll stations from 2017 to 2022



The figure below shows potential and real savings of PM_{2,5} particle emissions due to the deployment of the DarsGo system without stopping at toll stations.

Figure 84: Potential and real PM_{2.5} emission savings due to the deployment of the DarsGo system without stopping at toll stations from 2017 to 2022



As evident from above data, the deployment of the DarsGo system is one of the most important environmental measures in the Republic of Slovenia.

In recognition of the successfully deployed electronic tolling system, DARS received an award for environmentally friendly service in 2019 within the scope of the Environmental gathering organised by the Finance newspaper on 7 November 2019.

1.5.6.8 Emissions into the air⁷⁹

Emissions into the air resulting from Company activities are emissions of exhaust gases from the vehicle fleet and emissions from own heating sources for business premises. In respect of emission management, the Company complies with the requirements.

Emissions into the air caused indirectly by MW users are particularly important in tunnel management. Tunnels longer than 500 metres are equipped with monitoring systems for exhaust gas emissions (CO) and visibility. A ventilation system is set up for adequate ventilation in the tunnel tubes, which is controlled or regulated automatically using the installed fans. Measurements are monitored by the control centres in charge of controlling traffic in individual tunnels.

Control Centre (CC) Hrušica monitors the parameters in the Karavanke Tunnel, CC Ljubljana in the Golovec and Šentvid tunnels, CC Kozina in the Kastelec, Dekani, Podnanos and Barnica tunnels and in the Rebernice II cut-and-cover, and CC Vransko and Slovenske Konjice in the Cenkova, Golo rebro, Pletovarje, Ločica, Jasovnik, Trojane and Podmilj tunnels.

By optimising traffic flows, traffic congestion is mitigated, whereby gas emissions are minimised. This is achieved by forcing freight vehicles off motorways in time, through road diversions, additional variable message signs and the coordination of all closures, as well as through the coordinated operation of control centres.

⁷⁹ GRI GS 3-3.

1.5.6.9 Concern for animals in the MW area of influence⁸⁰

The invasion of wild animals onto the motorway presents a significant risk for:

- the safety of all participants in motorway traffic and animals,
- the safety of motorway maintenance workers who have to remove or catch the animals,
- material damage and severe trauma;
- serious accidents resulting in fatalities or severe bodily injury.

Therefore, DARS has made efforts from the very beginning to minimise such cases by regularly checking the barriers, using deterrent devices and including the issue of animal passages in procedures to prepare the national spatial plan. We have adapted or expanded all our underpasses, which are located in areas where animal crossings have been recorded, in such a way that they now have an unobstructed path for the crossing of animals in addition to the road surface in the underpass. The prevention of animal roadkill on all traffic routes (state roads, motorways and railways) is important both in terms of animal mortality rates and traffic safety improvement. To that end, DARS has furnished all MW junctions with acoustic deterrent devices for game animals, which are installed on indicators. A total of 571 deterrent devices have been set up.

There are over 1,000 structures – overpasses, underpasses, bridges, viaducts, tunnels, cut-and-cover structures and culverts – that animals use for crossing above or below the motorway.

In addition, by extending bridging structures over watercourses, the necessary path for animals crossing under bridges near watercourses is also ensured. Animals use several overpasses to cross roads and there are some objects that have been built exclusively for the purpose of animal crossings (ecoducts); some are extended overpasses where, in addition to a local road, a suitable width of grassy belt is provided for animals to cross. Culverts are adjusted below motorways for smaller mammals, amphibians and otters, with a built-in dry ledge intended for such animals.

The building of an overpass for animals (ecoduct) is also planned on the A1 section between Postojna and Unec.

To reduce the number of animals found astray on the motorway, the Company has decided to furnish all junctions on the motorway with an acoustic deterrent device for animals. This device was initially tested by colleagues from MMC Hrušica in 2007 on the Gorenjska motorway leg. Research on its effectiveness confirmed that there is significantly less roadkill (by as much as 92%) on roads protected by the device. The acoustic deterrent device for animals is a device with built-in electronics that repels animals from the protected motorway junction using ultrasound, infrasound, seismic tones and vibrations. They are installed in existing roadside pillars and prevent animals from accessing the motorway.

Figure 85: Acoustic deterrent device for animals



In the second half of 2018, some 100 new wildlife deterrents were installed on indicator lamps at junctions on the Dolenjska motorway leg and partly in the area of Ljubljana. Furthermore, in cooperation with Eurofins ERICo, an institute for environmental research from Velenje, the Company has been installing electric fences in the area of Logatec towards Postojna. The electric fence is supposed to prevent the crossing of bears.

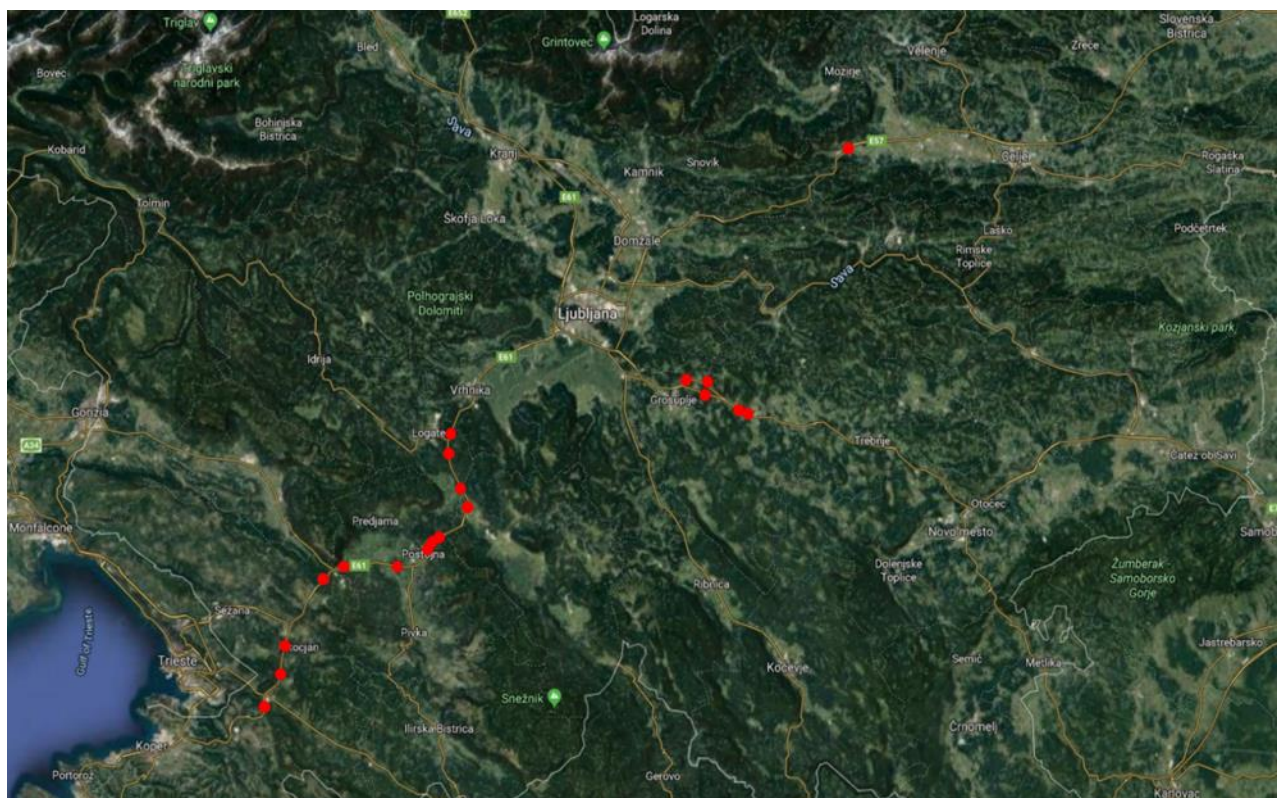
The prevention of animal roadkill on all traffic routes (state roads, motorways and railways) is important both in terms of animal mortality rates and traffic safety improvement. With a focus on the

brown bear, a total of 180 bears were run over between 2005 and 2016 in Slovenia according to the data provided by Eurofins Erico, which on average amounts to 15 a year or some 15% of the total identified bear mortality in Slovenia. Runovers increase twice, i.e. in late spring (May and June) and early autumn (August and October).

In 10 years, 18% of the bears were hit on the motorway, 37% on main, regional, municipal and forest roads, while 45% were hit on railway tracks.

⁸⁰ GRI GS 3-3, 304-2.

Figure 86: Spatial distribution of locations in Slovenia where bears were hit on the motorway between 2004 and 2018



The most bears were hit on the Primorska MW leg between Logatec and Postojna, in the area around Razdrto, between Divača and Kozina, and on the Dolenjska MW leg, particularly between Grosuplje and Ivančna Gorica.

Animals often get onto the motorway at motorway junctions, where the safety rail ends, which is difficult to prevent. The Slovenian motorway system has a total of 123 motorway junctions; if that is multiplied by a factor of 2 (entry and exit ramps), this means almost 250 potential "free" entrances.

The number of passages by motorway section:

- Styrian section: slightly more than 10 crossings;
- Podravje leg: slightly more than 30 crossings, 3 of which are flat amphibian passages;
- Gorenjska leg: some 27 crossings, including dirt roads;
- Dolenjska leg: 38 passages (mostly underpasses and culverts);
- Primorska leg: 1 cut-and-cover (on H4 Vipava expressway), and 28 overpasses and 16 underpasses between Brezovica and Senožeče.

Otherwise, animals can use paths for crossing under viaducts and bridges and above tunnels throughout the motorway network.

Below is an example of a successful animal protection measure. DARS participates in the LIFE DINALP BEAR LIFE13 NAT/SI/000505 project. Within the scope of the action "C.4 Reducing traffic-related brown bear mortality", an electric fence is being installed on the exterior side of the existing wire MW safety barrier on selected sections of the A1 Ljubljana–Postojna motorway. The electric fence is a 3-wire system that prevents bears from climbing the fence and accessing the motorway. This has so far been set up over a total distance of some 30 km in the mentioned section of the Primorska leg, i.e. 15 km along each carriageway towards Koper and Ljubljana.

Figure 87: Animal protection measures



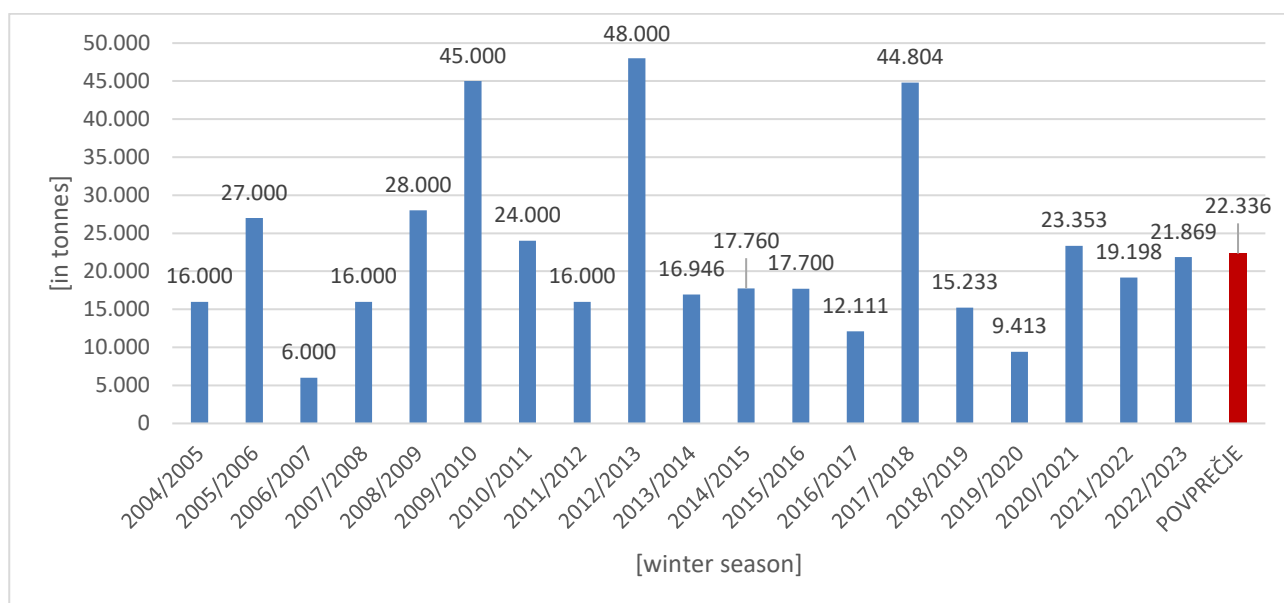
To reduce the number of animals found astray on the motorway, the Company has decided to furnish all junctions on the motorway covered by MMC Murska Sobota with an acoustic deterrent device for animals within a reasonable time. This device was first used in 2007 by associates from MMC Hrušica, who later equipped all junctions on both sides of the Gorenjska motorway section.

1.5.6.10 Environmental impacts of road gritting⁸¹

To maintain good driving conditions, substantial amounts of grit salt are used every winter on Slovenian motorways. Its impact on the environment is still uncertain and a current issue worldwide, since Europe and America mostly use NaCl and, to a minor extent, CaCl₂ and MgCl₂ during low temperatures. Due to the range of harmful effects of chlorides on the environment and structures, there is a strong tendency to reduce grit amounts in all countries. This is why the Company started using wet salting as preventive gritting, which is conducted on average 100 days a year.

To prevent slippery roads and ensure safe road conditions in winter, roads are gritted using various grit materials. These materials have a minimum impact on the ground, the quality of the surface and groundwater, flora, fauna, humans, animals, facilities (road lanes, bridges, viaducts and buildings) and vehicles.

Figure 88: Consumption of gritting materials in tonnes



⁸¹ GRI GS 3-3, 301-1, 304-2.

In 2022, the environmental impact of salting was also monitored within the scope of the implementation of the Annual Programme of Operational Monitoring (APOM) of rainwater from retention basins. Analyses of the individual samples taken showed no excessive presence of salting elements; in each analysis, the salting elements were within the prescribed limits.

Wet salting

Based on foreign and domestic experience with wet salting, DARS decided to use a 23% NaCl solution for preventive gritting. Wet salting is when a saline solution is spread over the carriageway. So far, the Company has used FS30 wet salting (30% solution and 70% dry salt). Since the effect of wet salting is the same or even better and much cheaper (FS100), the Company expects to supply all MMCs with the relevant equipment in a few years. In 2022, additional silos and devices for the production of sodium chloride solutions were supplied to the Drnovo branch. New automated mixing devices were delivered and are already in operation at the Podtabor, Dob and Logatec branches, MMC Postojna, the Vipava branch, MMC Hrušica, MMC Vransko, MMC Kozina, MMC Ljubljana, MMC Murska Sobota and MMC Maribor, and the Ptuj and MMC Slovenske Konjice branches.

Figure 89: New automated mixing devices



Notably, environmental pollution was thereby reduced by some 25% because the number of traffic accidents was also reduced or was similar to the number of accidents that occur when winter conditions are not present.

The most obvious negative impact of salt on the infrastructure and the environment can be seen in the form of:

- accelerated corrosion of vehicles in traffic and the corrosion of the reinforcement in reinforced concrete and iron and steel structures;
- damage to vegetation on the roadside due to contact with salt, which is run off the road by traffic or drained upon snow thaw,
- damage to trees and shrubs resulting from balance changes in the absorption of nutrients through roots and leaves,
- damage to fish and other animals feeding on the fish due to the high concentrations of chloride ions in roadside watercourses and wetlands.

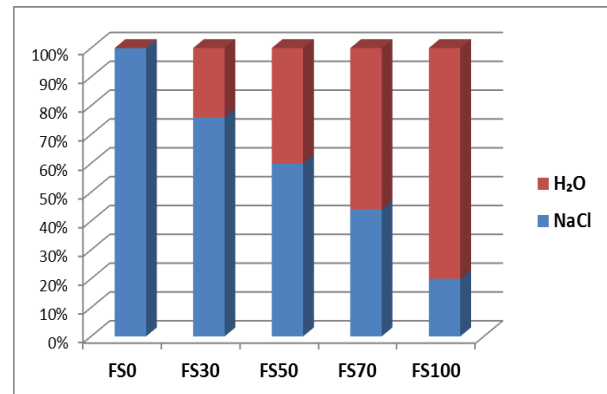
Use of new technologies

In 2023, it is planned to procure new modern equipment for winter road maintenance with controlled consumption in relation to temperature and the ongoing monitoring of grit release. It is estimated that salt consumption could be reduced by somewhere between 15 and 25% per m² with the introduction of this modern technique.

