



Lama d.d. Dekani
TitusPlus d.o.o.
Lama Avtomatizacija d.o.o.

January 2, 2014

The companies Lama d.d. Dekani, TitusPlus d.o.o. and Lama Avtomatizacija d.o.o. hereby adopt the following

Code of ethics of the Lama Group of companies

1. General provisions

This Code shall hereby establish the principles and rules of ethical behaviour of all employees employed within the Group as well as all contractors, suppliers and other individuals who work for or on the behalf of the companies forming the Lama Group. The Lama Group of companies as a functional part of the Titus Group comprises the parent company Lama d.d. Dekani and all subsidiaries in which it directly or indirectly holds a majority interest.

The Group's basic guideline is to respect the legal principles and to act in line with the highest moral and ethical standards.

2. Group mission

Our mission is to constantly improve the competitive edge of our customers which at the same time stimulates us to continuously improve our products, services, business processes and employee competences. By acting so, we follow the "Fit for purpose" principle. We are committed to fulfilling the requirements confirmed by our customers and to meeting the statutory requirements. While doing so, we consider the impacts that our activity may exert on the environment and quality of life.

We are committed to establishing long-term relationships with our employees, customers, suppliers and shareholders.

3. Basic values

The basic operational guideline within the Lama Group of companies is the respect of the Group's values and mission.

The Lama Group strives to:

- respect human rights,
- respect individual integrity and personality,
- prevent discrimination,
- promote social and environmental responsibility,
- produce good business results,
- act with due diligence,
- perform professional and committed work using all competences,
- promote the inclusion and cooperation of all employees,
- respect business ethics and anti-corruption policies,
- protect business rights,
- prohibit child labour and to protect young workers,

- prohibit forced labour, prison labour, slave labour and involuntary labour,
- prohibit mobbing, abuse of position and use of inappropriate disciplinary measures in the workplace.

4. Respect for individual integrity and personality

The management, employees, other co-workers and business partners of the Lama Group shall consistently respect the dignity, personal integrity and privacy of each employee.

5. Respect for human rights

The management of the companies forming the Lama Group ensures respect for human rights in line with international conventions and legislation. The companies' management ensures the protection of the personal data of the employees in line with legislation and internal by-laws. It is committed to act in line with constitutional rights related to respect for human life, dignity, freedom and justice.

6. Legality

In its operations, the Lama Group adheres to the provisions of the Constitution of the Republic of Slovenia, to European legislation, international conventions, executive regulation, collective employment agreements and adopted ethical standards.

In addition, the Lama Group adheres to its internal by-laws on the Group's business activity.

7. Prohibition of discrimination

During the employee selection process and during their entire employment, the Group's managers are committed to preventing all forms of discrimination on grounds of gender; race; skin colour; age; health condition or invalidity; religious, political or other beliefs; trade-union membership; national or social origin; family status; property status; sexual orientation; or other personal circumstances.

8. Social and environmental responsibility

The adopted environmental policy, the occupational health and safety policy and the energy policy impose on the companies' management, employees and other co-workers the respecting of the interests of the social environment, care for maintaining a clean and healthy living environment, and sustainable development, by considering the advantages of existing and future generations.

We strive to systematically prevent or reduce the impact of our companies' operations on the environment to the lowest possible level through safe working conditions, efficient consumption of energy and material, and responsible handling of waste, packaging and hazardous substances (i.e. chemicals), and by reducing all kinds of emissions into the environment.

We raise awareness of environmental protection by informing and educating our employees and all business partners as well as by developing products and processes which reduce the impact on the environment to the lowest possible level.

9. Managers' attitude towards employees

The managers of the Lama Group shall set a good example to the employees with their work, acts and values.

While adopting our decisions, we respect the dignity, personal integrity and privacy of each individual.

By considering our personal abilities and in line with the adopted training plans, we provide for our own increase in professional knowledge and improvements in managerial skills.

We create conditions for the personal and professional advancement of our employees. With the intention of establishing an open dialogue and in order to harmonise personal and common goals, we perform annual interviews with our employees, identify potential talents and successors, and offer tutorship and knowledge transfer to our employees.

We provide for the objective and correct remuneration and promotion of our employees in line with internal acts and by-laws and the collective employment agreement. We praise well-performed work and express constructive criticism. We provide for an appropriate organisational climate and employee loyalty and satisfaction, which all contribute to the efficient performance of working tasks, creativity and innovation. We also provide for a respectful and fair attitude towards all employees.

10. Employees' attitude towards the company and the Lama Group

All employees and external co-operators who work for or on behalf of the Lama Group of companies use their best efforts to provide for the successful performance and reputation of the group. We operate in line with legislation, guidelines, internal by-laws, standards, and our own Group values and ethical code.

We are acquainted with and respect our internal operational by-laws and the vision, mission, strategy and goals of the Lama Group and its companies and business units. We are loyal to our employer.

We continuously upgrade and improve our knowledge and we transfer it to our colleagues in order to meet the requirements of the business processes and developmental targets of the Lama Group of companies. We provide for personal and professional advancement.

We do quality work and we perform it professionally, responsibly and independently. At work, we are self-motivating, development- and target-oriented, and flexible while performing our tasks.

We are respectful and fair in relation to our colleagues and we continuously look for improvements in all spheres of our business.

