

At its session of 12th January 2016 and 29th November 2016, the Management Board of Luka Koper d.d. adopted on behalf of LUKA KOPER d.d. as the sole stakeholder and the assembly of

- LUKA KOPER INPO d.o.o.
- ADRIA TERMINALI d.o.o.
- LOGIS NOVA d.o.o.
- ADRIA INVESTICIJE d.o.o.
- LUKA KOPER PRISTAN d.o.o.

the following

CODE OF ETHICS OF LUKA KOPER GROUP COMPANIES

General

The objective of the Luka Koper Group of companies (hereinafter Luka Koper) is to ensure ongoing successful operations, which, in addition to the long-term performance of the company and the Group, also includes sustainable development and social responsibility, both to the broader community and the natural environment.

Luka Koper is fully aware that its long-term performance and reputation are also defined by its corporate integrity, which is itself determined through the compliance of its operations with legislation, business customs and principles, the Code of Ethics of Luka Koper Group companies (hereinafter Code of Ethics) as well as other codes of professional conduct to which its employees are bound.

In order to eliminate uncertainty among Luka Koper personnel as to the suitability of their conduct at work and relations with other stakeholders in the business environment, the company shall - through this Code of Ethics - regulate the principles and rules governing the professional conduct of Luka Koper employees in relation to their fellow workers and other stakeholders.

Luka Koper employees shall be bound to act in accordance with the Code of Ethics which serves as the parameter of expected and required behaviour of personnel at work in Luka Koper.

The conduct defined by the Code as adequate, shall build Luka Koper's organisational culture and the positive attitude of employees to high professional standards and ethical values that foster Luka Koper's reputation as well as diminish integrity risk. For this reason, the company shall encourage and motivate its personnel towards the attainment of a high degree of personal integrity.

Luka Koper has zero tolerance with regard to violations of corporate integrity through unethical and/or corrupt acts. The company condemns and shall penalise any such act.

Violation of this Code shall represent a violation of obligations arising from the employment relationship for which a transgressor shall be held responsible in accordance with internal and legal regulations, as well as proportionally sanctioned per the gravity of the violation.

1.1 Vision, Mission and Values of Luka Koper

Vision: Luka Koper as the leading port system in the provision of global logistics solutions for the countries of Central and Eastern Europe.

Mission: Through the reliable and progressive provision of port services, Luka Koper supports global logistics solutions for the most demanding clients in compliance with the requirements of economies at the heart of Europe.

Through the principal values which are the following:

COLLABORATION: Success is the result of joint effort, mutual collaboration, trust and open communication.

RESPONSIBILITY: Integrity – Conduct in compliance with ethical and moral standards, rules of industry and applicable law as well as responsible attitude to work.

RESPECT: Mutual relations are based on respect of every individual, goals, agreements, rules and loyalty to Luka Koper.

LOYALTY: Trust and acceptance of the company's goals and values, together with employees' willingness to engage for the success of the company and strive to remain part of it.

CREATIVITY: Initiative, creativity, willingness to take risk, instigation of changes, setting, achieving and exceeding ambitions goals.

we shall endeavour to support the realisation of Luka Koper's strategic objectives, namely its being:

- a modern adaptable and competitive port operator,
- a reliable and efficient provider of quality port services,
- a long-term stable and successful business system,
- an advocate of integrated logistics solutions,
- an institutional stakeholder committed to sustainable development.

2. Principles and Rules of Conduct

2.1 Relationships with and between employees

Employees shall be managed by qualified personnel under the principle of "management by example", by way of which management lead by the example they set, this with the anticipation and expectation that employees shall follow. Department managers shall have an "open door policy" meaning they shall be constantly available to all employees.

The dignity, personal integrity and privacy of every employee shall be respected in relationships with and between personnel. Any eventual differences in opinions must not result in inappropriate behaviour or unacceptable acts.

Employees shall be liable to help one other, communicate freely and transfer or exchange their knowledge and know-how.

The principle of equal opportunities shall prevail in relation to any selection criteria or decision concerning the division of labour, career development or employment. No privilege or discrimination shall apply with regard to decisions pertaining to the fulfilment of conditions.