Example of a negative impact of salt on traffic structures

Concrete, rock or asphalt cracking takes place when all the pores are saturated with water, which is evident in the picture below. After a certain number of freezing and thawing cycles, along with the use of grit material, frost damage occurs. Due to salting and temperature fluctuations on the surface and inside the cracks, internal stress increases resulting in cracks on surface layers. Due to the presence of chlorides, steel also corrodes.

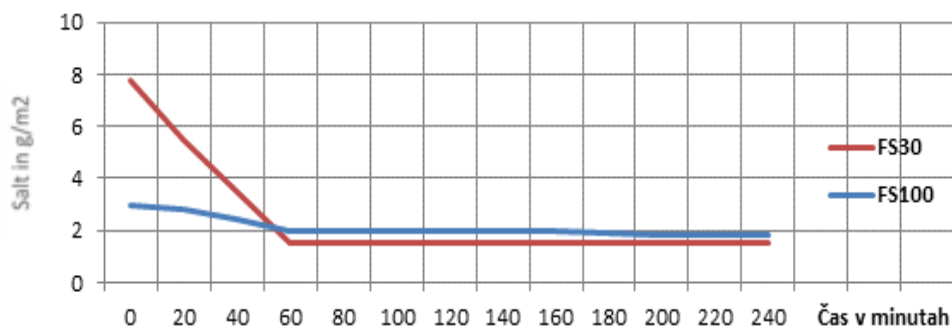
Figure 90: The impact of salting on the pavement (source: own footage, 2010) Figure 91: Types of solution for wet salting



Measuring salt residue upon the use of FS30 and FS100

The chart shows that the effect of wet salting (FS30) equals liquid salting (FS100) after some 50 minutes or that the effect of liquid salting lasts even longer and has more effect than wet salting. Measurements performed by German colleagues showed a loss of up to 70% in the first 20 minutes after salting, i.e. only 2 g/m² of wet salt (FS30) remains from the initial amount of 7.5 g/m², and after 60 minutes only 1.5 g/m². Interestingly, the loss in FS100 is smaller and, if 3 g/m² is sprayed, almost 2 g/m² remains after 60 minutes.

Figure 92: Duration of the effect of wet salting (FS30) and liquid salting (FS100)



Road conditions for which liquid salting is recommended

Liquid salting is not suitable for all conditions. The basic condition is that the road temperature stays above -7 °C.

A special contribution to the new practice was made by experienced road maintenance services in countries that are large salt consumers in the winter, such as Austria, Germany, Norway, Sweden, Switzerland, etc. Along with the strengthening of environmental awareness, i.e. the need for environmental protection, grit requirements also emerged. This was a new grit technology with an increased content of saline that significantly reduced environmental pollution, while preserving traffic safety on European roads.

Assuming that the use of new grit technologies using FS30, FS50 and FS100 would amount to "merely" 25% of the purchase cost of salt, the calculation of the financial implications of the use of new grit technologies is simple.

In the 2019/2020 winter, 2,814 m³ of 23% NaCl solution was used for preventive liquid salting, 4,951 m³ in the 2020/2021 winter, 7,248 m³ in the 2021/2022 winter, and 3,986 m³ in the 2022/2023 winter.

I.5.6.11 Protection of waters⁸²

Run-off wastewater is drained from the motorway pursuant to the Decree on the emission of substances in the discharge of meteoric water from public roads by way of dispersed or controlled point drainage via 759 retention basins, which are indicated by MW leg in the table below.

In 2022, the Company continued the regular annual cleaning of all the most burdened oil separators (at motorway maintenance centres and branches), as well as cleaning more burdened retention basins near the motorway or less burdened ones that have not been cleaned for longer periods of time, and the basic maintenance of retention basins (grass mowing, the removal of dumped municipal waste, repairing damaged parts and railings, and cleaning de-sanding areas and sand traps). Hazardous and non-hazardous waste is generated during the cleaning of retention basins and oil separators. The disposal of the latter is subject to a contractual relationship with the recipient of the relevant waste, which has a valid environmental permit. Pursuant to the legislative requirements, internal instructions on waste management and the rules of procedure for oil separator maintenance, an operating log, which forms a component part of the Report on the inspection and operation of retention basins along motorways and expressways, is to be completed for every intervention on an oil separator or retention basin for each calendar year separately.

Measurements were conducted 5 times in 2022 at the representative Sneberje retention basin with the aim of monitoring the emissions of substances into nature. The operational monitoring of run-off wastewater from the roads managed by DARS was conducted within this scope, measuring the pollution of the water discharged from retention basins. Operational monitoring was conducted on the basis of the Annual Programme of Operational Monitoring (APOM), which was sent to the Ministry of Infrastructure for review and to the Ministry of the Environment and Spatial Planning for approval pursuant to the Decree on the emission of substances in the discharge of meteoric water from public roads. Based on the analyses carried out, we conclude that the limit values set out in Annex 2 Limit values for parameters for run-off wastewater were exceeded at the first measurement (March 2022). The exceedance of the parameters of suspended matter, chlorides and PAH was only found in one sampling of rainwater. The next two sampling rounds found no exceeding of the limit values or the PAH parameter was within the detection limit.

Table 28: Number of retention basins along the MW legs

Designation and name of MW leg	Number of retention basins along MW leg
A1 Šentilj–Sermin	336
A2 Karavanke–Obrežje	186
A3 Gabrk–Fernetiči	12
A4 Slivnica–Gruškovje	29
A5 Maribor–Pince	88
H3 Northern Ljubljana ring road	1
H4 Razdrto–Vrtojba	94
H5 Škofije–Sermin–Koper	5
H6 Koper–Lucija	7
H7 Dolga vas–Hungarian border	1
Total	759

Figure 93: Retention basins along MW



In 2022, the Maintenance Division continued basic maintenance works and the regular annual cleaning of all retention basins (mowing, removal of discarded municipal waste, repair of damaged parts and railings, and cleaning the de-sanding areas and sand traps), while cleaning works on oil separators at some selected retention basins with the most burdened oil separators were not conducted. Pursuant to the legislative requirements, internal instructions on waste management and the rules of procedure for oil separator maintenance, an operating log that forms a component part of the Report on the inspection and operation of retention basins along motorways and expressways is to be completed for every intervention on a retention basin. The report is made for each calendar year separately.

⁸² GRI GS 3-3, 303-1, 303-2, 303-3, 303-4, 303-5.

In order to manage the road network comprehensively, to maintain motorways efficiently and rationally and, above all, to take timely action in the event of accidents, the operator needs information on the condition of the facilities and devices, including the systems for the retention and discharge of surface water from the roads.

In autumn 2020, in collaboration with the external contractor IRGO Consulting, d.o.o., we began inspecting the condition of all 759 retention basins along the road network managed by DARS. The condition of the retention and drainage devices for run-off wastewater is monitored through periodic and non-periodic inspections, which include a visual inspection and, where necessary, measurements. The inspections are carried out on the basis of the Roads Act (Official Gazette of the Republic of Slovenia, Nos. 109/10 and 48/12; "ZCes-1") and the Rules on the regular maintenance of public roads (Official Gazette of the Republic of Slovenia, No. 38/16). The condition will be monitored on all sections managed by DARS that have been opened for traffic or are scheduled to be opened for traffic during the execution of the work under the contract. By the end of 2022, 504 periodic inspections had been carried out and one extraordinary inspection. The inspections are performed according to the internal methodology for monitoring the condition of drainage facilities and devices with an emphasis on retention basins.

Work under the contract for monitoring the condition of retention and drainage devices will be carried out over the course of eight years. Within that period, an initial inspection of all the retention facilities with the associated equipment, inlets and outlets (snapshot of the zero state) is planned to be carried out within three years from the signing of the contract, followed by periodic inspections of all retention basins over the course of five years from the previous inspection of their condition.

To protect waters, waste tunnel washing water is removed from the location of origin, which is one of the ongoing tasks of the Maintenance Division. The disposal of such wastewater is also subject to a contractual relationship with recipients that have a permit to handle such waste as issued by the ministry for all locations of occurrence of such waste.

The renovation of all small rest stops was initiated in 2022. In this scope, the existing cesspits at each location were terminated and SUWWTPs were placed. Better quality cleaning of communal wastewater will thus be ensured in the future at each location and therefore less burden will be placed on the environment with direct emissions of wastewater into the environment.

Significant spills in relation to wastewater and waste

In respect to spills in the last 5-year period, one truly major incident was recorded involving an oil spill (burning oil). The incident happened in February 2018 upon a major accident involving two trucks, one carrying oil and the other carrying flammable wood waste cargo. Upon the collision, oil started leaking, a fire occurred and the oil discharged into the nearest retention basin. Since fire-fighting action followed, the component for extinguishing burning oil was present within the spillage. The entire incident was successfully managed and all hazardous components were retained in the nearest retention basin. This was followed by the cleaning of all the affected surfaces. The incident was successfully managed and no major ecological consequences occurred despite the complexity of the event. We recorded no other major spillages in the last five-year period.

Additional information about the mentioned spillage:

- Location of the spill: The spill occurred in February 2018. Motorway section 068 at km 6.580. Location near the former TS Dane; the nearest town is Sežana.
- Place of the spill: The spillage took place on motorway surfaces and down the drainage system into the first retention basin.
- Volume of spillage: Full oil tank and large volumes of the substance for extinguishing burning oil. When cleaning the retention basin, 115.90 m³ of waste oily liquid was removed and taken for destruction.
- Spillage material, broken down by: oil spills (ground or water surfaces), fuel spills (ground or water surfaces), waste spills (ground or water surfaces), chemical spills (ground or water surfaces). The waste material was an oily liquid mixed with burnt wooden waste and extinguishing fluid (foam).
- Effects of the substantial spill: The incident was successfully managed by the entire intervention crew, so that no major negative effects occurred.

I.5.6.12 Noise emissions⁸³

DARS has been erecting noise barriers along the motorway alignment to protect areas that are overly affected by traffic since 1988. Since then and by the end of 2022, 184.91 kilometres of noise barriers have been erected.

The Noise Action Programme for the first phase major roads and railways from the year 2018 requires that operators of road and railway infrastructure implement measures to limit excessive noise pollution, which comprise two lots.

The Company carried out measures imposed by the governmental Noise Action Programme. The measures included in the Noise Action Programme (Lot B) in five motorway sections were implemented from 2013 to 2015, and the protection of the most affected individual residential buildings along the motorway network was executed in 2019 – active noise protection measures at 11 locations along the Slovenian motorway network.

Lot B was implemented by DARS in 2013 and 2015 within the scope of the Environmental and Road Infrastructure Development Action Programme, i.e. through the Construction of Noise Barriers on Five Motorway Sections in the Republic of Slovenia (Brezovica–Vrhnika, Dramlje–Celje, Celje–Arja vas and Malence–Šmarje-Sap) project, which was co-funded with EU cohesion funds in the amount of 85%. By implementing noise protection measures, the operator will be able to prevent excessive noise pollution of the environment caused by traffic in the relevant sections. Overall, 31.4 kilometres or nearly 141 thousand square metres of new noise barriers were constructed at five motorway sections within this project.

The project was completed in August 2018 with the elimination of identified deficiencies in the Dramlje–Celje–Arja vas section, i.e. on barriers measuring 10.4 kilometres in length. In addition to the active noise protection, the so-called passive protection of certain residential buildings in such sections was undertaken, meaning that inadequate building furniture was replaced with such that provides adequate living conditions in a residential building.

Lot A (NAP) foresees protection for 11 structures along the motorway that are the most exposed. Based on the preliminary noise protection study and the proposal for noise protection for the structures, the Company obtained Detailed Design documents in 2017 for 12 of the 14 locations, since 2 locations are subject to consideration within the scope of the national spatial plans for other investments. Passive protection was already prepared for those structures and executed near individual residential buildings in 2018. In 2019, the protection of the most affected individual residential buildings along the motorway network was undertaken – active noise protection measures at 11 locations along the Slovenian motorway network.

In 2018/2019, the Company performed operational noise monitoring for the motorway and expressway network in cooperation with outsourcers. Model calculations of noise were performed within the project on the basis of 2016 traffic loads to determine the noise pollution impact on façades, i.e. for all buildings with noise-protected rooms and buildings with potentially noise-protected rooms on all MW and EW sections that we manage. Operational monitoring was conducted alongside the preparation of expert bases for the Noise Action Programme in affected areas. In order to design noise protection measures, the document discusses the existing built-up areas where measures need to be taken and sets out the priorities and key orientations for the planning of anti-noise measures to make the measures as efficient and acceptable as possible with respect to the funds invested.

The priority areas were included in the Action Plan for Road Infrastructure Managed by DARS for 2023–2025. Pursuant to the plan of priority areas for noise mitigation, DARS ordered noise studies in 2020 containing proposals for anti-noise measures for individual areas on the motorway network.

For the purposes of preparing a set of measures that will be included in the revised Noise Action Programme, the Company prepared expert bases for the Noise Action Programme to reduce noise pollution and expert bases for the renovation of noise barriers in cooperation with an outsourcer. The document discusses existing anti-noise measures that are deemed inadequate considering the current noise pollution and sets out three types of measures (renovation, upgrade and both renovation and upgrade). With their implementation, the existing noise protection is expected to be able to provide sufficient protection against noise in overly affected areas. Areas with existing protection discussed in

⁸³ GRI GS 3-3, 413-1, 413-2.

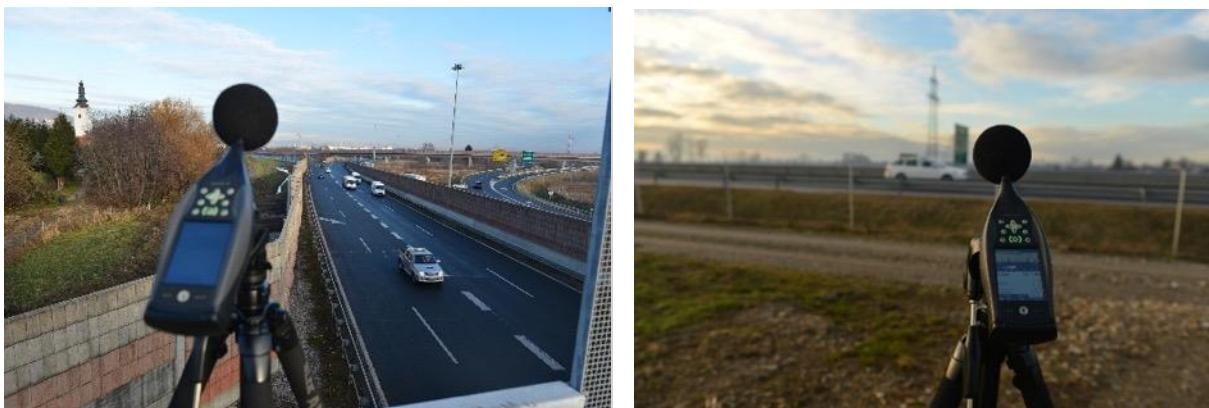
the document where measures are planned are included in the revised Noise Action Programme (adopted in autumn 2022), in addition to the priority areas. In order to reduce noise pollution and improve the quality of life for the people settled along the roads operated by DARS, the Document, as a priority, includes 26 motorway sections with a length of 149km and, in the extended priority proposal, another 13 motorway sections with a length of 66km. Of the other sections identified to be subject to excessive limit values, priority No. 2 in the document includes another 26 motorway sections with a total length of 205km.

In 2023, DARS plans to conduct new operational noise monitoring. The results obtained will provide the basis for the future design of noise protection measures. Based on the approved Noise Action Programme, DARS will start implementing measures to reduce noise pollution along the roads managed by DARS.

