

# **CODE OF ETHICS AND PROFESSIONAL CONDUCT**

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Why it is important?

Dear colleagues,

Your ethical and professional behavior is one of the key indicators of Tirana Bank and the Balfin Group's success. Our reputation as a corporation as well as individuals depends on this. We believe that everyone in Tirana Bank and Balfin Group has daily responsibility to ensure that the name "Balfin" remains synonym with excellence and professionalism. Our clients and associates invest money and trust in the activity of our companies and in our joint work. It is vital that each of us adheres to the higher standards of ethics. Therefore, we ensure that Tirana Bank and Balfin Group not only offers the most quality services but also creates a business environment that reflects our fundamental beliefs, including integrity, confidentiality and responsibility. The Code of Ethics and Professional Conduct of Tirana Bank and Balfin Group highlights those features, which respect the highest professional standards. This code provides instructions, information, and written policy references and resources to help you make right choices at your everyday work. This code is not intended to cover any potential situations you face but being acquainted with the Code of Ethics and Professional Conduct will make it easier for you to work every day.

I hope to have your support,

Samir Mane  
President of Balfin Group

## 1.1 Introduction

The code contains guidelines for the Bank's and Group's commitment to personal integrity, professional ethics and respect for corporate assets. It also offers queries and answers, examples and information on where to be addressed in order to find more detailed guidance on different topics related to the code of conduct.

It is a duty of every employee of Tirana Bank and Balfin to know and respect the code of ethics.

The "Ethical and Professional Code of Conduct" is divided into several sections, which are in consistence with the values that we have identified as the most important for our Group.

These sections are:

1. The focus of Tirana Bank and Balfin Group
2. Ethical Principles of Tirana Bank and Balfin
3. Ethical communication with standards
4. Bank and Group integrity
5. Company's assets

Q: Why do we need a code of conduct?

A: The Code of Conduct of Tirana Bank and Balfin Group determines Bank's and Balfin's expectations

for you as an employee and sets standards of conduct in business.

Q: This code will be applied to all the companies of Balfin Group?

A: Yes, this code applies to every employee in the local and international companies of Balfin including Tirana Bank

Tirana Bank and Balfin's good reputation is associated with business integrity. All employees acting on behalf of Tirana Bank and Balfin's should respect and follow the "Code of Ethical and Professional Conduct", regardless of the location and the nature of the work.

In all interactions with third parties, we are committed to acting with ethics and professionalism.

The code expresses the expectations that Tirana Bank member of Balfin Group has as an employer. However, it does not give answers to any questions that may arise and do not replace our personal responsibility to act fairly and reasonably. In case of suspicion of not ethical behavior, you should always seek support and advice from your supervisor.

Please refer to Policies and Procedures for this subject published in the intranet of Tirana Bank to be adhered to by all Tirana Bank employees.

## 1.2 The focus of Tirana Bank and Balfin Group

Tirana Bank and Balfin Group is oriented towards achieving results and applying the highest standards in all areas where it operates by bringing the most innovative services and ideas in the market. What leads the Group at every step is the goal of being the first and the best. We strongly believe in the motivation and desire of the employees to realize bigger projects in the future, not only in Albania but also in the region.

The key elements in Balfin Group's development strategy are:

### **Applying the highest standards**

We seek in all Group companies the implementation of a rigorous policy for the creation and application of the highest standards in every segment of service, trading, construction or production.

Thanks to this constant commitment to improve always, we are the right and reliable partner for all foreign companies that seek to invest in Albania and the region.

### **Expanding and diversifying operations**

Balfin Group aims to expand its position in the domestic and regional markets recognizing and utilizing the competitive advantages. We are always in diversification of further investment, aiming to engage in different areas of the economy and identifying opportunities and innovative ideas.

### **Investment for growth and expansion of the companies**

All Group companies benefit from synergies and mutual exchanges of experience. Being the largest Group in Albania creates the opportunity for all the companies to have full support not only managerial but also financial. It guarantees the stability of all Group companies and the success of new projects creating maximum trust and confidence to all partners, local and international.

## **Tirana Bank and Balfin Group Focus**

### **Employees**

Balfin Group, among the largest private employers in Albania, builds policies, which give employees the opportunity to take initiatives and contribute to the development of the company and achieving results. Employees are the most valuable partners for the growth of Balfin's Group companies and therefore special attention is paid for their development and promotion.