In mutual relations, the company shall not allow:

- any form of discrimination on the basis of nationality, race, gender, sexual orientation, health, religion, age, union membership, political affiliation or other personal matter (unless such is required by industrial or other regulations),
- sexual or other harassment or bullying (this governed in more detail by the Rules on the Protection of Dignity at Work,
- an intolerant or disrespectful attitude towards colleagues, business partners and others,
- any form of unethical behaviour in relation to third parties.

Ethical behaviour and compliance with rules and regulations are the responsibility of every individual. However, every employee shall be liable to draw the attention of colleagues to instances of unethical behaviour, as well as report such behaviour (verbally or in writing) to management. Instances of actual knowledge of, or even grounds for suspicion, in relation to discrimination, violence, negligence, damage, corrupt or unethical practice, shall be reported.

The identity of a person reporting unethical behaviour shall be protected, further to which the company shall protect any individual from any eventual repercussions that might result from their substantiated report.

The passive or unresponsive conduct of employees in relation to knowledge or information that provides a basis for suspicion in relation to any instance of unethical conduct (corruption, illegal conduct, discrimination or violence) shall likewise be deemed contrary to the business ethics of the company.

The protection or support of an employee engaged in unethical conduct, or concealment of the unethical conduct of others, is unacceptable.

Dissemination of unfounded suspicion or rumours concerning immoral, illegal or punishable conduct with the intent of defamation or damage to the personal integrity of an employee, business partner or other stakeholder is not permitted and shall be considered unethical and a violation of this Code of Ethics.

2.2. Acting in the interests of the company

In order to ensure the successful operation of Luka Koper, as well as uphold its reputation, employees are obliged to develop the expected level of competencies at their post and diligently perform their work and obligations towards the company, professionally, efficiently, as well as in compliance with regulations.

The objectivity and independence of employees in the workplace is also important in that they shall respect all ethical principles and not act contrary to them due to personal interest or pressure from individuals or interest groups.

Within regular training and education, the company shall provide employees courses on corporate integrity and exposure to risks to integrity in the workplace. If necessary, larger groups of employees and others involved in the business processes of Luka Koper may be included in such training programmes.

Employees shall be liable to manage the material and non-material assets and property of Luka Koper with due diligence (i.e. with care and in manner that shall achieve the intended effects).

Employees shall be liable to use all Luka Koper equipment and machinery necessary for their work with care, and solely for that purpose, and not for private ends unless otherwise so governed by the company's internal provisions, Management Board decisions or company agreements.

Employees shall be liable to protect the intellectual property of Luka Koper (copyrights, patents, innovations, etc.) against unauthorised use.

Unless they acquire prior written permission, employees may not - during their working hours and/or using the company's property - perform paid or unpaid activities on their own behalf or on behalf of any third party which is not part of their work obligations.

Luka Koper shall accomplish its goals when the results of its operations and the endeavour and conduct of its employees stimulate the trust and respect of colleagues, business partners, shareholders, local communities and state institutions.

2.3. Work conditions

Luka Koper shall be liable to motivate its employees in the context of a safe working environment through:

- consistent respect of rights acquired by employees,
 - provision of the requisite working areas and other necessary facilities, machinery and information pertaining to working practices and regimes within the company,
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- training and development of employee competencies as well as their personal and professional development,
 - appropriate and regular remuneration of salaries,
 - regard for employee health and safety (measures aimed at occupational health and safety) as well as the promotion of sporting and other recreational activities amongst employees,
 - ensuring the security of employees and third parties within the Koper port zone (measures and rules of conduct which also include the prohibition of work under the influence of alcohol and prohibited psychoactive drugs),
 - promotion and reward for good work, appropriate conduct and efficacious mutual relations through material incentives and motivation.

2.4. Communication

Communication is a two-way process within Luka Koper. The exchange of opinions and information that facilitates the co-ordination of activities, the attainment of goals as well as establishment, preservation and development of mutual relations shall be encouraged.

Employees will be informed as to important decisions and events via formal communication channels (intranet, company journal, notice board, news briefing, e-mail and internet).