Within the scope of the reconstruction of certain sections, the Company has created test fields with various asphalt layers, thus trying to achieve noise reduction at the source, since 2015.

Within the scope of rearrangements of the frontal TS areas in Pesnica, Tepanje, Kompolje, Log and Bazara, the Company created a less noisy wear course, the so-called drainage asphalt including rubberised bitumen, which reduces noise at the source, in 2018 and 2019. In 2020, two additional test fields were set up, on the Vipava expressway and the Prekmurje motorway leg, with the normal wear course (SMA) and rubber bitumen.

Figure 94: Noise measurements

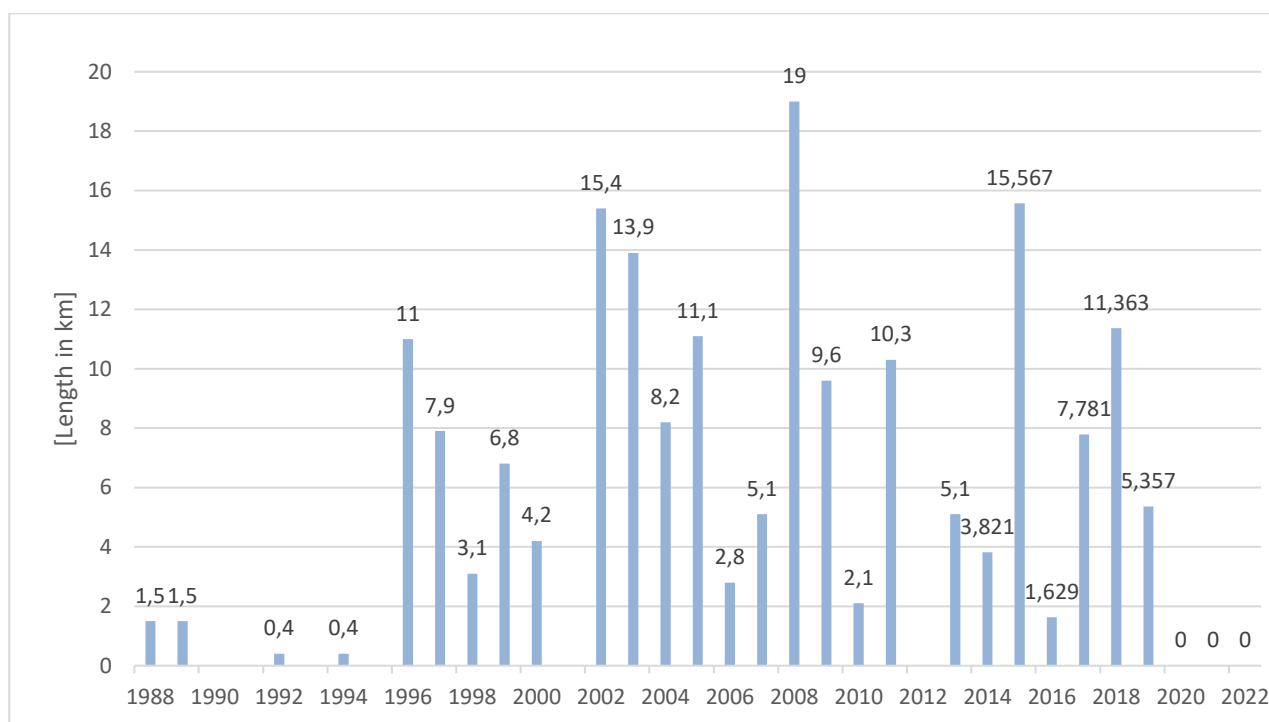


Based on the adoption of the methodology for noise protection monitoring on motorways and expressways, the Company began recording the condition of noise protection with the assistance of a contracted specialist. Based on the collected and analysed data, part of the noise protection was included in the Plan of Measures for Infrastructure for 2023–2025. The data collected was included in the preparation of expert bases for the renovation of noise barriers, which have been prepared in cooperation with an outsourcer. This defines which noise barriers should be renewed within their existing clearances and which should be comprehensively reconstructed, for which guidelines and bases for the planned reconstruction had to be prepared at the same time. The preparation of the programme takes into account the age of the noise barriers, the adequacy of the existing clearances of the noise barriers with respect to the latest noise monitoring results, and the condition of the noise barriers. Based on the document, the sequence and scope of noise barrier reconstruction in the following years will be planned.

With respect to the integration of the motorway network into the environment, the Company received 76 complaints in 2022 from the interested public relating to the issue of noise. The complaints have been adequately considered and managed.

DARS has been erecting noise barriers along the motorway alignment due to traffic since 1988. In that period, a total of 181.4 km of noise barriers were built within the scope of the new construction of motorway sections and the existing motorway network during its use. Noise barriers were constructed as evident in the chart below.

Figure 95: Noise barrier construction along the motorway network in RS between 1988 and 2022



In the period between 2015 and 2017, noise barriers were built within the scope of new section construction (MW Draženci–Gruškovje, EW Koper–Izola, MW junction Šmarje - Sap) and within the scope of additional measures following the implementation of the first noise assessment (MW Pesnica–Zrkovska cesta). With respect to the design documents, the Company built the following noise barriers between 2015 and 2017:

- MW Draženci–Podlehnik: 8 lots of noise barriers with a length of 6247m,
- MW Draženci MW–IBC Gruškovje (stage 2.a) with a length of 1176m,
- MW junction Šmarje-Sap: 4 lots of noise barriers with a length of 1414m,
- EW Koper–Izola: 8 lots of noise barriers with a length of 1110m,
- MW section Pesnica–Zrkovska: an additional barrier with a length of 259m.

In the period between 2015 and 2018, the following noise barriers were erected on the existing motorway network:

- MW Brezovica–Vrhnika: 11 noise barriers with a length of 7,615m,
- MW Dramlje–Celje: 20 noise barriers in the length of 7,953m,
- MW Dramlje–Celje–Arja vas: 19 noise barriers in the length of 10,511 m,
- MW Brezovica–Vrhnika: 3 noise barriers within the scope of the rearrangement of toll station Log with a length of 852 m.

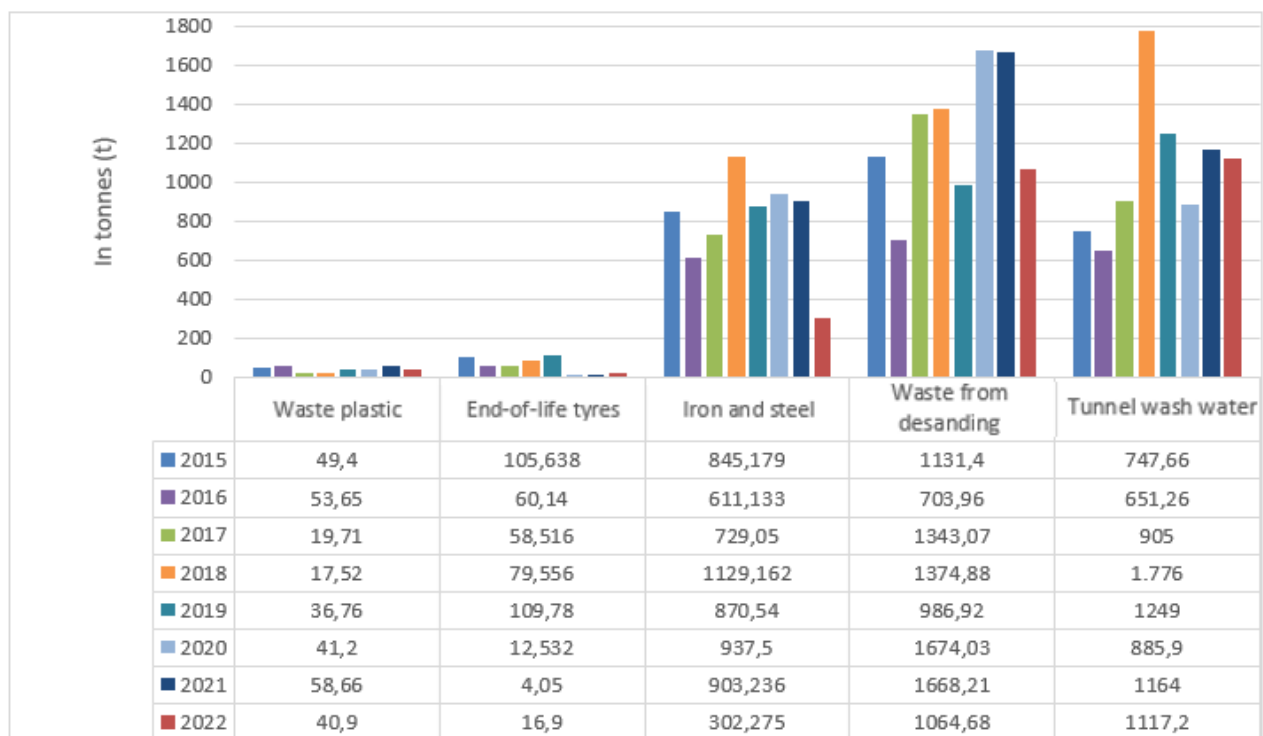
In that period, 20 noise barriers were erected with a total length of 7,953 m in 2015 within the scope of the Noise Action Programme, Lot B, on the existing Dramlje–Celje motorway section. In 2018, DARS eliminated deficiencies on 10,400 m of the barrier in this motorway section. In 2019, 5,357 metres of noise barriers with a total area of 18,001m² were constructed at ten locations within the scope of lot A of the Noise Action Programme. In 2020 and 2022, no active noise protection measures were executed on any road section operated by DARS.

I.5.6.13 Waste management⁸⁴

In 2022, activities continued to implement and upgrade the environmental protection policy, with an emphasis on controlled waste management as imposed by the applicable legislation. All activities have been aimed at proper waste management with the consistent separation of waste at its source. Furthermore, the Company continued to implement its policy of the controlled disposal of all types of waste.

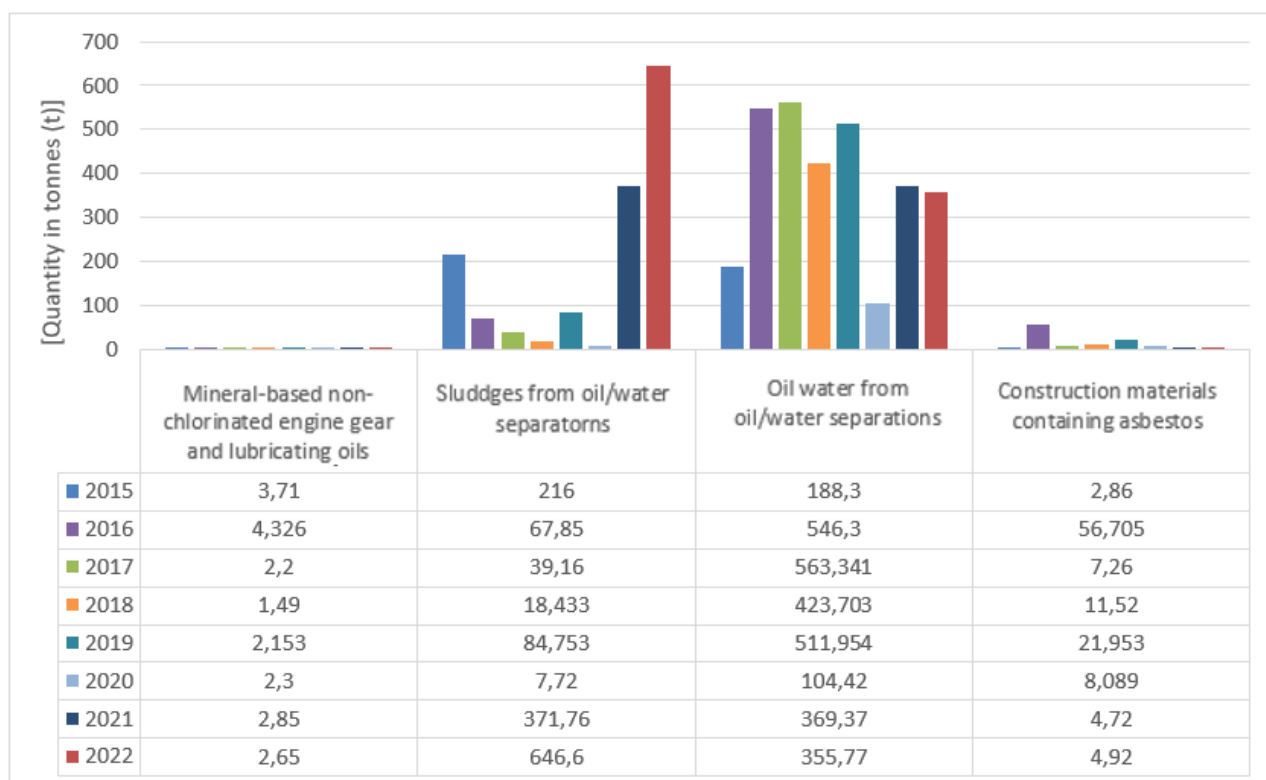
Waste can be divided into two groups: non-hazardous and hazardous waste. As in previous years, non-hazardous waste collected in 2022 mostly included waste generated during investment works for the comprehensive reconstruction of individual motorway sections (asphalt waste, concrete waste, scrap iron and waste soil). These are followed by waste generated during road maintenance, i.e. waste from sand traps, septic tank wastewater, tunnel wash water, scrap plastic and worn-out tyres). The Company also noticed a growing trend in hazardous waste, i.e. mostly waste oil, water containing oil, sludge, waste paint and varnish and absorbent sand (used to clean up roads after accidents).

Figure 96: The volume of non-hazardous waste handed over in the 2015–2022 period



⁸⁴ GRI GS 3-3, 306-1, 306-2, 306-3, 306-5.

Figure 97: The volume of hazardous waste handed over in the 2015–2022 period



Due to greater consistency and the increasing emphasis placed on waste separation, the volumes of waste continue to grow in most cases. This is, however, not true for municipal waste, which is managed by the service of general economic interest within the competence of a particular local community.

A major action in previous years was the construction of draining racks for leaching waste sand from sand traps. All the constructed draining racks have already been put to good use in 2022 and, as a result, the amount of waste sand from the sand traps, which could not be disposed of anywhere until the construction of the sand traps, has increased. The increased quantities of waste sand and de-sanding areas are also due to the intensive cleaning of retention basins near the motorway, which have not been cleaned in several years because the technology for managing waste (which occurs in the process of cleaning retention basins) was not agreed on.

In relation to waste management, a record on waste management as set out by the ministry and managed by the Slovenian Environment Agency (IS Odpadki) is kept throughout the year and a report on waste management for the year preceding the previous one will be prepared at the beginning of the year.

Pursuant to the prescribed waste management procedures, the Company has introduced and properly maintained a system of separate waste and raw material collection. Separate waste collection is arranged at all unit locations by preventing waste mixing and supplementing containers for temporary waste storage until it is handed over to the waste disposal contractor for the specific type of waste in line with the needs. The last need for filling the containers was in 2022, for which a public tender was issued and a service provider hired. The supply of containers will be made in the first half of 2023. Electronic records on waste management, as managed by the Slovenian Environment Agency (IS Odpadki), are kept at the Company level. A report on waste management for the previous year is also prepared annually by the prescribed date. The Company has a waste management plan.