11. Producing good business results

All employees are committed to performing their work successfully, efficiently and correctly, by striving for the highest possible Group reputation and the production of good business results.

12. Professionalism, dedication and principle of due diligence

We strive for the professional, dedicated and impartial performance of our working tasks while adhering to internal rules and by-laws, and by following the principle of due diligence.

We deal with Group assets and property with the required due diligence, by operating and acting proactively.

13. Inclusion and cooperation

The management provides for the inclusion of all employees in planning processes and informs them about the planned activities and improvements and their effects on regular basis.

We provide for good reciprocal relations with timely and transparent communication. We contribute to a good working atmosphere, mutual trust and respect. We also respect the work and time of other employees.

14. Occupational health and safety

The Lama Group of companies is bound to respect the culture and the highest standards related to occupational safety.

While taking care of their own health and the health of our colleagues, our employees and other co-workers are obliged to adhere to the measures of occupational safety and to take part in training seminars and preventive medical check-ups. It is forbidden to work under the influence of alcohol or under the influence of psycho-active substances.

15. Prohibition of corruption and bribery

Any form of corruption or bribery is unacceptable and strictly prohibited.

16. Prohibition of child labour and protection of young workers

Any form of child labour (i.e. labour involving individuals younger than 15 years of age) is forbidden. Workers younger than 18 years of age are granted special protection.

Child labour is defined as any form of labour involving a child that interferes with the child's right to a healthy upbringing and development and which prevents the child from acquiring a quality education. The protection of young workers is intended as a protection which grants young workers a type of work which does not interfere with their health and safety.

17. Prohibition of forced labour, prison labour, slave labour and involuntary labour

Any form of forced labour, prison labour, slave labour or involuntary labour is forbidden.

The respecting of this principle also involves the prohibition of payment deductions, requests for caution money, holding of personal documents and other personal objects, and delays longer than one month while effecting payments.

All employees shall have the right to perform their work on company premises (unless defined otherwise), the right to freely abandon their workplace at the end of work, the right of termination of employment, and the right to a period of notice.

18. Prohibition of mobbing, abuse of position and use of inappropriate disciplinary measures in the workplace

Mobbing, abuse of position and use of inappropriate disciplinary measures in the workplace are forbidden. The managers shall inform the employees about their responsibilities related to their employment and about their required and appropriate attitude towards their colleagues.

Any form of corporal punishment, threat, psychological or physical violence, or public or humiliating punishment are forbidden as well. It is forbidden to interfere with individual's integrity or to use inappropriate forms of communication such as yelling, using insults, mocking or belittlement.

In the event that disciplinary measures are instituted against him/her or notice of dismissal is delivered to him/her, the employee shall be entitled to appeal against such a decision.

19. Protection of business secrets

We are bound to protect business secrets and other confidential data in line with legislation and other internal by-laws.

The employees are obliged to apply all information acquired during their work for business purposes only, in no manner for personal purposes or for the benefit of third unauthorised persons or companies.

The business partners of the Lama Group are equally bound to protect all business secrets and other confidential data that they acquire during their work with the Group's companies.

Therefore, while implementing their working duties the employees and the contractors employed by Group business partners shall use the above-stated data exclusively for the purpose of implementing a determined task. They shall be obliged to protect confidential data, to treat it in an appropriate manner, and to provide that these data are not communicated to persons who are not designated as eligible persons by the responsible person(s).

20. Code implementation

The Company's managers are obliged to provide that employees, business partners, contractors and external co-workers are acquainted with the principles of this Code and that they respect them.

In order to inform the employees about the principles of this Code, the usual communication tools shall be applied such as notice boards, electronic media and personal communication.

The informing of suppliers, contractors and other co-workers about the principles of this Code shall be the task of the companies' management.

This Code shall be available at www.titusplus.com.

21. Implementation of supervision and control

The employees and business partners of the Lama Group are expected to act in line with the values and principles of this Code, and to provide notification of any eventual violation of this Code.

The companies of the Lama group are entitled to examine the implementation of the principles of this Code by their business partners in an appropriate manner.

22. Preventing of violations

Management shall provide for the prevention of violations by raising the awareness of employees, business partners, sub-contractors and external co-workers, as well as by organising training seminars.

In the event that the principles of this Code are violated, appropriate procedures shall be started as provided by law and the valid internal by-laws.

Violations on the side of business partners can lead to the termination of business cooperation.

23. Reporting of violations

Any employee or person working for or on behalf of the companies of the Lama Group who detects a violation of this Code shall be entitled to report it verbally or in writing to his/her head of department, executive director or company director.

In the event that the reporting party is of the opinion that the head of department, executive director or company director has not treated the matter in an appropriate way, he/she shall be entitled to address a written report to the Board of Directors of the company Lama d.d. Dekani.

The management guarantees the protection of the reporting party.

24. Adoption of the Code and its publication

This Code shall be adopted by the executive directors and/or directors or procurators of the companies forming the Lama Group and shall become effective on the eighth day following its posting on the companies' notice boards.

January 2, 2014

Executive Director Lama d.d.
Klavdij Metlika

Procurator TitusPlus d.o.o.
Anđelko Burič

Director Lama Avtomatizacija d.o.o.
Edo Ujčič