### **Integrity and Ethics of Cooperation**

In every daily activity, Tirana Bank and Balfin Group applies professional ethics and adheres to all legal obligations. We respect every commitment we take and we are responsible for all our actions. This makes us open and correct towards our partners in any collaboration. All Group companies have established partnerships with local and foreign companies showing correctness and dedication in bilateral agreements.

### **Environment and community**

Tirana Bank and Balfin shows maximum responsibility for the employees, customers, suppliers, partners, for the environment and the communities where it operates. Balfin's Group Companies apply special strategies to improve the conditions of local communities by increasing employment or supporting projects that aim social development.

In any of our investments, we are very careful not to have any negative impacts on the environment and the community. This is a commitment, not just for the present but also for future generations.

## **1.3 Ethical Principles of Tirana Bank and Balfin Group**

- Integrity and professionalism
- Superior value for clients and the community
- Relationship with clients and third parties
- Best communication standards

### **To represent Tirana Bank and Balfin Group**

We are Tirana Bank and BALFIN: we carry our values, principles and philosophy of service. It is our responsibility to ensure that our actions, words and thoughts reflect fairly and are representative of our Bank and Group.

- Use communication and professional behavior.
- Represent the Bank and Group policies and treat people fairly.
- Treat clients as clients of the company, not as personal clients.
- Get away from the effects of drugs, alcohol, or other substances that can hinder your work performance or judgment.
- Make a distinction between personal and professional actions and views.
- Get prior approval from Marketing & PR Department and Human Resources Department, before you get involved in works that are dealing with media in order to be in line with Bank and Group policies.

Employees should behave with integrity and professionalism and act on ethical way in all relationships with the public, customers, consumers, employers, employees and regulators.

Please refer to Policies and Procedures for this subject published in the intranet of Tirana Bank to be adhered to by all Tirana Bank employees.

### **Integrity and professionalism**

Tirana Bank and Balfin Group expects from all its employees high integrity, honesty and professionalism. Working accurately, professionally, to be cooperative and motivated to achieve results, these are the values that our Bank and Group praises and proves.

### **Superior value for customers and the community**

It is our responsibility to contribute to the added value that the Bank and Group provides to the customers and the community. We work with teams that have the expertise to offer quality and professional services.

### **Relationship with clients and third parties**

The relationship we have with clients and third parties is important to the reputation and the quality of our services. Our professional attitude to these relationships helps us to build and protect the reputation and our values. It is our responsibility to engage only in ethical and professional relationships with clients and third parties.

### **We are all expected to:**

- To perform our work honestly, with integrity and professionalism.
- Be transparent in the actions and communications we undertake in order to reinforce confidence and avoiding ambiguity.
- Establish honesty and integrity over the desire for personal reward.
- To be courteous in all communications, to face conflicts in a constructive way.
- Accept the mistakes and try to improve them.
- To respect the regulations and procedures of our Bank and Group and those of our clients.

We promote a safe, respectful working environment where employees abide the Working Laws, Codes and Directives of the Bank and Group, and evaluate the qualities, the differences and values of each other.

### **Mutual Respect and Workplace without Abuses (Harassment Free)**

- We take personal responsibility for the quality of our work environment.
- We treat everyone we work with impartiality, dignity and respect.
- We stop abuses and advancements of any kind and do not tolerate intimidation, hostile or offensive behaviors whether verbal or written.

**The term abuse can be applicable to a wide range of abusive behaviors, which include:**

- Unwanted sexual advances
- Sexual tendencies
- Attacks and physical threats
- Demonstration of offensive materials
- Unauthorized joke
- Offensive comments based on personal characteristics

### **Drugs and Alcohol at the Workplace**

We do not allow the use of alcohol or illegal substances throughout business and business process at Tirana Bank and Balfin. Use, purchase, or sale of illegal substances is intolerable in Tirana Bank and Balfin Group, persons caught that carry out such actions will pass to the authorities. We try to improve our lives and the communities we serve.

### **Ethical Labor Standards**

We promote human rights. We support and are in full accordance with laws and decisions that are related to promotion, hours of work, benefits and working conditions and not allowing children work.

### **Protection of the Environment**

We achieve and overcome all environmental and environmental laws and regulations we demand that our suppliers also do the same thing. We try to use natural resources efficiently, reduce pollution levels, and operate through reuse or recycling whenever possible.

We cooperate very closely with external partners to promote the environment values and best practices. We protect the environment for ourselves and for next generations.

### **Theft**

It is strictly forbidden to steal, abuse, and mismanagement with the company's wealth. Each employee is obliged to institutionally protect the movable and immovable property of the company. The obligation to protect the assets and resources includes documents; information system and any information related to companies and cannot be disclosed without the permission of the competent persons.