Most of the hazardous and non-hazardous types of waste are generated during motorway maintenance. Therefore, various measures are taken to separate waste consistently and, as a result, the volume of collected waste has increased (e.g. by building draining racks in previous years, the volume of waste from sand traps has increased from year to year, since the waste had not been recorded as an independent waste category before the drainage racks were built). The Company has contracted recipients for each type of separately collected waste, which must have a valid environmental permit for handling such waste that is issued by the Ministry. Despite everything, the Maintenance Division is often

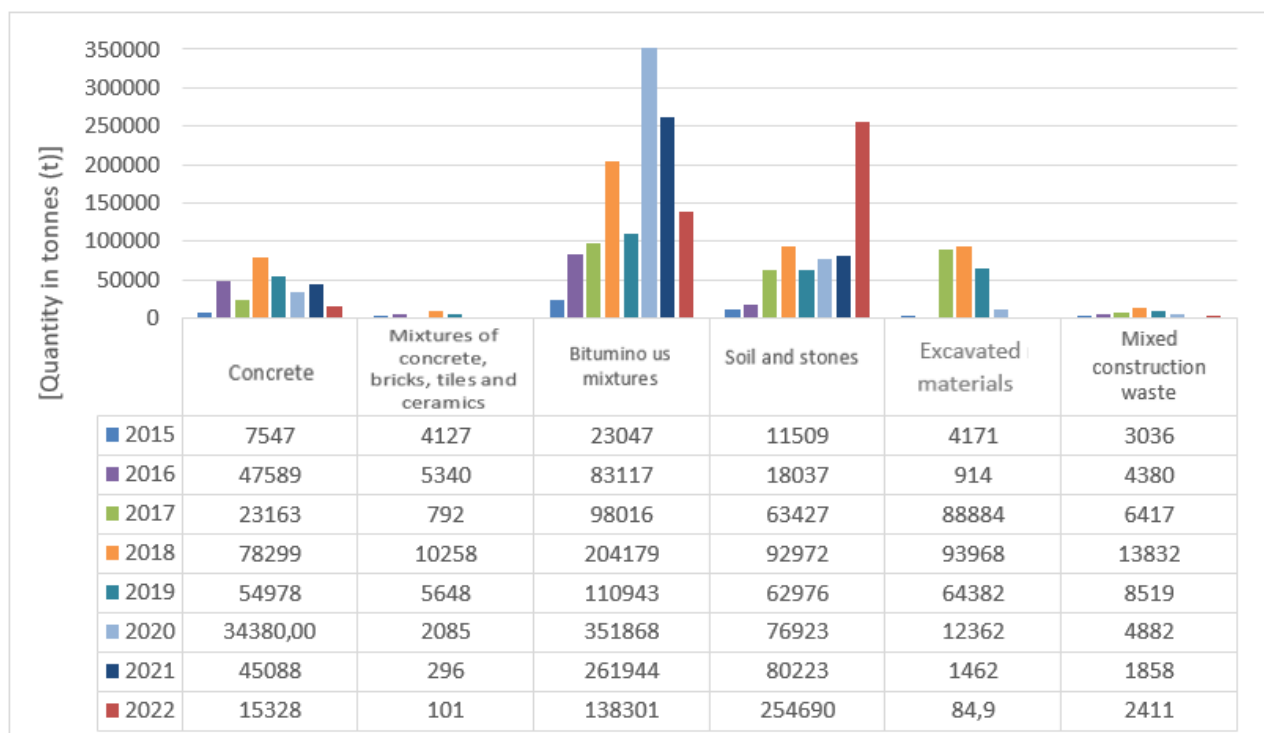
faced with the issue of a certain type of waste or, rather, with the issue of different interpretations of a particular type of waste. In that respect, the biggest problem in previous years was waste tyres, for which a scheme is to be finalised at the Ministry level. In maintenance, large amounts of truck tyre casings have been recorded, which are considered by the contractual recipient of waste tyres to be municipal waste rather than waste tyres; however, utility companies do not collect such waste claiming that it is waste tyres, which must be collected by the contractual recipient of such waste. The issue was finally resolved in 2021 when a contract was concluded for the handover of waste tyres in the form of tyre parts and not whole casings. In this regard, large quantities of such waste were collected in 2022 because the collected quantities of such waste were from the past two years when the issue was still being resolved and we had no guaranteed entity to take such waste.

In maintenance, the issue of unauthorised dumps has arisen increasingly often; these ordinarily appear on Company land plots outside the area of the motorway surfaces, where constant supervision is not possible (surfaces for noise barriers and outer motorway barriers, access roads to structures outside the motorway barrier and similar). Unauthorised dumps most often contain construction waste, while some dumps also contain various municipal waste. Since it is difficult or almost impossible to find the perpetrator, the removal of such unauthorised dumps falls within the responsibility of the land owner based on an inspection decision, which may also imply a considerable financial cost when large volumes of waste are involved. The issue was also at the forefront in 2022 and is still very much on-going. Solutions are still being sought on how to reduce the quantities of such waste. We have concluded a contract with an entity that takes such waste, but because the contract expired in 2022, a public contract was issued to obtain a new entity to take such waste.

Construction waste management

In investments, DARS also acts as a producer of construction waste. The legal regulation of the area has been transposed by DARS into its own investment execution process. An additional requirement is therefore included in the Terms of Reference for the procurement of design documents, which provide the basis for the procurement of construction works and their execution, under which the design engineer is required to take due account of the applicable legislation in that area. The result is the Plan for handling construction waste, based on which the requirements are transferred to the invitation to tender for the contractor. In addition to the general requirements, designs also need to take into account all other environmental conditions deriving from other acts applicable in the relevant area (WPA, Natura, etc.). The invitation to tender obliges the contractor to manage construction waste properly. To that end, an authorisation is issued to the waste disposal contractor upon the commencement of construction works.

Figure 98: The volume of hazardous waste handed over in the 2015–2022 period (by type and disposal method)



I.5.6.14 Reuse of construction waste⁸⁵

DARS strives to have the generated construction waste used to the maximum possible extent in the execution of works, provided that the material is compliant with the project requirements. As such, several projects have already involved in-situ recycling or materials used in new asphalt mixtures or for the execution of certain other construction works (fills, embankments, etc.). In 2018, the existing pavement structure was reconstructed using cold in-place recycling (IN SITU) in 3 projects, i.e. the reconstruction of section 0602 Hrušica–Lipce and the demolition and rearrangement of the Log and Nanos toll stations. This procedure ensures that the existing material is preserved to the maximum possible extent and that a substantial part of the excess removed material is used in recycling.

In the scope of making technical specifications for transport infrastructure, the TSTI Recycled and Other Alternative Materials was already drafted at the start of 2020. Due to the adoption of the amendment to the Decree on waste, the final draft of this guideline was stopped because the adoption of this Decree heavily restricts the use of waste for recycling purposes. In 2022, a technical specification was drafted for the implementation of stabilised layers of the pavement structure, which enters into force in 2023.

The broader re-use of the asphalt granulate was also prevented by the technical regulations in previous years because the re-use of the granulate was only allowed in load-bearing asphalt layers. Based on the previous test fields, DARS proposed that SIST supplement the Slovenian SIST 1038 standard, which was amended in May 2022 based on this initiative in item 4.4 *Reused asphalt (asphalt granulate)*. The text in item 4.4 has been amended to the following:

- “The re-use of asphalt (asphalt granulate) is permitted for all asphalt compounds, but not for use in layers of class A1 and A2. The assessment of the binder in the resulting bituminous compound is based on the point of softening.”

The amendment of the technical regulation serves as the basis for activities in planning and implementing asphalt compounds with the granulate. Experience from previous years has shown that, in the technological sense, this is a demanding technical adjustment of asphalt compound recipes because they must meet the same quality as the classic asphalt compounds that are planned and produced with new input materials. For each new asphalt compound recipe, research and tests must be carried out, and a certification process must be successfully completed. The implementation of the re-use of materials is on-going, however due to the reasons above, this process is gradual and will be used in a broader sense in the future.

In the area of waste recycling, DARS played an active part in the preparation of the Decree on green public procurement, which entered into force on 1 January 2018. The main provision in the Decree sets out that reclaimed asphalt pavement (asphalt granulate obtained upon the reconstruction of a road) should be used in pavement construction for that road as a priority for the production of bituminous mixtures and, secondarily, for layers stabilised with hydraulic or bituminous binder, buffer zones (including roadside verges), beds, embankments and fills, i.e. in the necessary amount. All this is to be foreseen in the design documents for road reconstruction, where the type and amount of materials created during the reconstruction that is fit for reuse or recycling in individual road elements to be reconstructed must be evident.

⁸⁵ GRI GS 3-3, 301-2, 306-4.

I.5.7 Inclusion of the wider society



I.5.7.1 Inclusion of the local community⁸⁶

The local community is involved in all stages of motorway siting, and its proposal and initiatives are taken into account properly, as described in detail in chapter I.5.6.2 *Siting of motorways and expressways*.

I.5.7.2 Awards, commitments and memberships

Recognitions and awards

In recent years, DARS has received the following recognitions and awards:

- DARS, one of the most respected employers for 2022;
- DARS, one of the most respected employers for 2021;
- recognition by the Faculty of Electrical Engineering of the University of Ljubljana for exemplary cooperation and contribution to development for 2020;
- DARS, one of the most respected employers for 2020;
- recognition for the 2019 environmentally friendly service to DARS;
- DARS, respected employer in 2018;
- DARS, one of the most respected employers for 2016;
- together with the Republic of Slovenia, DARS received a special Max Fabiani jubilee award in 2015;
- DARS, respected employer in 2015;
- DARS, the most respected employer in Logistics and Traffic for 2013;
- award from the European Network for Workplace Health Promotion (ENWHP) for a good practice example for 2013;
- recognition by the Ministry of Labour, Family, Social Affairs and Equal Opportunities for a good practice example in workplace health promotion for 2012.

⁸⁶ GRI GS 413-1.

DARS and the Republic of Slovenia received a special Max Fabiani jubilee award from the Town and Spatial Planning Association of Slovenia, Maks Fabiani Foundation, the Ministry of Culture and the Ministry of the Environment and Spatial Planning. The award was presented for the project and realisation of the Slovenian motorway network, with the following justification: “The future belongs to determined, prudent and wholehearted people. Those people who base their decisions on wisdom, strength and knowledge. These certainly include everyone who has contributed to the idea, realisation and concern for the present-day motorway network, which spans over 600 kilometres. They are the ones the Max Fabiani award is dedicated to.”

By constructing motorways, the Republic of Slovenia pursued its strategic goals to provide adequate internal links, links with the wider European region, improve traffic safety, promote economic development, increase direct economic effects and reduce the negative impact of traffic on the environment.

The over 600-kilometre-long motorway network featuring magnificent structures (such as the longest bridge crossing the Mura River, the 1,065-metre-long and 95-metre-high Črni Kal viaduct, the almost 3,000-metre-long double-tube Trojane tunnel and the 7,864-metre-long Karavanke tunnel) provides many advantages, since motorways are still a faster, safer and environmentally friendly form of mobility. The Slovenian motorway network represents approximately one-tenth of the road network that includes motorways, main and regional roads; however, half of all road transport in the country is recorded on motorways. Traffic on the Slovenian motorways and expressways is constantly increasing.

On the other hand, statistical data has revealed that motorways and expressways remain the safest, since the fewest traffic accidents take place on them. Analyses have shown that the amount of congestion has dropped despite the increasing traffic.

DARS has evolved from the entity constructing motorways and expressways into a responsible operator of built assets. This means that it monitors and manages motorways, expressways and accompanying structures and facilities in a systematic and standardised manner and in coordination with foreign operators. It makes sure that regular maintenance and reconstruction works are done on the network, since their importance grows by the year, allowing the Company to implement suitable measures to achieve the planned service life of a structure and provide the necessary level of service and traffic safety. DARS implements measures pursuant to the European Directives and the goal of enhancing traffic fluidity and user safety.

Investments and projects in future years pursue two key goals: motorway fluidity and increased user safety. These are also the essential issues that the Company addresses through responsible management and in line with the business excellence vision and responsible management and maintenance by employees.

Upon this occasion, DARS would like to thank everyone who designed the motorways, all contractors, the owner and the stakeholders for a safe and fluid motorway system for our users.

I.5.7.3 Commitments to external initiatives

DARS voluntarily participates in incentives promoting ethical conduct and environmental, social and economically sustainable operations. External initiatives are included in the siting procedures, which is defined in detail in chapters I.5.6.2 *The siting of motorways and expressways* and I.5.6.3 *Concern for the preservation of biodiversity*. Initiatives referring to noise and therewith related measures are described in detail in chapter I.5.6.12 *Noise emissions*.

I.5.7.4 Membership in associations⁸⁷

The Company actively cooperates with related companies abroad and is also a member of several international organisations. It is most active in the European Association of Operators of Toll Road Infrastructures (ASECAP). A detailed presentation of the international cooperation is provided below.

⁸⁷ GRI GS 2-28.

International cooperation

DARS has been systematically building ever-better international connections for a number of years in line with its commitment to the Company vision, which is focused on integration in various areas. After almost two years of online events due to the covid-19 pandemic, we started attending live events in 2022, which reinforced our cooperation in international associations and platforms. DARS representatives participated in several international events and thus contributed to the greater recognisability of the Company while also gaining information in a wide variety of areas. Some events were still organised online at the start of 2022 (PIARC international congress for winter services, ASECAP marketing and communications workshop), while there were a couple of live events throughout the year, including: Intertraffic Amsterdam, ASECAP conference on traffic safety at Madonna di Campiglio, and an event at which we are present every year - ASECAP days, which was organised in Brussels this year.

Through our cooperation in the ASECAP international association, where we are active in various committees and working groups for tolling, sustainable business, traffic safety and smart mobility, we co-develop the Association's plans of work and help prepare European legislation related to our field. We have an important role in the collection and analysis of statistical data concerning the ASECAP association members, where we are tasked with the management of the statistics board. We are also included in the preparation of the Sustainability Report within ASECAP. In the World Road Association (PIARC), we participate in the Winter Service and the Finance and Procurement technical committees and we are also a part of the EETS Facilitation Platform (EFP).

1.5.7.5 Sponsorships and donations⁸⁸

The Company is well aware of the responsibility it has to people and the environment in which it operates. Through awareness and preventive campaigns in the areas of traffic, traffic safety and environmental protection, it plays an active part in current social events, positively co-developing them to the best of its abilities.

In corporate social responsibility, special attention is dedicated to content relating to traffic safety, education and preventive actions on the roads operated by the Company. The funds are intended for projects involving preventive actions in traffic and for expert meetings related to traffic, safety and road construction, maintenance and operation. Support is also provided to fire brigades and others intervening in the event of emergencies on the motorway system operated by the Company.

The funds intended for sponsorships (pursuant to SSH Recommendations, sponsorships are only provided as an exception and are listed as deviations from the Recommendations in the Company's business report) and donations in the last five years are evident in the table below. We have concluded 60 donation and two sponsorship agreements for 2022.

Table 29: Funds for sponsorships and donations

Financial assets	2016	2017	2018	2019	2020	2021	2022
Sponsorships	20,491	18,892	27,800	56,839	5,852	7,600	10,000
Donations	100,918	146,203	121,134	140,501	108,240	104,719	169,940
TOTAL	121,409	165,094	148,934	197,339	114,092	112,319	179,940

⁸⁸ GRI GS 201-1, 413-1.

1.5.8 Responsibility to suppliers/contractors⁸⁹

In 2022, DARS successfully cooperated with many suppliers/contractors (154) at home and abroad, although most business cooperation focused on suppliers/contractors from Slovenia (99% in terms of value) providing construction works (26%), services (59%) and goods (15%) due to the specific nature of operations; detailed data on the amount, structure and location of suppliers/contractors is evident below.

Complex public procurement procedures at DARS, which is one of the largest contracting entities in the Republic of Slovenia, are carried out by competent employees with the acquired additional qualification “public procurement expert in the Republic of Slovenia”.

1.5.8.1 Criteria for awarding a public contract⁹⁰

When procuring goods, services and construction works, DARS d.d. is bound to observe the Public Procurement Act. The criteria for awarding a public contract are set out in detail in Article 84 of the Public Procurement Act and require a contracting authority or entity to award a public contract based on the most economically advantageous tender.

The most economically advantageous tender is identified based on the price or cost using the cost-efficiency approach, e.g. the calculation of the life cycle costs as set out by the law, and may also include the best price-to-quality ratio assessed based on the criteria referring to quality and environmental or social aspects related to the subject of the public contract. Such criteria may, for example, include:

- quality, including technical advantages, aesthetic and functional characteristics, availability, design for all users, social, environmental and innovative characteristics and therewith related trading and terms;
- the organisation, qualification and experience of the staff conducting the public contract if the quality of the staff can have a major effect on the level of public contract performance;
- after-sales services, technical assistance and delivery terms, such as the delivery date or the completion of works, the delivery or implementation procedure and the duration of supplies or works.

