

2022

**CODE OF GOOD GOVERNANCE
AND ETHICS OF THE ALBANIAN
INVESTMENT CORPORATION
(AIC)**

Table of content

I. Introduction	2
II. Purpose	3
III. Our values and principles	3
IV. Standards of conduct	4
4.1 Integrity in relations with each-other	4
4.2 Compliance with legislation and internal acts	4
4.3 Protection from discrimination	4
4.4 Harassment	5
4.5 Preserving AIC’s image	5
4.6 Professional attire.....	5
4.7 AIC equipment.....	6
4.8 Responsible engagement in political activities	6
V. Business ethics	6
5.1 Market integrity.....	6
5.2 Conflict of interest.....	7
5.2.1 Prevention of conflict of interest.....	7
5.2.2 Related persons to AIC personnel.....	7
5.2.3 Gifts, favors, promises and preferential treatment.....	8
5.2.4 Investments	8
5.3 Confidentiality	8
5.4 Corporate responsibility	9
5.4.1 Social responsibility	9
5.4.2 Environmental responsibility.....	10
VI. Enforcement	10

I. INTRODUCTION

“With great power comes great responsibility.”

AIC was established as an authority to provide the capacity needed by the Albanian State to create a diversified economy and ensure a sustainable and inclusive development.

AIC is organized as a corporation in order to ensure effectiveness and efficiency in its operation, as well as the appropriate flexibility to evolve. As such, AIC implements the latest developments in corporate governance, international standards and practices, and undergoes a continuous adaptation process.

In this spirit, AIC aims to create a model of good corporate governance and an example for other corporations operating in the public and private sectors in the country.

The principles and values reflected in this Code guide the daily work at AIC, relationships within AIC and with partners, and serve to fulfillment of its mission.

Ermal Frashëri, Executive Director of AIC

II. PURPOSE

The purpose of the Code of Good Governance and Ethics (hereinafter the Code) is to define the fundamental values and basic guiding principles for every employee, who, in the performance of their duties must always act in accordance with the Law, Ethics and the best interest of the Corporation. Employees, according to this Code, are persons working on a full time or part time capacity in AIC.

It aims to serve as a tool to prevent potential violations and situations of conflicts that may arise, in order to ensure the development of a work culture with high ethical standards.

This Code cannot anticipate every possible situation, but will serve as a guide for making ethical decisions and will be updated whenever deemed necessary.

III. OUR VALUES AND PRINCIPLES

When we share the same values we build a harmonious spirit of cooperation towards fulfillment of AIC's vision. The corporation is based on such values as:

Commitment to excellence - We strive to achieve the best in everything we do and dare to take risks responsibly.

Integrity - We act according to the highest ethical standards, acting in a fair, transparent and honest manner.

Teamwork - We work together sharing trust, fairness and mutual respect.

Employee motivation - We wish to build a work culture where employees feel motivated, valued and where they grow professionally. Our employees make the difference and are the most valuable asset of the Corporation.

Public interest – We are a state-owned company and, as such, we place public interest at the foundation of business development and Corporation's profits. Our projects support and develop local economies.

IV. STANDARDS OF CONDUCT

4.1. Integrity in relations with each-other

AIC employees, in the performance of their duties, must respect the different opinion of colleagues or associates and create a spirit of open communication in order to help realization of the vision and objectives of AIC.

The personal conduct of AIC employees must be such as to reflect honesty, promote high ethical values and encourage other employees to act in accordance with these values.

4.2. Compliance with the legislation and internal acts

AIC employees, while performing their duties, must act in compliance with the legislation in force and the internal acts of the Corporation. AIC also ensures that concrete measures are taken to prevent, protect, identify and respond to non-compliance. For this reason, AIC employees are aware that knowledge of the principles and legislation during the exercise of functional duties is a necessity and in cases of uncertainties they can consult with the Legal Division (LD).

4.3 Protection from discrimination

AIC employees respect the dignity of every person, without discrimination and prejudice on grounds of ethnicity, nationality, social affiliation, wealth, age, physical disability, religious belief, gender, political opinion, and sexual orientation.

AIC does not discriminate during the recruitment process, the disciplinary process, professional training, remuneration, payment and in terms of the employment contract in general.

4.4 Harassment

AIC prohibits any type of harassment in employment relations and takes all necessary measures to ensure the safety and protection of the mental and physical health of employees.

"Harassment" is the form of discrimination occurring in the case of an unwanted behavior, when it is related to any of the grounds of discrimination, with the purpose or effect of violating the dignity of the person and creating an intimidating, hostile, contemptuous, humiliating or offensive environment to the person in question, as well as in the case of less favorable treatment against persons complaining about harassment.

4.5 Preserving AIC's image

AIC employees must respect the confidentiality of Corporation documents and information. Dissemination of confidential information which may harm the reputation of the Corporation or undermine the smooth operation of its work is a serious violation of this Code.

The Executive Director authorizes the persons who can express themselves or make posts in the name and on behalf of AIC in social networks and various media.

4.6 Professional attire

It is important that all employees have a professional appearance before the colleagues, clients, partners and state institutions. Therefore, the company's employees must appear in appropriate professional attire, so that AIC can be represented as decently as possible.

4.7 AIC equipment

AIC employees must protect and preserve the equipment of the Corporation, including documents, records, notebooks, disks, computers and other materials, which contain confidential information as well as any other information about the Corporation, its associates, customers, products and services prepared by the employee himself or others.