Protection of resources also includes intellectual property, copyright, work secrets, business plans, marketing and all the company's documentation, so that their disclosure or alienation is considered a serious breach of their duties.

Also failure to report damage or theft of resources or assets, is considered a serious breach of the job duties

### **Fraud**

Fraud in any form will not be tolerated by Tirana Bank or Balfin. We will immediately identify and investigate all claims or misleading activity cases.

Misleading acts include activities such as appropriation, misuse or irregularity other deliberate financial, falsification or change of documents, etc.

### **Use of the post**

You cannot use your post in the company, directly or indirectly, for private profit. This includes the use of title or post to support products, services or other enterprises other than the products and services of the company.

The company's suppliers should not be selected based on personal connections.

### **Conflicts of interest**

You have the responsibility to avoid any situation that would result in a conflict of interest or the appearance of a conflict of interest. For example, a conflict of interest may arise if you work on an affair / project / product or service that is related with the department or sector where you work and at the same time a relative or a close friend works or is interested in being involved in the same process. In such case, you must report the case to your superior, who can assign the case to someone else so that decision making is transparent. You cannot participate in a company affair in which you have a financial interest.

Financial interest is everything that can result in a financial gain for you; may be ownership over the stock, or interest in a business or property, or work.

You are also forbidden to participate in the issues of the company in which are involved your family's financial interests; your partner's; or an organization in which you serve as an official, executive, board member or employee.

You and your family cannot accept gifts, food, favors, services, entertainment, or anything else in monetary value by any person or organization that requires service from the company that does or wants to do business with the company or can be influenced by your work in the company.

You cannot participate in the process of hiring new staff if the candidate is your relative or your friend. If a staff member is close to you or your friend, then you are expected to provide this information

#### 1.4 Communication with Ethics and Standards

Communication is a key element of Tirana Bank and Balfin Group and is the way the information is shared, guidelines are given, opinions and responses are provided.

Ethics with which people communicate influences the reputation and credibility of the Bank and Group. An efficient communication should be clear, professional on time and important. The culture of good communication is the responsibility of all employees within Tirana Bank and Balfin Group and it is important for each staff member to be ready to receive and provide information.

The main categories of communication in the Bank and Group are:

- **Communications from Management** - strategic communications coming from management in regarding the strategy, vision and mission of the Bank and Group.
- **Operational Communications** - all internal and external communications that relate to daily work functions.
- **Marketing communications** - communications related to advertising campaigns of the Bank and companies of the Group.
- **Informal Communications** - These communications include conversations between colleagues and unofficial conversations. Channels used for the flow of information are: e-mails, meetings, calls phone, presentations, intranet, internet and other tools.

Q. I received an email with one specific request by a colleague, but I'm too busy to answer? Is this professional?

A: No, it's not professional to not reply to an email. You need to respond to the request on time. In any case, it is not professional if you do not answer at least the other working day.

Q. I got an e-mail on which are copied my managers, but I have delegated the task to my staff. I want to answer directly just to the sender. Is this professional?

A: Absolutely not. You must not disconnect a stream of information. There is reason why managers are copied and they have to follow up in finalizing the task. You are obliged to reply to everyone.

#### Communication with ethics and standards



## Communication Dimensions

### Communication requires the fulfillment of three key dimensions to be effective:

**To inform:** provide the interlocutor with the information needed in order to perform and understand their work.

**To listen:** Listening interactively is vital, with any of the stakeholders that are engaged in communication.

**To talk about:** creating two-way communication channels to encourage involvement and dialogue between stakeholders.

### What is considered non-ethical communication in the working environment?

**Restrictive:** Intimidation and threatening others.

**Destructive:** Threatening and inadequate jokes.

**Deceptive:** Lying and abusing.

**Rumors:** Start and circulate gossip.

**Interfering:** Listening to others' conversations and violating privacy.

**Cover:** Do not share information.

### From all of us is expected to:

Communicate professionally and respect the code of ethics in each formal or informal communication during working hours.

## 1.5 Bank and Group Integrity

### Integrity in Business

Tirana Bank and Balfin Group's "Code of Ethics and Professional Conduct" sets high standards of business integrity. Respecting these standards is a prerequisite for Tirana Bank and Balfin's sustainable success.