The contracting authority or entity is not allowed to use the price as the sole criterion for awarding a public contract for the services of software development, architectural and engineering services, and translation and consulting services.

The criteria for awarding a public contract must be non-discriminatory, proportional and related to the subject of the public contract. It is deemed that criteria are related to the subject of a public contract if they refer to construction works, goods or services to be provided in line with the public contract, i.e. in any respect and at any level of their service life, including factors that are related to a special procedure for the production, provision or marketing of such construction works, goods or services or with a special procedure for the second level of their service life, even if such factors are not part of them in content.

In the documents related to awarding a public contract, the contracting authority or entity identifies a relative weighting awarded to each criterion selected for the determination of the most economically advantageous tender, unless the latter is determined solely on the basis of the price. The mentioned weightings may be defined as a range with a suitable maximum difference. When a weighting cannot be indicated for objective reasons, the contracting authority or entity indicates the criteria in descending order of relevance.

1.5.8.2 Suppliers/contractors (local, abroad)⁹¹

The Public Procurement Portal eJN⁹², which is managed by the Ministry of Public Administration, has the STATIST module, where it is possible to obtain statistical data relating to public procurement in the Republic of Slovenia. The data for 2022 shows that 960 contracting authorities/entities awarded public contracts in the total amount of

⁸⁹ GRI GS 2-6, 3-3, 204-1.

⁹⁰ GRI GS 3-3, 308-2, 414-2.

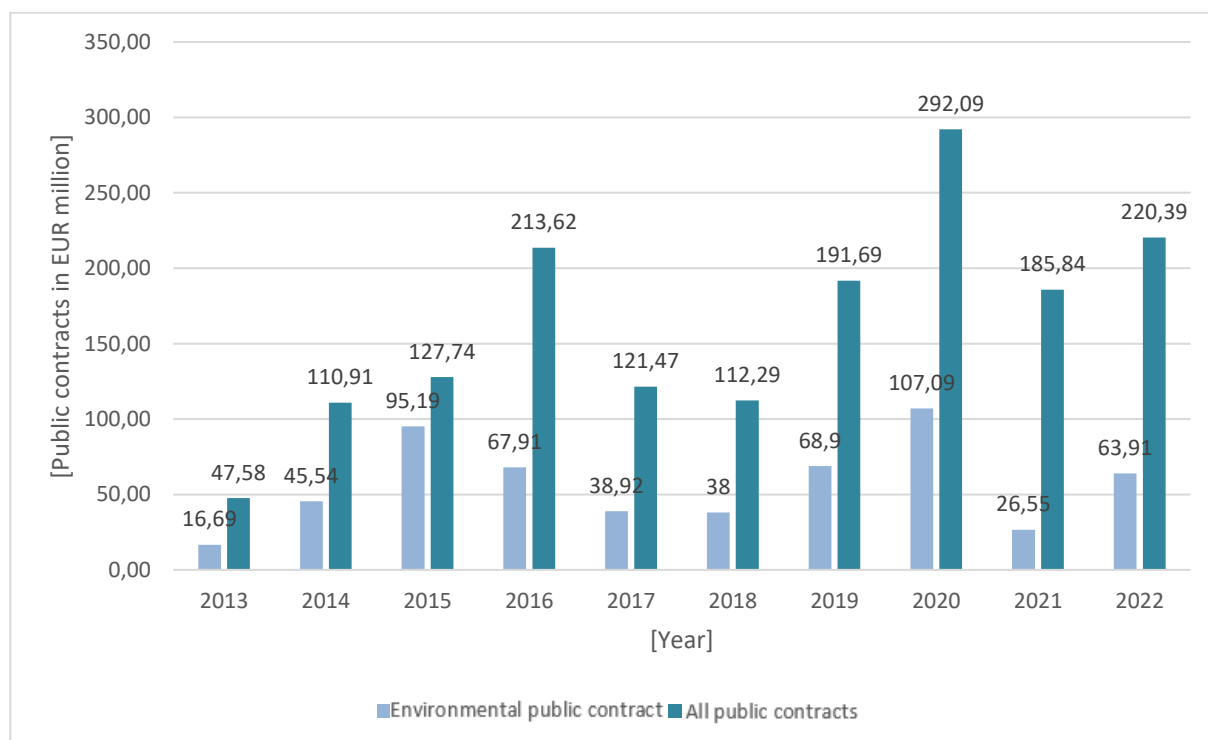
⁹¹ GRI GS 3-3, 308-1, 308-2, 414-1.

⁹² Source: <https://ejn.gov.si/statist>, <https://www.enarocanje.si/>.

€5,404,901,893.39 (excluding VAT). The total number of public contracts awarded in the Republic of Slovenia in 2022 was 8,472. The environmental aspect was taken into account in 1,624 or 19.20% of the contracts awarded.

Changes in the total public contracts awarded by DARS and the growth in public contract value in which the environmental aspect was observed from 2013 to 2022 (in € million) are shown below.

Figure 99: Public contracts and “environmental” public contracts for 2013–2022



The data for 2022 shows that DARS awarded public contracts in the total amount of €220,388,666.01 (excluding VAT). The total number of published invitations to tender was 124, while 151 public contracts were awarded. The environmental aspect was taken into account in 36 or 29% of the contracts awarded, which in terms of value means €63.91 million or 23.84%.

The Decree on green public procurement (Official Gazette of the Republic of Slovenia, Nos. 51/17, 64/19 and 121/21, hereinafter: Decree), green public procurement is mandatory for 25 product groups for procurement. The Decree no longer sets out obligatory environmental requirements as in the previous regulation, but sets out in Article 6 which environmental aspects should be considered by the contracting authority or entity when awarding public contracts and the goals that must be achieved in each public procurement procedure for the subjects set out in Article 4 of the Decree. Pursuant to Article 8 of the Decree, new cases of environmental requirements and criteria that may be included by the contracting authority or entity in a public procurement procedure to achieve the goals set out in paragraph 2 of Article 6 of the Decree have been prepared and made available on that website. Although the cases of environmental requirements and criteria for green public procurement are similar in several places to the fundamental and additional environmental requirements from the previous regulation, the new cases have been updated, supplemented for the newly added subject of green public procurement, and are more flexible and not binding, while providing contracting authorities/entities with more options to achieve the required goal in a particular subject.

In parallel with data on the conducted public procurement procedures taking into account the environmental aspect, as statistically monitored at <https://ejn.gov.si/statist>, an overview of conducted public procurement procedures taking into account the Decree on green public procurement, which entered into force on 1 January 2018, will be prepared every year.

Table 30: Contracting authorities/entities with the highest value of awarded public contracts in 2022

Contracting authority/entity	In € (excl. VAT)
MINISTRY OF INFRASTRUCTURE, SLOVENIAN INFRASTRUCTURE AGENCY	1,111,202,334.31
LUKA KOPER, pristaniški in logistični sistem, delniška družba (port and logistics system, stock corporation)	248,568,329.92
Družba za avtoceste v Republiki Sloveniji d.d. (Motorway Company in the Republic of Slovenia)	220,388,666.01
UNIVERSITY MEDICAL CENTRE MARIBOR	170,623,643.71
MINISTRY OF DEFENCE	167,743,289.59
UNIVERSITY MEDICAL CENTRE LJUBLJANA	151,863,093.97
TERMOELEKTRARNA ŠOŠTANJ, d.o.o.	119,515,385.68
CITY OF LJUBLJANA	117,046,630.09
MINISTRY OF INTERNAL AFFAIRS	81,394,546.42
MINISTRY OF PUBLIC ADMINISTRATION	77,890,995.16
Total	2,466,236,914.86

The value of the public contracts awarded by the top 10 contracting authorities/entities accounts for 45.63% of all public contracts awarded.

In the period between 1 January and 31 December 2022, DARS awarded public contracts worth €220,388,666.01 (excl. VAT). There were 124 public contracts published on the Public Procurement Portal. The Company awarded 151 public contracts to 154 tenderers.

Data on the share of the acquisition of goods, services and construction works, and the location of suppliers or providers is evident in the table below.

Table 31: Awarded contracts by the subject of the contract in 2022*

Subject of the contract	In € (excl. VAT)	Percentage (%)	of awarded contracts	Percentage (%)
Goods	32,203,534.70	14.61	25	16.56
Construction works	164,414,631.37	74.60	42	27.81
Services	23,770,499.94	10.79	84	55.63
Total	220,388,666.01	100.00	151	100.00

* The data has been taken from <https://www.enarocanje.si/>.

Table 32: Head office or location of providers in 2022

Location	Value	No. of tenderers	No. of awarded public contracts
SI	220,159,537.71	153	150
EU	0	0	0
Non-EU	29,128.30	1	1

The table above shows that 0.66% of public contracts in 2022 were awarded to tenderers domiciled outside the Republic of Slovenia or, in terms of value, €29,128.30 (excluding VAT).

Data on the major supplies of goods, services and construction works in 2022 is evident in the table below.

Table 33: Major suppliers and types of construction works, goods and services supplied in 2022 (in €)

Supplier (construction works)	In € (excl. VAT)
Reconstruction of the roadway in the sections EW 0085/0685 (Zadobrova–LJ Šmartinska), 0086/0686 LJ (Šmartinska–Tomačevo), 0187 LJ Nove Jarše (Šmartinska c.) junction and MW 0146 part of the LJ Zadobrova interchange	18,865,467.87
Resurfacing the pavement structure in the sections MW A1 Border A–Šentilj–Dragučova, A1 Dragučova–MB (Ptujška), A5 Dragučova–Lenart, and the Dragučova interchange	16,390,638.45
Reconstruction of the road section MW A2 0002/0602 Hrušica–Lipce, including the rehabilitation of the viaducts Podmežakla 3L, 4L, 3D, 4D, 4aD and the placement of barriers in the section to prevent falling stones	15,572,093.14
Resurfacing the pavement structure in the sections MW A2 0003/0603 Lipce–Lesce, 0004/0604 Lesce–Brezje, 0005/0605 Brezje–Podtabor, at junctions Lipce, Lesce, Brezje and Radovljica, and post-landslide reconstruction works	12,589,015.56
Major maintenance works on motorways and expressways in the Republic of Slovenia in 2022 and 2023; Lot 2: motorway base area: Maribor, Slovenske Konjice, Murska Sobota and Vransko	11,324,454.53
Supplier (goods)	In € (excl. VAT)
Supply of goods vehicles and winter machines	16,290,059.00
Purchase of electricity 2022-2025	10,400,000.00
Supply of traffic equipment	706,762.40
Restoring road weather stations (RWS) on MWs and EWs	687,330.00
Maintenance, supply and installation of air conditioning and ventilation units	417,930.00
Supplier (services)	In € (excl. VAT)
The provision of expert consultancy services for the production of the DGD/DD documents, land acquisition and the acquisition of all permits for construction for the national road of section 2 of the 3 rd development axis from the Maline junction to IBC Metlika and Črnomelj south junction	2,527,331.08
Draft of the expert bases for the national spatial plan draft for the state road from Otiški Vrh to the Prevalje junction	2,414,555.20
SERVICING AND REPAIRS OF IVECO GOODS VEHICLES	1,889,090.00
Draft of amendments and supplements to the expert bases for the national spatial plan draft for the Koper-Dragonja expressway	1,276,955.00
Upgrade of the TCMS software	967,812.00



1.5.9 Communication⁹³

Communication strategy

The DARS Communication Strategy, which is aligned with the DARS Strategy for 2021–2025 and further includes the management of the Company's social networks (Vozimo pametno Facebook profile and the @DARS_SI Twitter profile).

The communication goals follow the business goals that are defined in the DARS Strategy for 2021–2025. The business goals include the provision of safety, fluidity and comfort to motorway network users, long-term stable operations, and competent and engaged employees. Communication goals have been broken down into:

- **short-term:** to inform all stakeholders of the importance of reconstruction or maintenance works; to improve the provision of information to motorway network users about works, weather conditions and congestion; to educate and inform all stakeholders about the introduction of new features and measures to improve traffic safety; to properly present the Company's business results to all stakeholders, particularly key decision-makers; to present socially responsible Company operations to stakeholders; to strengthen in-house communication with employees;
- **long-term:** to maintain or increase the reputation of and trust in the Company.

The communication of DARS is proactive, with possibilities for improvement mostly involving social networks and in crisis events, which is why the Company started activities to make them. The overarching communication strategy nurtures relations with all key stakeholders or audiences in the long term. These include motorway users, the media, employees, decision-makers, business partners, experts, non-governmental organisations and the wider social environment.

Public relations are a continued, important and planned process for the management and steering of continuous changes to the organisation and the environment, a systematically planned and directed process of influencing public acceptance through mutually satisfactory, interactive and proactive communications based on the open, democratic and characteristic operations of both parties – the organisation and the public.

In public relations, communication is the underlying tool or technique to establish a relationship between the organisation and audiences (internal and external). The message of public relations is directed towards specific target audiences and mostly tries to influence positions that consequently affect the behaviour of such target audiences.

Due to its nature and areas of operations, DARS most often encounters external audiences, such as local inhabitants around construction sites or near motorway alignments, motorway and expressway users, entities leasing rest areas, representatives of civil initiatives, environmental organisations, state institutions, media representatives and other co-creators of public opinion.

The media are primarily channels that are used to establish contact and build relationships between DARS and its internal and external audiences. DARS systematically maintains regular contact with domestic and, if necessary, foreign media and their representatives. The Company is guided by promptness, a professional approach and transparency.

Compliance with the internal rules (Rules on the method of provision of information to the media by DARS d.d.) and national regulations (Mass Media Act, Public Information Access Act), proper organisation, a professional approach along with the active and constructive cooperation of all those involved ensure that information is provided in due time, is credible and, most of all, is in the best possible interest of DARS; based on that, the Company builds an open relationship with the media. In particular, the sound internal cooperation of all stakeholders involved ensures that appearances in the media can be effective, while reducing the risk of misinterpretation in media publications and misunderstandings.

DARS, as a public limited company, is required to keep price-sensitive information confidential until it is published on SEOnet, the electronic information provision system of the Ljubljana Stock Exchange. Such information cannot be commented on or made public until it is published in the prescribed manner.

⁹³ GRI GS 3-3, 413-1, 417-1, 417-2.

Press releases are also published on the Company website and social networks. The Company prepares press releases for the media, organises press conferences, makes press statements and invites the media to important business events. Employees at DARS are informed about the basic information on Company operations, plans and all relevant activities at the Company to the greatest possible extent. Well-informed employees are also motivated for work and are considered messengers and credible Company representatives in the general public. The Company also encourages employees to share their thoughts on the accuracy and veracity of internal and external reporting in a safe environment.

DARS uses rules laying down the protection of business secrets and information for members of the management and supervisory bodies and other persons with access to inside information during the term of office and after its expiry.

Method of response to rumours and media reports relating to the Company

If indications in the media are false, the Company denies them in line with the Mass Media Act. Otherwise, the Company publishes all the important information that may affect the business decisions of investors and the interested public on a regular and ongoing basis. If the Company fails to respond to misstatements in articles, it would allow matters to remain unexplained in public, which would not contribute to the quality provision of information to the public.

Persons responsible for communication with the owner

Communication with the owner falls within the responsibility of the Management Board and the Chairperson of the Supervisory Board.

Publication of business reports and statements

The Company observes the highest publication standards for business reports, as laid down in the Market in Financial Instruments Act and Ljubljana Stock Exchange Recommendations. It publishes a financial calendar indicating all the major business publications and events on its website and SEOnet every year.



I.5.10 Taxonomy

I.5.10.1 Introductory provisions

In line with 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 (hereinafter: Taxonomy decree) and its annexes, and in line with the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing the Taxonomy decree, DARS is obligated to publish key performance indicators for 2022, which stem from activities related to the economic activities that may be considered as sustainable.

The first two years of reporting (for the years 2022 and 2023) represent a transitional period in which companies should adjust their practices and reporting systems in such a way that they will be able to provide comprehensive disclosures in line with the Taxonomy decree.

The classification system - EU taxonomy - defines the list of economic activities which may be seen as sustainable on the basis of technical criteria, namely in line with the six EU environmental goals:

- 1) climate change mitigation,
- 2) climate change adaptation,
- 3) sustainable use and the protection of water and sea resources,
- 4) transition to a circular economy,
- 5) preventing and controlling pollution,
- 6) protection and preservation of biodiversity and ecosystems.