Feedback shall be attained via individual conversations, works meetings, workshops and through other professional milieu. In addition, management shall establish ongoing dialogue with employees' representative bodies.

As to their working life in the company, as well as perception of the internal environment, every employee shall be liable for ensuring quality communication (listening to others, acquiring and delivering information related to work, the expression of opinion, the transfer of knowledge, etc.) as well as the avoidance of conflict – together with the assumption of responsibility thereof.

Both formal and informal communication, at all levels and in all areas of the company's operations, should be accurate, prompt and transparent; it should also be fair and respectful, without falsification, deception or the unauthorised distribution of information. Criticism of work, as part of open communication, shall not be directed at any individual, but rather their acts.

Respectful communication also refers to non-selective communications (according to the principle of equal treatment) as well as the obligation of the addressee of a request, proposal, initiative or criticism to reply or provide feedback within a reasonable period of time. The provision of concise, accurate and correct communication is a sign of respect to both the work and time of other employees.

The same attitude is expected in communication with clients and business partners as well as other stakeholders and third parties.

Persons not authorised to communicate with external publics or disseminate the official views of Luka Koper in public (including via social networks and other media) may only represent their personal views whereby it is expected that they shall do nothing that would damage the company's reputation.

2.5. Confidentiality of information

Business secrets, confidential information, personal data and other privileged or classified information shall be treated with diligence and a duty of care; such shall not be disclosed or delivered to unauthorised persons who are not in need of this information to perform their work in Luka Koper. Protection of business secrets and confidential information is governed in more detail in the company's *Rules and guidelines on the protection of business secrets*, the *Rules on the protection of personal data*, as well as several documents pertaining to the management system within the process of IT support.

An employee shall be deemed to have breached confidentiality in the event that they use the internal information of Luka Koper, which is not of a public character, in order to realise or help realise a personal interest or the interests of a third party.

Employees are liable to protect information for the entire period of its confidentiality, during as well as after the termination of employment in Luka Koper.

2.6. Conflict of interests

A conflict of interests is deemed to occur if the personal interests of an employee or a third party (commercial, family, emotional, political, etc.), which are not the company's interests - or are even in direct conflict with such - affect or threaten objective and unbiased decision-making or the undertaking of the employees' tasks, activities or responsibilities to the benefit of the company.

Employees shall avoid the conflict of interests between their own or third party's interest and the reasonable and legal interests of Luka Koper. Situations that might give an impression of conflict of interest or influence the impartiality of an employee in a given situation shall also be avoided.

An employee is liable to disclose and exclude themselves from a procedure in the event of any circumstances which indirectly or directly impact the matter (for instance friendship, contractual or familial relation, personal acquaintance with a person subject to procedure, etc.) and that might result in a conflict with the company's interests.

An employee is liable to inform the company as to their external business activities in the event that such may result in a conflict of interests with Luka Koper.

Conflict of interest shall be deemed in instances of significant contractual or other business relations involving a member of the Supervisory Board, a member of the Management

Board, the head of an organisational unit, other responsible persons or their close family members, and Luka Koper.

Conflict of interest may also be deemed in the implementation of particular activities among individual companies within the Luka Koper Group or organisational units therein. In this case due conduct is that which leads to greater achievement in accordance with the priorities and common goals of Luka Koper.

2.7. Acceptance of gifts

Under no circumstances shall employees accept gifts in return for a favour or benefit. In their professional as well as private lives, Luka Koper employees shall avoid any situation in which the acceptance of a gift might be understood as influence on the autonomy of an employee in their work for the company.

A gift shall be considered any financial advantage or benefit in cash, or any service or article that is offered and accepted by an employee or their close family members in relation to their employment, and for which no right, advantage or benefit has been beforehand formalised in writing with its provider.

Any gift which has a corruptive intent or whose value and circumstances exceed the limitations on the acceptance of gifts as determined and prescribed in the Luka Koper Group's *Rules on the acceptance of gifts*, shall be deemed inappropriate.

An inappropriate gift shall also be considered any benefit or article accepted under conditions that significantly deviate from market conditions, customs or practice that the provider may otherwise apply.

