



BOOKLET FOR BUSINESS ETHICS

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Official Development Assistance of the Slovak Republic

Booklet for Business Ethics

Assistance in Developing and Applying a Business Code of Ethics in Albania

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PURPOSE OF THE BOOKLET FOR BUSINESS ETHICS

ABOUT THE BOOKLET

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ONLINE RESOURCES

**This Booklet was developed
by FIAA
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Publishing the “Booklet for Business Ethics” represents a further step in the development of sound business practices in the Albanian market.

Never as today Enterprises have to face difficulties and turbulent market forces that can easily push to the adoption of inappropriate behaviours that, not only have just short term effects, but can ultimately shake the foundation of the society. Bribes, informality as well as corruption are often the final results of such wrong business practices.

In this complicated circumstances it becomes imperative, for all the sound businesses, to have a clear guidance that puts together economics and ethics, defining effective and transparent rules and principles for dealing with all the stakeholder e.g. customers, suppliers, employees, Institutions and the civil society.

The adoption of an internal Code of Ethics, to be effectively implemented throughout the Organization, doesn't have to be considered as a cost or as a formality, but as the activation of a sort of “company compass” aimed to achieve benefits and advantages. As a matter of fact, there are a number of evidences at local and international level, confirming the most successful companies are the ones that have in place an effective Code of Ethics.

Once more FIAA, publishing this Booklet, positions itself in the front line for trying to make Albania a better place for doing business.

President of Foreign Investors Association of Albania

Silvio Pedrazzi

Dear representatives of the business community,

The Booklet of Code of Business Ethics published by the Association of Foreign Investors serves as a good guide for the entire business community in the country. This Booklet will guide the business in their daily operations by respecting and implementing legal and institutional framework, fair competition and protection of consumer interests. A good ethical behavior will serve also to business itself to enhance the reputation and impact on the community and above all to be even more competitive.

Albania has definitely entered into a new phase of reforming the economy and society, for a better and secured future for all. The country is facing successfully all the challenges and commitments arising from the European Integration process aiming at a more versatile economy and a sustainable cooperation with business.

Praising the development of the country relies on strengthening and consolidating of the private sector, the Albanian government continues to deepen reforms in order to improve the business climate, fight corruption and improve the services provided by public administration.

Implementation of a code of ethics for business, does not constitute a legal obligation, but it is very important to be recognized and admitted by the government as a manual that serves to strengthen the business climate in Albania.

**Minister of Economic Development, Trade, Tourism
and Entrepreneurship**

Milva Ekonomi

In a rapidly changing world of crisis and technological revolution, where contradicting realities strive to integrate into conflicting value systems, fundamental ethical principles often risk to vanish in the run for "Success".

It is in times like these and while businesses grow and develop beyond and across geographical and cultural boundaries, that it becomes imperative to provide clear guidance with respect to proper business conduct and ethical behaviour. Being competitive and efficient while implementing ethical principles and showing sensitivity for the community needs are not conflicting goals.

It is only through undertakings and decision-making processes that combine the entrepreneurial spirit and operational excellence with respect for people, society and environment that Albania will ensure a healthy and sustainable development towards a promising future for the young generation.

It may be difficult to achieve but not impossible. It may sound idealistic in front of other urging needs of the business community and the Country overall but it is imperative. Some may not believe in it, however it is the only way to act with a socially responsible way.

Chairman of the CSR Network in Albania

Adamantios Frantzis

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Purpose of the Booklet for Business Ethics

- To raise the awareness of the importance of ethical business conduct among Albanian and foreign businesses and Albanian Government and citizens
- To provide compelling reason for a business code of ethics in Albania
- To offer practical advice on developing or improving a business code of ethics

About the Booklet

The Booklet for Business Ethics is an assisting manual for developing and applying a business code of ethics in Albania. It is aimed at creating fair, transparent and competitive business environment in Albania, which is particularly intolerant of corrupt practices.

The Booklet for Business Ethics was developed through a series of working sessions in Tirana and with the support of the Slovak Team. These sessions involved Albanian and foreign business leaders, government officials and experts from business chambers, associations and NGOs.

The basis of this Booklet is the codes of ethics of several companies that are currently in use in Albania. The information contained in these existing codes was augmented by drawing upon the basic guidelines for Codes of Business Conduct and through consultations with key international organizations dealing with business ethics.

The organization of the people and ideas which led to the development of this Booklet for Business Ethics was a project of Business Alliance of Slovakia in cooperation with the Foreign Investors Association of Albania and with the support of the Slovak Aid.

A system of principles or rules that governs individuals or groups and deals with what is good and bad and with moral duty and obligation.

*-From definitions found in the
New Britannica Webster Dictionary*

Definition of a Code of Ethics

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SECTION 1

**WHY IS
A BUSINESS CODE OF ETHICS NEEDED?**

Purpose of a Business Code of Ethics

- In the private sector in Albania, an ethics code sets the tone for all employees and indicates to third parties the standard to be expected from the company.
- An ethics code also reflects the commitment of the Albanian or foreign company to the laws of Albania.
- An ethics code is intended to serve as a guide for all staff and managers to use in day-to-day interactions and decision-making.
- The code addresses responsibilities in addition to compliance with the law, particularly the mission of the business, its principles and core values (e.g. honesty, trust, respect and fairness).
- The code is also a tool to encourage discussion on ethics in business activities and to improve the response to work-related ethical problems and uncertainties.
- It does not contain all the answers and does not address very ethical issues that staff may face.
- The code is not a substitute for good judgment, nor does it replace or supersede the principles of staff employment, the staff rules and other applicable principles, rules and guidelines.