For the first two goals, a total of 13 economic sectors and activities within these sectors were studied, defined in Annex I (climate change mitigation) and Annex II (climate change adaptation) of the Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 on the amendment of the Taxonomy decree (hereinafter: Climate delegated regulation). Only those economic sectors and activities have thus far been included in the taxonomy that may significantly contribute to the mitigation of climate changes or adaptation to climate changes (sectors that are responsible for 93.5% of direct greenhouse gas emissions in the EU). For these priority sectors and activities, technical criteria have been developed on the basis of the implemented technical analyses.

For the other four environmental goals, the Commission has not yet issued any delegated regulations, despite announcements that they would be issued by the end of 2022.

The EU taxonomy has therefore only given priority to those sectors and economic activities that have a large emission footprint and that may significantly contribute to the mitigation and adjustment of climate changes due to their large impact.

I.5.10.2 Determination of activities, harmonised with the EU taxonomy

General

An economic activity is acceptable for the taxonomy if it is listed or described in the delegated documents that supplement the Taxonomy decree, and that meets at least one technical criteria as defined in these documents. An economic activity is harmonised with the taxonomy if it meets all the technical screening criteria and all the criteria for “do no significant harm”, as defined in Annex I and II of the Climate delegated regulation, and is implemented in line with the minimum protection measures concerning human and consumer rights, anti-corruption and anti-bribery initiatives, taxes and fair competition.

The activities of DARS (spatial planning, siting, obtaining land, constructing, managing and maintaining motorways) are not listed in Annex I of the Climate delegated regulation, therefore they are not acceptable for taxonomy in terms of climate change mitigations, no technical criteria have been developed for them and they cannot be harmonised with the taxonomy.

Companies whose activities are not harmonised with the taxonomy may still disclose certain investments into products and services of those manufacturers that are harmonised with taxonomy and make a material contribution to climate change mitigation.

The main activity of DARS is classified as an activity that is related to climate change adjustments in Annex II, item 6.15. *Infrastructure enabling low-carbon road transport and public transport*. It is an adjustment activity that implements solutions with which this activity becomes resilient against climate changes. Climate risks and dangers are listed in the Climate delegated regulation, Annex II, Addendum A.

In the scope of the environmental goal of climate change adjustment, revenues that are acceptable for taxonomy are only the revenues of so-called enabling activities. Economic activity 6.15. *Infrastructure enabling low-carbon road transport and public transport* is not listed as an enabling activity, therefore toll revenues are not acceptable for the taxonomy.

To define an activity in investments (CAPEX and OPEX) that are acceptable and harmonised with the EU taxonomy, a comprehensive overview of activities, technical screening criteria and criteria for “do no significant harm” was carried out in Annex I and Annex II of the Climate delegated regulation. A comprehensive review of contracts that were implemented in 2022 was also carried out.

Climate change mitigation

In the previous year, DARS continued its commercial lease of electric passenger vehicles. The investment is in line with the activity from Annex I, 6.5. *Transport by motorbikes, passenger cars and light commercial vehicles*, as well as with the technical screening criteria and criteria for “do no significant harm”, therefore it is harmonised with the taxonomy. The value of the investment is €30,844.

Rearrangements or reconstruction works of some buildings took place in 2022, namely the administration building of the former TS Log, buildings of former TS Dane and TS Drnovo, and the Ptuj branch of MMC Maribor. Certain reconstruction measures (thermal layer insulation, the replacement of new windows with energy-efficient windows, the placement of energy-efficient light sources, the placement of efficient heating and air conditioning systems) were carried out at these facilities, which are in line with the activity from Annex I, 7.3. *Installation, maintenance and repair of energy efficiency equipment* and that comply in full with the aforementioned technical screening criteria and the criteria for “do no significant harm”, therefore they are harmonised with the taxonomy. The value of the investments is €144,442.

In 2022, seven new charging stations for electric vehicles were placed at the parking spaces of the seven facilities of DARS. This investment is in line with the activity from Annex I, 7.4. *Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)*, as well as with the technical screening criteria and criteria for “do no significant harm”, therefore it is harmonised with the taxonomy. The value of the investment is €19,990.

Climate change adaptation

DARS has 69 road weather stations (RWS) on its MW and EW network, which are connected to the road weather information system (RWIS), and this is upgraded to the maintenance decision support system (MDSS). The entire system is automatically announcing the state and temperature of roads by 12 hours ahead.

We believe that the RWS-RWIS-MDSS system conforms to the description of activities from annex II, 6.15. *Infrastructure enabling low-carbon road transport and public transport*, as well as the technical criteria regarding the material contribution to climate change adjustments, which bring in ever-more-frequent extreme weather events, as well as the criteria for “do no significant harm”, which is why it is harmonised with the taxonomy.

In 2022, maintenance costs for the entire RWS-RWIS-MDSS system amounted to €199,582.

I.5.10.3 Key performance indicators

The key performance indicators have been calculated based on definitions in Annex I of Commission Delegated Regulation (EU) 2021/2178.

Revenues

In addition to toll revenue, DARS also receives revenue from other activities, but no activities are acceptable or harmonised with the EU taxonomy as of yet. The share of revenue harmonised with the taxonomy is therefore 0.00%.

Share of investments into fixed assets in products or services related to economic activities that are harmonised with the taxonomy

Investments into fixed assets amounted to €138,025,591 in 2022 and include property, plant and equipment and intangible fixed assets, an increase of leased assets and other investments. Investments into fixed assets in activities that are harmonised with the taxonomy amounted to €195,276, which is a 0.14% share. All the required disclosures are shown in the table below, which has been prepared in line with Annex II of the Commission Delegated Regulation (EU) 2021/2178.

Table 34: Share of investments into fixed assets in products or services related to economic activities that are harmonised with the taxonomy

				Criteria for substantial contribution						Criteria for “do no significant harm”							Share of investments harmonised with taxonomy	Share of investments harmonised with taxonomy			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
	Designations	Investment value	Share of Investments	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	2022	2021	Category (enabling activity)	Category (transitional activity)	
		in EUR 1000	%	%	%	%	%	%	%	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	%	O	P	
A. ACTIVITIES ACCEPTABLE FOR THE TAXONOMY																					
A.1 Environmentally sustainable activities (harmonised with the taxonomy)																					
Transport by motorbikes, passenger cars and light commercial vehicles		N77.11	30.84	0.02	100					YES	YES						0.02	0.00			
Installation of energy-efficient equipment (rearrangement of four buildings)		F43, F43.32	144.44	0.10	100					YES	YES						0.10	0.00	O		
Installation of charging stations for electric vehicles in buildings (and parking spaces)		F43, F43.21	19.99	0.01	100					YES	YES						0.01	0.00	O		
Investments into fixed assets in environmentally sustainable activities (harmonised with taxonomy) (A.1)																	0.14	0.00			
A.2 Activities that are acceptable for the taxonomy, but are not environmentally sustainable (not /																					
Investments into fixed assets in activities that are acceptable for the taxonomy, but are not environmentally sustainable (not harmonised with the taxonomy) (A.2)																		0.00	0.00		
Total (A.1 + A.2)																		0.14	0.00		
B. ACTIVITIES THAT ARE NOT ACCEPTABLE FOR THE TAXONOMY																					
Investments from activities that are not acceptable for the taxonomy (B)			137,830	99.86																	
Total (A + B)			138,026	100.000																	

Share of operating expenditure (OpEx) in products or services related to economic activities that are harmonised with the taxonomy

The DARS operating expenditure (OpEx) in the English version of the Commission Delegated Regulation (EU) 2021/2178, which include all operating expenses, reduced by the amortisation/depreciation costs, amounted to €124,911,914 in 2022. The only investment in current assets in activities that have been harmonised with the taxonomy were costs for maintaining the RWS-RWIS-MDSS system, which amounted to €199,582 and represents a share of 0.16 percent. All the required disclosures are shown in the table below, which has been prepared in line with Annex II of the Commission Delegated Regulation (EU) 2021/2178.

Table 35: Share of operating expenditure (OpEx) in products or services related to economic activities that are harmonised with the taxonomy

				Criteria for substantial contribution						Criteria for “do no significant harm”							Share of investments harmonised with taxonomy	Share of investments harmonised with taxonomy		
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Economic activities	Designations	Investment value	Share of investments	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	2022	2021	Category (enabling activity)	Category (transitional activity)
		in EUR 1000	%	%	%	%	%	%	%	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	YES/NO	%	%	O	P
A. ACTIVITIES ACCEPTABLE FOR THE TAXONOMY																				
A.1 Environmentally sustainable activities (harmonised with the taxonomy)																				
Infrastructure enabling low-carbon road transport and public transport, passenger	F42.11	199.58	0.16		100					YES	YES						0.16	0.00		
Investments into fixed assets in environmentally sustainable activities (harmonised with taxonomy) (A.1)		199.58	0.16														0.16	0.00		
A.2 Activities that are acceptable for the taxonomy, but are not environmentally sustainable (not /																				
Investments into fixed assets in activities that are acceptable for the taxonomy, but are not environmentally sustainable (not harmonised with the taxonomy) (A.2)		-	0.00																	
Total (A.1 + A.2)		199.58	0.16																	
B. ACTIVITIES THAT ARE NOT ACCEPTABLE FOR THE TAXONOMY																				
Investments from activities that are not acceptable for the taxonomy (B)		124,712	99.84																	
Total (A + B)		124,912	100.000																	

1.5.11 Persons responsible for communication, content and data in the Report⁹⁴

Service responsible for issues referring to the 2022 Sustainability Report:

- PR (pr@dars.si)

Persons responsible for the content and data in the 2022 Sustainability Report:

- **Coordination of the preparation of the Sustainability Report, general and other contents:**
Corporate Security, authorised person for management systems – Jože Knez, MSc (joze.knez@dars.si)
Controlling, Head – Nika Drakulič (nika.drakulic@dars.si)
Controlling, Specialised Assistant – Tea Pongračič (tea.pongracic@dars.si)
- **Investments in NMCP from 1994 to 2021:**
Controlling, Head – Nika Drakulič (nika.drakulic@dars.si)
Controlling, Division Specialist – Aleš Petek (ales.petek@dars.si)
- **Sources of NMCP funding for 2000–2021:**
Finance, Specialised Assistant – Dejan Šeško, MSc (dejan.sesko@dars.si)
- **Communication tools, methods of including stakeholders and highlighted topics:**
PR, head Marjan Koler – Marjan Koler (marjan.koler@dars.si)
- **Risk management:**
Corporate Security, Head – Ita Majnik (ita.majnik@dars.si)
- **Economic highlights from operations:**
Controlling, Head – Nika Drakulič (nika.drakulic@dars.si)
Controlling, Division Specialist – Aleš Petek (ales.petek@dars.si)
- **Use of toll roads, toll revenue and toll inspection:**
Tolling, Director – Branka Videtič (branka.videtic@dars.si)
Tolling, Division Specialist – Emilija Erent (emilija.erent@dars.si)
- **Satisfaction and a responsible attitude to motorway users:**
PR, Head – Marjan Koler (marjan.koler@dars.si) with colleagues
- **Traffic and safety concerns:**
Road Management, Director per contract – Andrej Zajec (andrej.zajec@dars.si) with colleagues
- **Projects in traffic management and the concern for user safety**
Road Management, Director per contract – Andrej Zajec (andrej.zajec@dars.si) with colleagues
- **Sustainable relationships with employees:**
Director of Corporate Functions – Petar Škundrić, MSc (petar.skundric@dars.si)
HR Management Service, Senior Specialised Assistant – Helena Pleslič (helena.pleslic@dars.si)

⁹⁴ GRI GS 2-2, 2-3.

- **Health and safety of employees:**
Occupational Safety and Health Service, Head – Jože Nose (joze.nose@dars.si)
- **Corporate integrity:**
Compliance and Integrity, Head – Blaž Poljanšek (blaz.poljansek@dars.si)
- **Diversity and equal opportunities:**
Office of the Management Board, Division Specialist – Saša Sedlar (sasa.sedlar@dars.si)
- **Responsibility to the natural environment – systematic environmental and energy management:**
Corporate Security, authorised person for management systems – Jože Knez, MSc (joze.knez@dars.si)
 - **Use of materials:**
Renovation, Head – Matic Poznič (matic.poznic@dars.si)
 - **The siting of motorways and expressways, and inclusion in the local community:**
Spatial Planning, Head – Ana Sodnik Prah (ana.sodnik@dars.si)
 - **Concern for the preservation of biodiversity**
Spatial Planning, Head – Ana Sodnik Prah (ana.sodnik@dars.si)
 - **Energy management:**
Corporate Security, authorised person for management systems – Jože Knez, MSc (joze.knez@dars.si)
Management Support, Department Head II – Kristjan Zobovnik (kristjan.zobovnik@dars.si)
 - **Fuel for the vehicle fleet:**
Maintenance, Technical Service, Division Specialist – Janko Kernel (janko.kernel@dars.si)
General Service, Head – Mirko Miklič (mirko.miklic@dars.si)
 - **Heating:**
Maintenance, MMC Hrušica, Head – Marjan Levstek (marjan.levstek@dars.si)
 - **Light pollution:**
Management Support, Department Head II – Kristjan Zobovnik (kristjan.zobovnik@dars.si)
 - **Carbon footprint monitoring:**
Corporate Security, authorised person for management systems – Jože Knez, MSc (joze.knez@dars.si)
 - **Reducing the fuel consumption of the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment DarsGo:**
Tolling, ETS Technical Control and Analysis, Head – Gorazd Cah (gorazd.cah@dars.si)
 - **Air emissions:**
Road Management, Infrastructure and Equipment Management, Senior Specialised Assistant – Aleksander Udovič (aleksander.udovic@dars.si)
 - **Concern for animals in the MW area of influence**
Maintenance, Director – Damijan Jaklin (damijan.jaklin@dars.si)
Maintenance, Technical Service, Division Specialist – Janko Kernel (janko.kernel@dars.si)
 - **Environmental impacts of road gritting:**
Maintenance, Director – Damijan Jaklin (damijan.jaklin@dars.si)
Maintenance, Technical Service, Division Specialist – Janko Kernel (janko.kernel@dars.si)

- **Protection of waters:**

Road Management, Infrastructure and Equipment Management, Senior Specialised Assistant – Aleksander Udovič (aleksander.udovic@dars.si)

Maintenance Division, Technical Service, Division Specialist – Jana Kejžar (jana.kejzar@dars.si)

- **Noise emissions and waste management:**

Road Management, Infrastructure and Equipment Management, Senior Specialised Assistant – Aleksander Udovič (aleksander.udovic@dars.si)

Renovation, Head – Matic Poznič (matic.poznic@dars.si)

- **Construction waste management:**

Renovation, Head – Matic Poznič (matic.poznic@dars.si)

Road Management, Infrastructure and Equipment Management, Senior Specialised Assistant – Aleksander Udovič (aleksander.udovic@dars.si)

- **Inclusion in broader society, sponsorships and donations, communications:**

PR, Head – Marjan Koler (marjan.koler@dars.si) with colleagues

- **International cooperation and the acquisition of European grants:**

International and Multilateral Cooperation, Head – Alenka Košič (alenka.kosic@dars.si)

- **Responsibility to suppliers/contractors:**

Procurement, Head – Eva Vratarič (eva.vrataric@dars.si)

- **Taxonomy:**

Office of the Management Board, Project Director – Tomaž Vidic (tomaz.vidic@dars.si)



I.5.12 Supervisory Board, Management Board, project teams, committees and other company bodies⁹⁵

Supervisory Board:

- Pavle Hevka (Chair until 7 October 2022, then member until 23 December 2022)
- Robert Rožič, PhD (Vice-Chair until 23 September 2022)
- Jože Oberstar (member until 23 September 2022)
- Štefan Šumah, PhD (member until 23 September 2022)
- Jožef Zimšek (member until 23 September 2022)
- Andrej Šušteršič, MSc (Member from 24 September 2022, Chairman since 7 October 2022)
- Metod Dragonja (Member from 24 September 2022, Vice-Chairman since 7 October 2022)
- Nevenka Hrovatin, PhD (member since 24 September 2022)
- Janko Kramžar (Member since 24 September 2022)
- Anton Guzej (Member)
- Nataša Ivančević (employee representative)
- Martin Stožir (employee representative)
- Branko Švigelj (employee representative)

Committee for alleged corporate integrity irregularities:

- Tina Plut, Corporate Integrity Officer, Committee Chair
- Rožle Podboršek, management representative, Committee Vice-Chair
- Mojca Klun Kešeljevič, Legal Service, Committee Member
- Blaž Poljanšek, HR Management, Committee Member

Energy Committee:

- Jože Knez, MSc, Chair
- Božidar Volk
- Jože Nose
- Janko Kernel
- Marjan Levstek
- Kristjan Zobovnik
- Sašo Svetlin
- Mihec Bojc

Management Board:

- Valentin Hajdinjak, MSc (Chairman)
- Romana Fišer, MSc (Member)
- Boštjan Rigler (Member)
- Peter Gašperšič, PhD (Member)
- Rožle Podboršek (Member/Labour Manager)

Committee for the protection of employees' dignity:

- Rožle Podboršek, management representative, Chair
- Nataša Ivančević, Workers' Council representative, Member
- Helena Černač Tavčar, representative of the Railway Transport Union of Slovenia, Member
- Boštjan Juhart, representative of the Trade Union of Transport and Communications Workers
- Blaž Poljanšek, representative of HR Management, Member

Workers' Council:

- Martin Stožir, Chairman of the Workers' Council
- Nataša Ivančević, Vice-Chair of the Workers' Council
- Maruša Mazovec
- Jernej Srebot
- Branko Švigelj
- Anton Grčman
- Boštjan Juhart
- David Marko
- Damir Lisić
- Darko Kodrič
- Marjan Božič
- Andrej Vidonja
- Saša Todorović
- Mateja Gerželj
- Igor Kolar

Family-Friendly Company Committee:

- Mojca Štendler, Chair
- Tatjana Topole, Vice-Chair
- Nataša Ivančević
- Boštjan Smrdelj
- Brigita Piltaver Imperl
- Ester Pipan
- Miljana Knafelc
- Saša Sedlar
- Simon Rehberger

⁹⁵ GRI GS 2-2, 2-9, 2-11, 2-13.