Each employee of the Bank and Group contributes to the integrity of Balfin through his or her behavior. Balfin conducts international activity; the unethical behavior of one the employee in one country may have negative consequences for the Group in the international market as well. Terms and conditions that determine the proper behavior in business transactions should be evaluated case by case by taking into account the data of each case individually.

Tirana Bank and Balfin Group provides to its employees the necessary information, guidance and the proper information to support each activity in order to be in line with the highest standards of business integrity.

**Q:** My manager set me an ambitious sales target. To achieve the target and win a bonus, I will need to violate the business standards and integrity of Bank and Balfin Group. Can I do this?

**A:** No. You are required to act always in line with the business standards and integrity of Tirana Bank and Balfin Group. If you do not do this, you will be the sole responsible. Discuss openly with your manager in order to find a solution that is consistent with the business standards and integrity.

**Q:** My manager requests me to do something that in my opinion is not compatible with Bank's and Balfin's business integrity standards. What is expected for me to do in this case?

**A:** Immediately discuss with your manager the reserves you have. It may require courage, but it is the right thing to do. Moreover, do not forget, you are after all responsible for your professional behavior. If your manager insists on keeping confidentiality, you need to address immediately the problem to a

higher level than your Manager, at the Human Resources Department or to the email address: for Tirana Bank at [whistle-blowing@tiranabank.al](mailto:whistle-blowing@tiranabank.al); or for Balfin Group at [raporto@balfin.al](mailto:raporto@balfin.al).

**From all of us is expected to:**

Carefully assess case-by-case if our professional behavior is consistent with the expectations, standards and business integrity of Tirana Bank and Balfin Group.

Remember that the integrity of Tirana Bank and Balfin Group depends on our behaviors.

**Bank and Group Integrity / Qualitative reporting**

We must make sure that any data or information we have created, or for which we are responsible, it is true and correct. These data may have different form, ranging from financial reporting, research and analysis of data and up to the completion of travel and personal expenses data or even e-mail content.

You can get advice at any time regarding qualitative reporting of accounts from your manager or financial experts of your companies. If you trust in good faith that someone has done, is doing, or may be ready to do something that violates the provisions regarding accurate and fair reporting in a business where Tirana Bank or Balfin is included you need to report using the reporting channels that Tirana Bank or Balfin Group has put at your disposal. Data integrity is a key element of our businesses.

Tirana Bank and Balfin's Group companies should operate in accordance with the applicable laws and international accounting standards by ensuring that the information provided to the auditors and stakeholders is accurate.

Falsifying records and accounts, or distorting facts can make up fraud. In addition to Tirana Bank and Balfin's responsibility, employees involved in such illegal conduct can also be subject to severe legal measures.

Q: I recently did a lot business trips and I lost some bills from my hotel. A colleague who has been in this same situation says that is a normal practice to present some other bills. Is this right?

A: No. If you do this, you will falsify your data spending, and it is not acceptable. You should talk to your Manager or the Human Resources Department to find an appropriate solution.

**Bank and Group Integrity / Data Privacy**

Tirana Bank and Balfin Group applies and respects the law on "Personal Data Protection" issued by the Albanian government. You can get help and further advice regarding the protection and processing of personal data by your manager or Compliance / Legal Department at Tirana Bank In addition, if you trust in good faith that in a business where Tirana Bank or Balfin is involved, someone has done, is doing, or may be ready to do something that violates the privacy-related provisions, you must report it.

All personal data processing must be filed in accordance with the laws of data protection and Tirana Bank and Balfin rules.

Q: I work as a specialist at the Human Resources and I have access to personal data that I would like to share with a close colleague or friend. Is this OK?

A: Being an employee of the Human Resources, you have access to personnel data and as an employee of Tirana Bank and Balfin, you have as well a strict obligation to handle such information as confidential.

**From all of us is expected to:**

Ensure the processing of personal data with due diligence and in compliance with the laws in force and the rules of Tirana Bank and Balfin.

Never collect more personal data than needed.

We process the personal data in accordance with the purpose for which they were collected.

Never save personal data for a longer period than needed.

**1.6 Assets of the Bank and Group****Confidential information**

Any information, data, document, act or activity related to the daily performance, research and development of projects, production methods, business plans, financial records, marketing, sales strategies, marketing new products, mergers or other activities are considered confidential.

Tirana Bank and Balfin Employees should carefully treat the confidential information, received, created, transmitted, multiplied during the employment relationship and should make sure that this information will be provided only to authorize persons from Tirana Bank and Balfin Group in order to be aware of the information with the purpose of fulfilling obligations arising from the employment relationship.