They must not use or allow the use of the equipment AIC owns or has in use, for any purpose other than the performance of activities approved in the internal acts of the Corporation and the legislation in force.

4.8 Responsible Engagement in Political Activities

AIC employees may participate in political activities and support candidates of their choice, but must take care to do so in such a way that their political views and activity are not perceived as affiliated with or attributed to the Corporation.

Employees may not use Corporation resources for political activities. Employees must ensure that their political engagement does not conflict with the legislation in force.

V. BUSINESS ETHICS

5.1 Market integrity

AIC operates based on the principle of free and effective competition, in procedures and market, in accordance with the legal framework on competition and state aid. It is an obligation for AIC to treat the parties it cooperates with in a fair and equitable manner.

5.2. Conflict of interest

In the performance of their duties, employees must have the best interest of the Corporation in mind. A conflict of interest arises in situations in which the AIC employee has such a personal interest that affects, may affect or reasonably be perceived to effect the impartiality or objectivity in the performance of his/her tasks.

5.2.1 Prevention of Conflict of Interest

Employees avoid situations of conflicts of interest. Should they find themselves in a situation of a potential conflict of interest they should immediately notify the Legal Division. The latter will consider the facts and circumstances of the situation in order to decide if the employee is in a situation of a conflict of interest and if corrective actions can be taken.

AIC also takes care that, based on the information it possesses, it takes the necessary measures to avoid appointing an employee to positions in which conflicts of interest may arise or that employees are not assigned tasks that may lead to the appearance of a possible conflict of interest.

When an employee of the Corporation has a financial or personal interest in any matter submitted for consideration or decision by the Corporation, he/she

- shall entirely disclose the nature of the interest to the AIC leadership
- shall withdraw from discussion, lobbying and voting on the matter

Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of the members determine that it is in the best interest of the Corporation to do so.

5.2.2 Related persons to AIC personnel

A conflict of interest may arise when the employee is involved in a decision-making related to the development of a business relationship or competes with organizations/companies where family

members or other persons related to them are employed, or are owned by family members and other persons related to them, according to the provisions of Law No. 9367, of 7.04.2005 "On Prevention of Conflict of Interests in the Exercise of Public Functions", as amended.

5.2.3 Gifts, favors, promises and preferential treatments

AIC employees must not request or accept gifts, favors, promises and preferential treatment for themselves, their family, relatives, from persons or organizations with which/whom the AIC has a business or potential business relationship, that affect or appear to affect the impartiality of performance of their duties, or are or seem to be a reward for the way the task is performed.

The previous paragraph does not apply in the case of ordinary invitations, traditional hospitality, gifts of symbolic or traditional value, courtesy, which do not raise doubts about the impartiality of AIC employees.

5.2.4 Investments

For as long as the employee is employed by the Corporation, any business opportunity he becomes aware of as a result of his/her engagement with the Corporation, regardless of the source, shall belong to the Corporation, and unless the Corporation specifically waives in writing of its own right, it shall have the right to act on any business opportunity that the Corporation deems fit.

5.3 Confidentiality

AIC employees must exercise maximum discretion in all corporate business matters.

They may not publish or communicate to third parties any confidential information or trade secret, of which they have become aware because of their work in the Corporation and which is not open to the public, except with the written authorization of the Executive Director (ED).

The employee's obligations to maintain trade secrets and other confidential information shall continue to exist beyond termination of the employment relationship.

Employees may not use this information for anything other than the benefit of the Corporation.

AIC employees, after termination of employment, must not use confidential information obtained during the performance of their duties for personal gain.

In cases where confidential information is found to have been released without the ED approval, measures shall be taken against the employee according to the AIC internal acts and the Albanian legislation in force.

Confidential information is any type of documentation, information or data that was created, processed or made available during the employment relationship and which on a case-by-case decision of the ED is considered confidential and not open to the public in accordance with the legislation in force.

5.4 Corporate responsibility

5.4.1 Social responsibility

The Corporation and its employees must act in a responsible and sensitive manner on social issues.

The Corporation may be involved in initiatives on provision of social assistance and donations to projects, institutions and foundations in accordance with the internal rules, the Code and the reputation of the Corporation.

Employees are encouraged to participate in social activities, such as environmental, health, sports and other activities.

5.4.2 Environmental responsibility

AIC's activities must comply with the laws, regulations and other applicable environmental requirements of the Republic of Albania.

The Corporation shall show caution with regards to financing and participating in any type of transaction or project, which puts the environment at constant risk. In any type of decision, employees must be concerned about the possible risk caused by transactions or projects having negative impacts on the environment.

VI. ENFORCEMENT

Each employee is individually responsible for the compliance of his/her actions or omissions with the instructions of this Code.

Employees who are not sure whether their own behavior or that of their colleagues is in accordance with the instructions of this Code, may consult the LD. The LD instructs the employee and takes appropriate measures to avoid or resolve cases of violations provided for in this Code.

Cases of violations of this Code are dealt with by the Committee for Human Resources and Administration (CHRA), which, as appropriate, takes a decision on the implementation of disciplinary measures according to the AIC Internal Rules of Procedure.

The Committee for Legal Compliance and Ethics monitors the implementation of this Code by AIC employees.