Employees shall neither directly or indirectly accept inappropriate gifts, and are liable to report any such occurrence, together with attempts or founded suspicions as to such provision or acceptance of inappropriate gifts by others.

3. Regulation of Business Relations

3.1. Relations with clients, customers, suppliers and partners

On the basis of mutual trust and the principles of business ethics, Luka Koper and its employees shall develop good business relations with customers, suppliers and other stakeholders. Appropriate business customs shall be respected in the development of beneficent mutual relations.

Through its adoption of principles and rules of business ethics, Luka Koper shall strive to create conditions that will encourage its suppliers, customers and other stakeholders to collaborate with it ethically as well as in the spirit of the rules of conduct which Luka Koper applies to itself.

Business information and relations with customers, suppliers and other stakeholders shall be considered, handled and protected as a business secret.

Employees are liable to act in accordance with the company's rules in their external relations and avoid conflict. Any eventual problems or conflicts should be resolved promptly and in a cordial and correct manner.

3.2. Relations with clients and customers

Satisfaction is fundamental to Luka Koper's relations with its clients and customers.

Luka Koper's relationship with its clients and customers shall be governed by the following parameters and elements:

- provision of quality services based on efficiency, reliability, adaptability, punctuality, safety, competitiveness and environmental acceptability;
- provision of timely and accurate information to clients and customers in relation to service provision;
- ongoing improvement and adaptation to needs and requirements;
- regular monitoring of customer satisfaction, their complaints and praises;
- transparent collaboration based on the ethical conduct of all parties;
- development of long-term collaboration on the basis of mutual trust.

3.3. Relations with suppliers

Suppliers provide quality support in relation to Luka Koper's provision of services.

Luka Koper's development of relationships with suppliers shall encompass the following:

- priority shall be given to suppliers which operate in compliance with the requirements of international management standards and occupational health and safety; suppliers must also be environmentally conscientious, as well as collaborate with Luka Koper in the spirit of those same values and principles that Luka Koper applies to itself;
 - the selection of suppliers and Luka Koper's relationship with them shall be undertaken in a transparent manner, as determined by the company;
 - suppliers shall be paid under the terms mutually agreed;
 - suppliers shall be regularly evaluated in compliance with predetermined criteria;
 - the company shall not pursue a business relationship with any supplier deemed to be engaged in malpractice or inappropriate, corrupt or ethically questionable activities;
 - collaboration with a supplier whose conduct has been corroborated as corrupt or unethical shall be terminated;
 - long-term collaboration shall be based on mutual trust and ethical conduct.
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3.4. Relations with shareholders and institutions

Luka Koper shall fulfil the expectations of its shareholders.

Luka Koper's relationship with institutions and its shareholders shall be based on the following:

- Luka Koper and its employees are predisposed to ensuring the company's long-term commercial success as well as the objective of providing Luka Koper shareholders a safe return on their investments;
- Luka Koper shall - in due time and in the prescribed manner - inform shareholders and other interested publics as to the company's performance, development plans and significant events;
- Luka Koper and its employees shall respect all rules governing the trading of securities;
- inside information shall not be abused; information shall be disposed of equally through fair disclosure, hence investors enjoy equal status in their acquisition or disposal of Luka Koper shares and other securities; the company and its employees will assume responsibility for any abuse of inside information;
- all business events shall be documented in accordance with legislative and internal regulations;
- the company will not facilitate transactions in cash or assets of illegal or suspicious origin;
- external relations with public institutions shall be truthful, open and transparent.

4. Relations with the community and the environment

Luka Koper is socially responsible company that respects the environment in which it operates.

Luka Koper's relationship with the community and environment in which it operates shall encompass the following:

- a commitment to sustainable development;
 - ongoing improvement of the company's environmental management system;
 - endeavouring to ever-further reduce the negative impacts that the company's operations have on the environment;
 - efficient resource and energy management as well as the implementation of contemporary energy-saving technologies;
 - regular monitoring of emissions and imissions in the environment, together with and prompt reporting of such information to the public;
 - separation of waste materials for reprocessing;
 - improvement of equipment and qualifications in relation to emergency responses in the event of pollution incidents in the vicinity of the Port of Koper (maritime and port zone areas);
 - ensuring that all those who operate within the port zone are committed to protecting the environment.
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Luka Koper shall establish relations with local communities, as well support community-related projects that are of both local and broader importance.