Improvements Committee:

- Aleksander Udovič, Chair
- Peter Kejžar
- Jože Knez, MSc
- Peter Kejžar
- Marjan Koler
- Aleksander Morano
- Janko Kernel

Railway Transport Union of Slovenia, DARS trade union unit:

- Helena Černač Tavčar, Chair of Regional Unit (RU) DARS Postojna, Chair of all four RUs
- Božena Pergar, Chair of RU DARS Ljubljana
- Igor Kolar, Chair of RU DARS Tepanje
- Tomaž Dolanc, Chair of RU DARS Maintenance

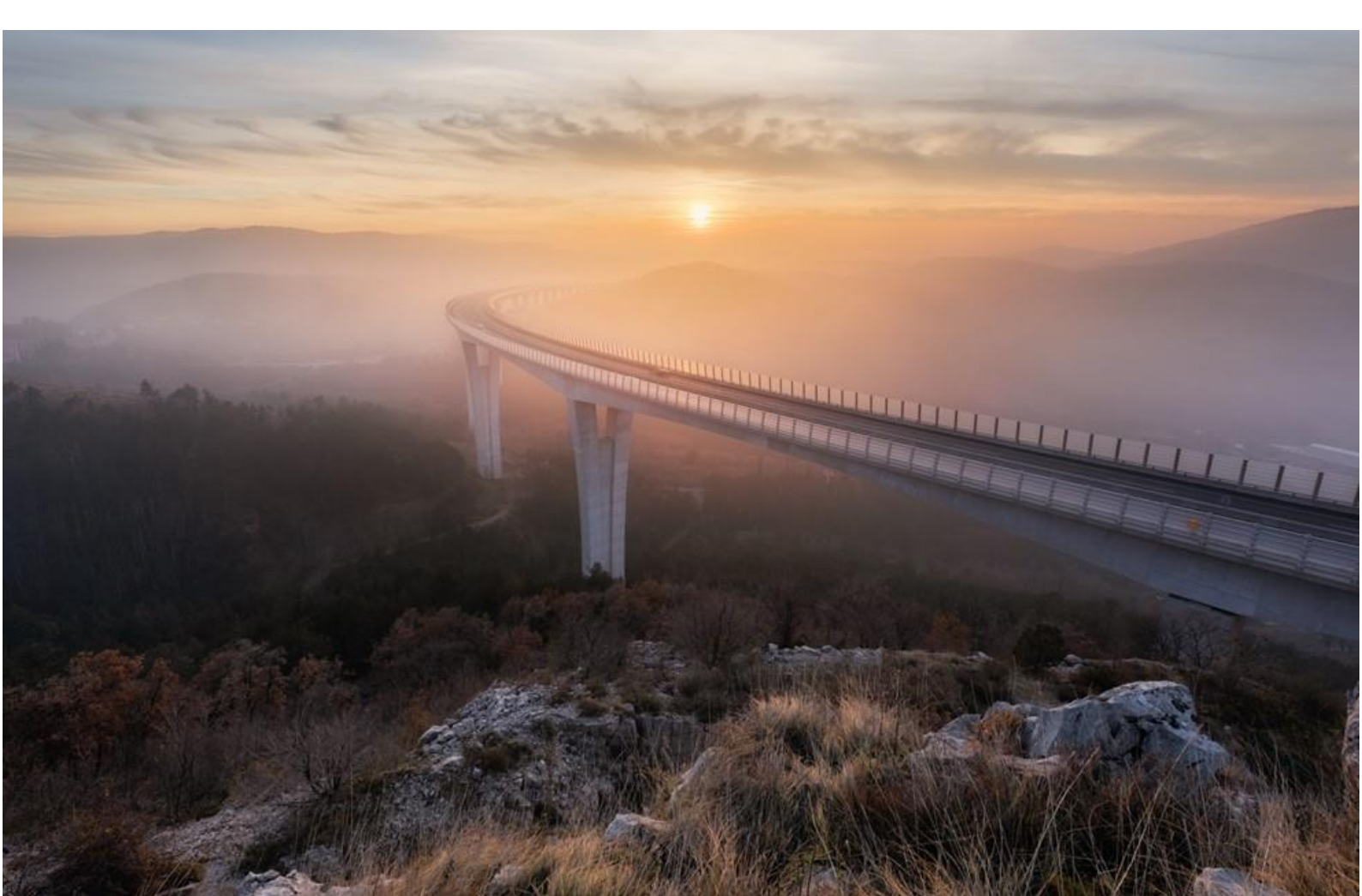
Trade Union of Transport and Communications Workers of Slovenia – Trade Union of Motorway Workers DARS:

- Mitja Stojnšek, Chair of Presidency of the Trade Union of Motorway Workers
- Aleksander Dekleva, Chair of the Trade Union of Primorska Motorway Workers
- Amir Mehadžić, Chair of the Trade Union of A2 Motorway Workers
- Jože Fric, Chair of the Trade Union of Štajerska Motorway Workers

- Branko Švigelj
- Željko Kotnik

Occupational Safety Committee, organised within the scope of the Workers' Council:

- Igor Kolar, Chair
- Anton Grčman
- Mihael Debevec
- Božena Pergar
- Mitja Stojnšek
- Jernej Srebot
- Branko Švigelj



I.6 Statement on an external review of the Sustainability Report⁹⁶



Izjava o preverjanju trajnostnega poročila

Namen in obseg preveritve

Na zahtevo družbe DARS d.d., Ulica XIV. divizije 4, 3000 Celje, je Slovenski institut za kakovost in meroslovje, Ljubljana (SIQ), na osnovi standardov za trajnostno poročanje GRI Sustainability Reporting Standards, 2016 z dopolnitvami, opravili neodvisno preverjanje »Trajnostnega poročila 2022«, v družbi DARS d.d. Pobudo za preveritev poročila je družba dala prostovoljno. Preverili smo, ali so dejstva in podatki, navedeni v poročilu, verodostojni in odražajo dejansko stanje na področju trajnostnega razvoja družbe.

Omejitve

Trajnostno poročilo se nanaša na družbo DARS d.d. v okviru obsega in mej, kot so določeni v poglavju I.4. Trajnostnega poročila in posameznih razkritjih. Deležniki so pri analizi bistvenosti sodelovali preko rezultatov anketnega vprašalnika, pa tudi drugih vprašalnikov (npr. ugotavljanje zadovoljstva zaposlenih in zadovoljstva uporabnikov avtocest v Sloveniji). Na osnovi zbranih rezultatov so določili matriko bistvenosti in bistvene vsebine trajnostnega poročila, kar je opisano v celotnem poglavju I.4.4. Ker je bilo dokončno oblikovanje poročila v času preveritve še v delu, smo v kazalu GRI (poglavje I.7) preverili pravilnost sklicev na poglavja poročila, strani in tabele poročila, veljavnega v času preveritve.

Metodologija preveritve

V postopku preverjanja deležniki niso sodelovali, saj naročnik preverjanja tega ni naročil. Zato je preverjanje zajemalo pregled Trajnostnega poročila, razgovor z odgovornimi predstavniki družbe ter preverjanje dokumentacije in drugih podatkov. Podatkov v revidiranih računovodskih izkazih nismo preverjali.

Odgovornost

Vodstvo družbe DARS d.d. je odgovorno za informacije, predstavljene v poročilu in določanje meril za ocenjevanje. Odgovorno je tudi za zbiranje, razvrščanje in overjanje podatkov ter poročanje. SIQ in njegovi predstavniki niso sodelovali pri obdelavi in prikazu podatkov v poročilu. Predstavniki SIQ so odgovorni za neodvisno preverjanje skladnosti poročila s standardi GRI in dejanskim stanjem. Pridobljeni dokazi so zadostni in ustrezni kot podlaga za pripravo te izjave o trajnostnem poročilu, ki je vključeno v »Trajnostno poročilo 2022«.

Neodvisnost

SIQ je strokovna, neodvisna in nepristranska institucija, ki nudi celovite rešitve s področja preskušanja in certificiranja proizvodov, ocenjevanja sistemov vodenja, meroslovja in izobraževanja. Mednarodno veljavnost in visoko strokovno raven našega dela potrjujejo številne akreditacije in članstva v mednarodnih certifikacijskih shemah in združenjih. Preveritelj, ki je izvedel preverjanje, je GRI pregledovalec in strokovnjak za trajnostni razvoj.

Ugotovitve

Preveritelj je skrbno preveril upoštevanje zahtev standardov in načel poročanja ter obvezna razkritja poročanja. Trajnostni razvoj je sestavni del strategije, ki izpostavlja uveljavitev različnih trajnostnih ciljev. Družba je v svojem poročilu prikazala razkritja v okviru 21 specifičnih standardnih področij. Razkriti pristopi vodstva in rezultati razkritij potrjujejo trajnostno naravnost družbe.

Na podlagi ugotovitev v času preverjanja izjavljamo, da so dejstva, navedena v trajnostnem poročilu, verodostojna in odražajo dejansko stanje sistemov vodenja in trajnostnega delovanja družbe DARS d.d. Ob upoštevanju navedenih omejitev in metode preverjanja ugotavljamo, da »Trajnostno poročilo 2022«, družbe DARS d.d., ustreza zahtevam standardov za trajnostno poročanje GRI Sustainability Reporting Standards, 2016 s kasnejšimi dopolnitvami. Vodstvo družbe DARS d.d. z odločitvijo o zunanjem neodvisnem preverjanju trajnostnega poročila širi zavedanje o pomenu trajnostnega delovanja in razvoja. S tem prispeva k uveljavljanju mednarodno primerljivih dobrih praks na področju poročanja o trajnostnem razvoju.

Priporočila

Med preverjanjem smo prepoznali nekaj priložnosti za izboljšanje delovanja in poročanja na področju trajnostnega razvoja, ki smo jih zapisali v Poročilo o preverjanju OSV 00808/2023.

Ana Margetič
Ocenjevanje sistemov vodenja,
vodja preverjanja trajnostnega poročila

Ljubljana, 23. 6. 2023



Miloš Seražin
Ocenjevanje sistemov vodenja,
direktor področja

⁹⁶ GRI GS 2-5.

I.7 GRI indicators

Table of contents as per the GRI Global Standards 2021.

In the period between 1 January and 31 December 2022, DARS reported in line with the GRI standards.

Table 34: GRI indicators

GRI standard	Description	Page	Chapter	Notes
GRI 2 General Disclosures				
1. ORGANISATION AND REPORTING PRACTICE				
2-1	Organisational details	21	I.3 Presentation of DARS	
2-2	Entities included in sustainable reporting	41 155 158	I.4.3 The Company and its stakeholders I.5.11 Persons responsible for communication, content and data in the Report I.5.12 Supervisory Board, Management Board, project teams, committees and other Company bodies	
2-3	Reporting period, frequency, contact point	37 155	I.4.1 Sustainability reporting, I.5.11 Persons responsible for communication, content and data in the Report	
2-4	Restatements of information	/	/	There were no significant changes in the data from previous years and reporting thresholds. If the methodology for displaying data has changed, then the changes and the reasons thereof are clarified in notes.
2-5	External assurance	160	I.6 Statement on the external review of the Sustainability Report	The 2022 Sustainability Report has been reviewed by the external independent institution SIQ Ljubljana. The management was not part in the external review process.
2. ACTIVITIES AND WORKERS				
2-6	Activities, value chain and other business relationships	21 41 145	I.3 Presentation of DARS I.4.3 The Company and its stakeholders I.5.8 Responsibility to suppliers/contractors	There were no changes in the value chain in 2022.

GRI standard	Description	Page	Chapter	Notes
2-7	Employees	85 86	I.5.5.1 Key data on employees, I.5.5.3 Employees realise the Company mission	
2-8	Workers who are not employees	91, 93	I.5.5.4 Knowledge is the basis of our successful operations	Student work
3RD GOVERNANCE				
2-9	Governance structure and composition	26 41 99 158	I.3.4 Organisational structure, I.4.3 The Company and its stakeholders, I.5.5.6 Organisational climate and employee satisfaction and engagement, I.5.12 Supervisory Board, Management Board, project teams, committees and other Company bodies	
2-10	Nomination and selection of the highest governance body	26	I.3.4 Organisational structure	
2-11	Chair of the highest governance body	26 158	I.3.4 Organisational structure, I.5.12 Supervisory Board, Management Board, project teams, committees and other Company bodies	
2-12	Role of the highest governance body in overseeing the management of impacts	13 37 42 50	I.2 Non-Financial Statement of DARS, I.4.2 The realisation of the strategic sustainable development goals at DARS, I.4.4 The inclusion of stakeholders and the materiality matrix I.4.7.1 Business risks	
2-13	Delegation of responsibility for managing impacts	26 47 49 50 75 158	I.3.4 Organisational structure, I.4.5 Corporate integrity, I.4.7 Risk management, I.4.7.1 Business risks, I.5.4.1 Traffic control and management, I.5.12 Supervisory Board, Management Board, project teams, committees and other Company bodies	
2-14	Role of the highest governance body in sustainability reporting	13, 16 22 37	I.2 Non-Financial Statement of DARS, I.3.2 Mission, vision, values, strategic policies and integrated management system policy, I.4.1 Sustainability reporting	
2-15	Conflicts of interest	55	I.4.7.2 Corporate integrity and compliance	
2-16	Communication of critical concerns	47 50	I.4.5 Corporate integrity, I.4.7.1 Business risks	
2-17	Collective knowledge of the highest governance body	/		The data will be included in the 2023 Sustainability Report. These are included in the 2022 Annual Report.