Moreover, all employees should ensure that any person who is presented with any confidential information would respect the terms of the obligation to maintain confidential and secret information.

The obligation to maintain confidentiality over any information continues even afterwards the termination of the working relationship with Tirana Bank or Balfin Group.

If any of the employees violate the above principle of confidentiality, respective punitive measures will be applied.

**From all of us is expected to:**

To share confidential information only with people who are required to be aware of this information in order to fulfill contractual relations.

Be cautious of suspicious activities of the competition or thirds parties, which could damage the assets and interests of Tirana Bank or Balfin Group.

We have to respect the contractual obligation of confidentiality even upon termination of the employment contract.

Please refer to Policies and Procedures for this subject published in the intranet of Tirana Bank to be adhered to by all Tirana Bank employees.

**Assets of the Bank and Group****Electronic communication tools**

The term "Balfin Electronic Infrastructure" covers Tirana Bank and Group phones, computers, and mobile communication devices such as laptops or mobile phones that contain e-mail, intranet and Internet systems. Electronic communications devices should be primarily used for business purposes. Tirana Bank and Balfin employees can use for personal purposes the Communication Electronic Devices, only by respecting the forth-set preconditions in the interior policies and procedures.

Personal use means any occasion of using the electronic infrastructure that is not directly related to the business goals of the Group. Employees who have access to Electronic Communications Tools should treat them with care by making sure they are not damaged, lost or replaced. In addition, Tirana

Bank and Balfin employees must respect the standards of IT security, for example, they are not allowed to install or use hardware or software in any system that has not been specifically approved by IT specialists.

Q: A friend sent me an interesting software that I would like to download at my work computer. Am I allowed?

A: No, you are not allowed to install either use hardware or software at none from Tirana Bank or Balfin systems that have not been approved in advance by IT specialists

Q: When I go on vacation, I give my personal password to a colleague so I can access my e-mail to check it while I am away. Am I allowed to reveal my personal password?

A: No. Never give access to your computer to another person with your personal password. Using your password, a colleague can enter and use the data for which is not authorized and make changes, delete or add data.

### **From all of us is expected:**

To use electronic means of communication at Tirana Bank and Balfin only for business purposes and treat them with the due care. We ensure that all the preconditions for personal use of this infrastructure to be completed in case you want to use electronic communication tools for personal goals.

We respect the IT directives and regulations published on the intranet and in the share list.

Please refer to Policies and Procedures for this subject published in the intranet of Tirana Bank to be adhered to by all Tirana Bank employees.

### **1.7 Ask for help and report**

In our daily work, we can face situations that are not specifically covered by the "Code of Ethics and Professional Conduct" of Tirana Bank and Balfin Group. If we are uncertain about ethical behavior, we must ask ourself the following questions:

- Is my behavior legal?
- Is it in line with the Bank's and Group's values and principles?
- Do I respect the Code of Ethics and Professional Conduct of Tirana Bank and Balfin Group?
- Can there be negative consequences for the Bank, Group or myself?

Q: When should I report?

A: If you think that the "Code of Ethics and Professional Behavior" is being violated then you must report it. Your manager is usually the first point of contact. If you do not feel comfortable to discuss the matter with him/her, address the issue to your supervisor's manager, Department of Human Resources or write to for Tirana Bank at [whistle-blowing@tiranabank.al](mailto:whistle-blowing@tiranabank.al) or Balfin Group at [raporto@balfin.al](mailto:raporto@balfin.al).

### **From all of us is expected:**

To report when we believe in good faith that someone has done, is doing, either may be ready to do something that violates the "Code of Ethics and Professional Conduct" of Tirana Bank and Balfin Group.

Discuss the concerns with our supervisor or transmit it through the other reporting lines.

Use the other reporting channels that we have available if we do not feel comfortable about raising a concern to our Supervisor.

**Ask for help and report**

Any violation of the "Code of Ethics and Professional Conduct" will be analyzed case by case and may include sanctions such as:

- Notice of dismissal
- Termination of employment relations

If Tirana Bank and Balfin Group finds that, any employee is in breach of the "Code of Ethics and Professional Conduct", will address it to the competent authorities and will take measures to regulate and punish this violation.

**Contacts**

If you need to address any issues or violations of the code of ethics at Tirana Bank or Group level, you can write to the official address: for Tirana Bank at [whistle-blowing@tiranabank.al](mailto:whistle-blowing@tiranabank.al) or for Balfin Group at [raporto@balfin.al](mailto:raporto@balfin.al)