Donation and sponsorship

Luka Koper shall support activities that contribute to a higher quality of life, social inclusion, the promotion and protection of health, knowledge, as well as the sports and cultural life of the local community. Bursaries in the form of sponsorship and donations shall be disbursed in a publicly transparent manner. Luka Koper shall neither support nor finance political parties.

5. Media Relations

Using a variety of means and through various channels of communications, the company shall provide fair and timely information to the media and the public at large in relation to every significant event pertaining to its operations and business performance.

Dissemination of Luka Koper's official standpoints and its communication with the media and the general public shall be the responsibility of the company's Public Relations Office, which shall, if required, harmonise information pertaining to the organisational units of the company and the Luka Koper Group as a whole. Media and other such inquiries, ordinarily received via e-mail, shall be promptly respond to in accordance with requirements or, at the latest, within the legally prescribed term.

The company shall communicate with the media openly, transparently and respectfully as well as in accordance with the provisions of Luka Koper's corporate governance policy. The company shall not be liable to respond to speculative questions, anonymous allegations or rumours.

6. Implementation of the Code of Ethics

Custody of the Code of Ethics shall be the authority of the person responsible for Luka Koper's corporate integrity, or, in the event of their absence, that person's deputy.

The Code of Ethics can be amended upon the initiative of the management of the Luka Koper Group of companies and the representatives of employees. Luka Koper Group management shall be obliged to address every initiative pertaining to any amendment to the Code of Ethics.

The Code of Ethics exists in an electronic form accessible to employees via Luka Koper's internal information portal (Luka Net), whereas business partners and other interested parties and publics may access it via the Luka Koper website: www.luka-kp.si

A printed version of the Code of Ethics shall be provided to all employees of Luka Koper Group companies upon its adoption, while newly employed persons shall receive a copy upon their employment.

Company management and any person who concludes an employment contract with a Luka Koper Group company shall be obliged, through a statement, to comply with the provisions of the Code of Ethics.

Regardless of the aforementioned, all employees are obliged and liable to conduct themselves in accordance with the values and principles of the Code of Ethics as well as other professional codes pertinent to their respective areas of work.

The various heads (management) of the company's organisational units shall monitor ethical conduct and compliance with the provisions of the Code of Ethics.

Reporting and address of unethical conduct and other irregularities

Upon perceiving any irregularity, an employee may verbally or in writing, either alone or via the head of their unit, report said irregularity to the person responsible for corporate integrity.

The procedure as regards the work of person responsible for corporate integrity and reports as to irregularities shall be governed by the *Rules on the work of person responsible for corporate integrity*.

The person responsible for corporate integrity shall be liable to address all reports of acts or conduct, including anonymous reports, which provide grounds for suspicion of conduct contrary to the provisions of the Code of Ethics.

Unless they are anonymous, an informer shall receive feedback as to conclusions made in relation to their report of irregularities.

Disclosures or indications of an actual or potential violation of the Code of Ethics shall be protected as a business secret.

The recipients of any report made in good faith shall be liable to guarantee the anonymity of the reporter, unless otherwise legally prescribed.

The person responsible for corporate integrity shall monitor violations of the Code of Ethics and annually prepare a report as to all substantiated violations.

Luka Koper shall co-operate with supervisory authorities and institutions in any procedures they may implement with regard to the company or third parties within the scope of regulations governing confidentiality as well as the competence of that supervisory authority and the exercise of its powers.

Validity of the Code of Ethics

This Code of Ethics shall come into force upon its adoption.

Upon the adoption of this Code of Ethics, the validity of the previous Code of the Luka Koper Group, promulgated 14th February 2012, shall expire.

This Code is valid in relation to the companies of the Luka Koper Group upon its adoption by their competent bodies.