GRI standard	Description	Page	Chapter	Notes
2-18	Evaluation of the performance of the highest governance body	/		The data will be included in the 2023 Sustainability Report. A Remuneration Policy for members of the management and supervisory bodies at DARS is being drafted.
2-19	Remuneration policies	/		The data will be included in the 2023 Sustainability Report. These are included in the 2022 Annual Report.
2-20	Process for determining remuneration	/		The data will be included in the 2023 Sustainability Report. These are included in the 2022 Annual Report.
2-21	Annual total compensation ratio	/		The data will be included in the 2023 Sustainability Report. These are included in the 2022 Annual Report.
4. STRATEGY, POLICIES AND PRACTICES				
2-22	Statement on sustainable development strategy	11	I.1 Letter from the Chairman of the Board	
2-23	Policy commitments	13, 14 22, 24 37	I.2 Non-Financial Statement of DARS, I.3.2 Mission, vision, values, strategic policies and integrated management system policy, I.4.2 Fulfilment of the strategic goals of sustainable development	
2-24	Embedding policy commitments	13, 14 22, 24 37	I.2 Non-Financial Statement of DARS, I.3.2 Mission, vision, values, strategic policies and integrated management system policy, I.4.2 Fulfilment of the strategic goals of sustainable development	
2-25	Processes to remediate negative impacts	49 71 99 102	I.4.7 Risk management, I.5.3 Traffic and concern for safety, I.5.5.6 Organisational climate and employee satisfaction and engagement, I.5.6 Responsibility to the natural environment	
2-26	Mechanisms for seeking advice and raising concerns	13 47, 48 55	I.2 Non-Financial Statement of DARS, I.4.5 Corporate integrity, I.4.7.2 Corporate integrity and compliance	
2-27	Compliance with the laws and regulations	47, 48 49 49 84 84	I.4.5 Corporate integrity, I.4.6 Corporate security, I.4.7 Risk management, I.5.4.7 Conformity in relation to the impacts of products/services on safety and health, I.5.4.8 Customer privacy,	

		95 102	I.5.5.5 Health and safety of employees, I.5.6 Responsibility to the natural environment	
GRI standard	Description	Page	Chapter	Notes
2-28	Membership in associations	143	I.5.7.4 Membership in associations	
5. STAKEHOLDER ENGAGEMENT				
2-29	Approach to stakeholder engagement	41 42	I.4.3 The Company and its stakeholders, I.4.4 The inclusion of stakeholders and the materiality matrix	
2-30	Collective bargaining agreements	86 88	I.5.5.3 Employees realise the Company mission, Table 13	
GRI 3 Material Topics				
1. DISCLOSURES OF MATERIAL TOPICS				
3-1	Process to determine material topics	37 41 42	I.4.2 The realisation of the strategic sustainable development goals at DARS, I.4.3 The Company and its stakeholders I.4.4 The inclusion of stakeholders and the materiality matrix	
3-2	List of material topics	22 37 42	I.3.2 Mission, vision, values, strategic policies and integrated management system policy, I.4.2 The realisation of the strategic sustainable development goals at DARS, I.4.4 The inclusion of stakeholders and the materiality matrix	
3-3	Management of material topics	Presented by chapters		All the requirements of item 3-3 <i>Management of material topics</i> are not met in full in the 2022 report and will be considered in the 2023 Sustainability Report.
GRI 201 Economic Performance				
3-3	<i>Managing material topics</i>	57	I.5.1 Economic highlights from operations	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
201-1	Direct economic value generated and distributed	57 59 144	I.5.1 Economic highlights from operations, Table 7, I.5.7.5 Sponsorships and donations	
201-2	Financial implications and other risks and opportunities due to climate change	/		The data will be available in the 2023 Sustainability Report

GRI standard	Description	Page	Chapter	Notes
201-3	Defined benefit plan obligations and other retirement plans	85 99	I.5.5.1 Key data on employees, I.5.5.6 Organisational climate and employee satisfaction and engagement	We will report on this comprehensively in the 2023 Sustainability Report
201-4	Financial assistance received from the government	21 81	I.3 Presentation of DARS, I.5.4.5 Implementation of European projects	We are reporting on European grants. Other detailed financial assets are available in the 2022 Annual Report. Requirement 4b is irrelevant.
GRI 202 Market Presence				
3-3	<i>Managing material topics</i>	/		See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
202-1	Ratios of standard entry-level wage by gender compared to the local minimum wage	/		The comprehensive data will be available in the 2023 Sustainability Report
202-2	Proportion of senior management hired from the local community	/		Irrelevant due to the organisation of the Company.
GRI 203 Indirect Economic Impacts				
3-3	<i>Managing material topics</i>	28	I.3.6 Investments in motorway development and reconstruction	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
203-1	Infrastructure investments and services supported	28 34	I.3.6 Investments in motorway development and reconstruction, I.3.6.1 Investments planned from 2023 to 2025	
203-2	Significant indirect economic impacts	28	I.3.6 Investments in motorway development and reconstruction	
GRI 204 Procurement Practices				
3-3	<i>Managing material topics</i>	145	I.5.8 Responsibility to suppliers	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
204-1	Proportion of spending on local suppliers	21 145	I.3 Presentation of DARS, I.5.8 Responsibility to suppliers	
GRI 205 Anti-corruption				
3-3	<i>Managing material topics</i>	47	I.4.5 Corporate integrity	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
205-1	Operations assessed for risks related to corruption	47	I.4.5 Corporate integrity	
205-2	Communication and training on anti-corruption policies and procedures	47	I.4.5 Corporate integrity	

GRI standard	Description	Page	Chapter	Notes
205-3	Confirmed incidents of corruption and actions taken	47	I.4.5 Corporate integrity	
GRI 301 Materials				
3-3	<i>Managing material topics</i>	130 141	I.5.6.10 Environmental impacts of road gritting, I.5.6.14 Reuse of construction waste	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
301-1	Materials used by weight or volume	130	I.5.6.10 Environmental impacts of road gritting	We are reporting on grit consumption.
301-2	Recycled input materials used	141	I.5.6.14 Reuse of construction waste	The indicator is incomplete because not all data is available yet.
301-3	Reclaimed products and their packaging materials	/		Currently irrelevant.
GRI 302 Energy				
3-3	<i>Managing material topics</i>	111 117 124	I.5.6.4 Energy management, I.5.6.5 Light pollution, I.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
302-1	Energy consumption within the organisation	111 117	I.5.6.4 Energy management, I.5.6.5 Light pollution	Reporting on 302-1, d has been suspended (irrelevant).
302-2	Energy consumption outside of the organisation	/		Irrelevant.
302-3	Energy intensity	111, 112	I.5.6.4 Energy management	
302-4	Reduction of energy consumption	111 117 124	I.5.6.4 Energy management, I.5.6.5 Light pollution, I.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system	
302-5	Reductions in the energy requirements of products and services	111 117 124	I.5.6.4 Energy management, I.5.6.5 Light pollution, I.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system	

GRI standard	Description	Page	Chapter	Notes
GRI 303 Water and Effluents				
3-3	<i>Managing material topics</i>	133	I.5.6.11 Protection of waters	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
303-1	Interactions with water as a shared resource	133	I.5.6.11 Protection of waters	
303-2	Management of impacts related to water drainage	133	I.5.6.11 Protection of waters	
303-3	Water withdrawal	133	I.5.6.11 Protection of waters	The comprehensive data will be available in the 2023 Sustainability Report
303-4	Water discharge	133	I.5.6.11 Protection of waters	The comprehensive data will be available in the 2023 Sustainability Report
303-5	Water consumption	133	I.5.6.11 Protection of waters	The comprehensive data will be available in the 2023 Sustainability Report
GRI 304 Biodiversity				
3-3	<i>Managing material topics</i>	103 105 128	I.5.6.2 Siting of motorways and expressways I.5.6.3 Concern for the preservation of biodiversity, I.5.6.9 Concern for animals in the MW area of influence	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	105	I.5.6.3 Concern for the preservation of biodiversity	
304-2	Significant impacts of activities, products and services on biodiversity	105 128 130	I.5.6.3 Concern for the preservation of biodiversity, I.5.6.9 Concern for animals in the MW area of influence, I.5.6.10 Environmental impacts of road gritting	
304-3	Habitats protected or restored	105	I.5.6.3 Concern for the preservation of biodiversity	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	/		The company will study the relevance of the indicator and report on it in 2023.
GRI 305 Emissions				
3-3	<i>Managing material topics</i>	6 111 120 124 127	The environmental footprint of DARS, I.5.6.4 Energy management, I.5.6.6 Carbon footprint monitoring, I.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system, I.5.6.8 Emissions into the air	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .

GRI standard	Description	Page	Chapter	Notes
305-1	Direct greenhouse gas emissions	6 120	The environmental footprint of DARS, I.5.6.6 Carbon footprint monitoring	
305-2	Indirect greenhouse gas emissions	6 120	The environmental footprint of DARS, I.5.6.6 Carbon footprint monitoring	
305-3	Other indirect GHG emissions	120 124	I.5.6.6 Carbon footprint monitoring, I.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system	The company will also report on the carbon footprint of MW and EW users in 2023.
305-4	GHG emissions intensity	111, 115 120	I.5.6.4 Energy management, I.5.6.6 Carbon footprint monitoring	
305-5	Reduction of GHG emissions	111, 115	I.5.6.4 Energy management	
305-6	Emissions of ozone-depleting substances	/		Irrelevant.
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	124	I.5.6.7 Reduced fuel consumption by the users of vehicles with a maximum permissible weight exceeding 3.5 tonnes due to the deployment of the DarsGo system	
GRI 306 Waste				
3-3	<i>Managing material topics</i>	138 141	I.5.6.13 Waste management, I.5.6.14 Reuse of construction waste	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
306-1	Waste generations and significant waste-related impacts	138	I.5.6.13 Waste management	
306-2	Management of significant waste-related impacts	138	I.5.6.13 Waste management	
306-3	Waste generated	138	I.5.6.13 Waste management	
306-4	Waste diverted from disposal	141	I.5.6.14 Reuse of construction waste	
306-5	Waste directed to disposal	138	I.5.6.13 Waste management	The Company does not report on the re-use of waste. The Company does not report on the recycling, composting, energy recovery and incineration of waste. A record of waste is kept on the basis of record sheets.

GRI standard	Description	Page	Chapter	Notes
GRI 308 Supplier Environmental Assessment				
3-3	<i>Managing material topics</i>	145 145	I.5.8.1 Criteria for the awarding of a public contract, I.5.8.2 Suppliers/contractors (local, abroad)	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
308-1	New suppliers that were screened using environmental criteria	145	I.5.8.2 Suppliers/contractors (local, abroad)	We only report on the implemented public contracts when the environmental aspect has been considered.
308-2	Negative environmental impacts in the supply chain and actions taken	145 145	I.5.8.1 Criteria for the awarding of a public contract, I.5.8.2 Suppliers/contractors (local, abroad)	We only report on the implemented public contracts when the environmental aspect has been considered.
GRI 401 Employment				
3-3	<i>Managing material topics</i>	86	I.5.5 Sustainable relationships with employees	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
401-1	New employee hires and employee turnover	86 88 89	I.5.5.3 Employees realise the Company mission, Table 16, Table 17	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	99	I.5.5.6 Organisational climate and employee satisfaction and engagement	
401-3	Parental leave	86 88	I.5.5.3 Employees realise the Company mission Table 15	
GRI 403 Occupational Health and Safety				
3-3	<i>Managing material topics</i>	95	I.5.5.5 Health and safety of employees	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
403-1	Occupational health and safety management system	95	I.5.5.5 Health and safety of employees	The company adheres to the relevant legislation and the ISO 45001 standard.
403-2	Hazard identification, risk assessment and accident investigation	95, 96	I.5.5.5 Health and safety of employees	
403-3	Occupational health services	95	I.5.5.5 Health and safety of employees	
403-4	Worker participation, consultation and communication on occupational health and safety	95, 96	I.5.5.5 Health and safety of employees	
403-5	Worker training on occupational health and safety	95, 96	I.5.5.5 Health and safety of employees	We only report on employees in our Company.
403-6	Promotion of worker health	95, 96	I.5.5.5 Health and safety of employees	

GRI standard	Description	Page	Chapter	Notes
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	95, 96	I.5.5.5 Health and safety of employees	
403-8	Workers covered by an occupational health and safety management system	/	/	We only report on employees in our Company.
403-9	Work-related injuries	95, 96	I.5.5.5 Health and safety of employees	
403-10	Work-related ill health	95, 98	I.5.5.5 Health and safety of employees	
GRI 404 Training and Education				
3-3	<i>Managing material topics</i>	91	I.5.5.4 Knowledge is the basis of our successful operations	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
404-1	Average hours of training per year per employee	91 92	I.5.5.4 Knowledge is the basis of our successful operations, Table 20, Table 21	
404-2	Programs for upgrading employee skills and transition assistance programs	91	I.5.5.4 Knowledge is the basis of our successful operations	We do not report on 404-2b.
404-3	Percentage of employees receiving regular performance and career development reviews	86	I.5.5.2 DARS is a reputable employer	All employees are included.
GRI 405 Diversity and Equal Opportunity				
3-3	<i>Managing material topics</i>	13 86 99	I.2 Non-Financial Statement of DARS d.d., I.5.5.3 Employees realise the Company mission, I.5.5.6 Organisational climate and employee satisfaction and engagement	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
405-1	Diversity of governance bodies and employees	85 86, 90 99, 101	I.5.5.1 Key data on employees I.5.5.3 Employees realise the Company mission I.5.5.6 Organisational climate and employee satisfaction and engagement	
405-2	Ratio of the basic salary and remuneration of women to men	/		The data will be available in the 2023 Sustainability Report.

GRI standard	Description	Page	Chapter	Notes
GRI 406 Non-discrimination				
3-3	<i>Managing material topics</i>	13 47 99	I.2 Non-Financial Statement of DARS d.d., I.4.5 Corporate integrity, I.5.5.6 Organisational climate and employee satisfaction and engagement	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
406-1	Incidents of discrimination and corrective actions taken	47 99, 100	I.4.5 Corporate integrity, I.5.5.6 Organisational climate and employee satisfaction and engagement	
GRI 413 Local Communities				
3-3	<i>Managing material topics</i>	103	I.5.6.2 The siting of motorways and expressways	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
413-1	Operations with local community engagement, impact assessments, and development programmes	103, 104 135 142 144 149	I.5.6.2 The siting of motorways and expressways I.5.6.12 Noise emissions I.5.7.1 Inclusion in the local community I.5.7.5 Sponsorships and donations I.5.9 Communications	Cooperation with local communities in MW and EW siting. We do not report on other cooperations with local communities.
413-2	Operations with significant actual and potential negative impacts on local communities	103, 104 135	I.5.6.2 The siting of motorways and expressways I.5.6.12 Noise emissions	
GRI 416 Customer Health and Safety				
3-3	<i>Managing material topics</i>	75 84	I.5.4.1 Traffic control and management, I.5.4.7 Conformity in relation to the impacts of products/services on safety and health	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
416-1	Assessment of the health and safety impacts of product and service categories	67 75	I.5.2.3 Market communication for enhanced traffic safety I.5.4.1 Traffic control and management	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	84	I.5.4.7 Conformity in relation to the impacts of products/services on safety and health	
GRI 417 Marketing and Labelling				
3-3	<i>Managing material topics</i>	65 149	I.5.2.2 Satisfaction and a responsible attitude to motorway users, I.5.9 Communications	
417-1	Requirements for product and service information and labelling	65 84 149	I.5.2.2 Satisfaction and a responsible attitude to motorway users, I.5.4.7 Conformity in relation to the impacts of products/services on safety and health I.5.9 Communications	

GRI standard	Description	Page	Chapter	Notes
417-2	Incidents of non-compliance concerning product and service information and labelling	67 149	I.5.2.3 Market communication for enhanced traffic safety, I.5.9 Communications	We will report on non-compliance matters in the 2023 Sustainability Report.
417-3	Number of incidents due to non-compliance with regulations and codes in marketing communications, including advertising, promotions and sponsorships, by types of violations and results of processes	/	/	We will report on violations in the 2023 Sustainability Report.
GRI 418 Customer Privacy				
3-3	<i>Managing material topics</i>	47 84	I.4.5 Corporate integrity, I.5.4.8 Customer privacy	See note under 3-3, chapter GRI 3 <i>Material Topics</i> .
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	47, 48 84	I.4.5 Corporate integrity, I.5.4.8 Customer privacy	