Benefits of Adopting and implementing a Business Code of Ethics

- A reputation for honest and consistent practice of ethical business conduct helps create a more healthy business environment in Albania.
- Albanian and foreign investors recognize

that increased stability and predictability will flourish in a business environment anchored in ethical business practices, and will, in turn, increase their investment in Albania.

- Albanian economy as a whole will be strengthened, thus benefiting society as well as business, if the reputation for ethical business practices is established and maintained.
- Help increase employee loyalty.
- Ethical business practices create a corporate identity that enhances brand name and attract customers, business partners, and qualifies employees.
- The implementation of a business code of ethics is essential to increasing transparency and reducing corruption.
- An ethics code helps to ensure compliance with increasing international regulation (e.g. EU, WTO, OECD) of commercial activities; and in this manner reduces the cost of doing business in Albania.

Conditions in Albania Impacting on Ethical Business Practices

- Corruption and conflict of interest are serious and continuing challenges in Albania. These challenges are global and are not unique to Albania or the South East Europe.
- The Albanian Government and NGOs with the support of OSCE, EBRD, the U.S and Others have active and growing programmes to combat corruption and strengthen ethical conduct.
- The practice of ethical business conducts takes time to introduce and become part of Albania business culture.

SECTION 2

**BASIC GUIDELINES FOR
A BUSINESS CODE OF ETHICS**

Principles of Social Responsibility

These guidelines are a combination of actual ethics codes (of several foreign companies) developed and applied in Albania, and the basic Guidelines for Codes of Business Conduct prepared by FIAA.

A business code of ethics can be of any length and number of parts. What is important, is that the content of the code clearly describes what the company stands for in terms that are actually practiced by the members of the company and enforced by the leadership of the company.

These guidelines are intended to provide a basis for discussion on what should be included in a company's new code or added to its existing code of ethics.

No laws or contracts can anticipate the sudden or unexpected changes of life. Very often an entrepreneur must make a decision based on common sense and conscience, as well as on applicable laws. The key is to practice business fundamentals such as not lying, cheating or stealing, and as a result, establishing a reputation for:

- a commitment to integrity, competence and excellence
- always doing business within your means
- having respect for your partners and participants in a shared business venture
- refraining from violence or the threat of violence as methods of achieving business success
- resisting crime and corruption and doing your part to see that crime and corruption become unprofitable for everyone
- living up to the trust placed in you – trust is the foundation of entrepreneurship and a key to success

Protection of the company's reputation and property

- Each employee presents himself or herself not only as a private person, but also as a company representative. Therefore, he or she should care for the company's good reputation and for the protection of its interests.
- Each employee is obliged to protect the intellectual and material property of the company. Telephones, faxes, electronic mail as well as all computer equipments, hardware and software are in principle used only for purposes of work, with exceptions where necessary.

Safety and health

- The safety and health of all employees is of paramount importance. Company policies along with the laws of Albania should be enforced to protect employees' safety and health.
- The employer should ensure that employees are aware of applicable regulations and that employees receive appropriate training concerning safety and health requirements.
- It is the employees' responsibility for their own benefit and for the benefit of all other employees, to be aware of and comply with all applicable safety and health requirements.
- Dangerous or unsafe working conditions should be immediately reported to the appropriate management personnel.

Environmental protection

- Since a company is an integral part of the community in which it operates, a sound relationship with the community is essential.
- Caring for the environment is a responsibility of the enterprise towards the immediate community, but it also extends to all communities and areas whose environment may be affected by the activities of the enterprise.
- All employees are required to comply with all environmental laws and regulations applicable to their activities in the workplace.
- Environmental compliance is everyone's responsibility.
- Questions, concerns or suggestions about environmental programs should be directed to supervisors.

Discriminatory practices

In a manner consistent with Albanian law, which prohibits employees in the workplace from engaging in certain types of discriminatory practices, the following acts are not tolerated in the company;

- An employee must not engage in any threatening, intimidating or hostile activity or use insults that relate to race, colour, religion, sex, national origin, age veteran status, disability or political opinion. This includes sending or displaying in

the workplace any written or graphical material that indicates or shows such hostility toward an individual or group.

- An Employee should take any complaint to the management, using the established complaint procedures.

Sexual harassment

- Sexual harassment is the workplace is expressly prohibited.
- Sexual harassment is defined as unwelcome sexual advances, any request for sexual favours, or any other unwelcome verbal or physical conduct of a sexual nature in the workplace as well as any similar conduct, which creates a hostile work environment.
- A complaint procedure should be established and any complaint should be directed to the appropriate member of management, as well as the appropriate agency at the national or local government level (e.g labour safety protection agency).

Professional relationships

Corporate Governance: Relationship with Stakeholders

In addition to a published set of rules by which corporate governance is defined and exercised, a trusting relationship must exist between managers, shareholders and investors. Creditors must be satisfied

with the manner in which shareholders assure the performance of management in key decisions.

Sound principles of corporate governance include the following:

- Delineation in the company charter of the respective roles and responsibilities of both management and shareholders
- Transparency of voting rules
- Respect for the right of minority shareholders
- Open communications with shareholders through the provision of audited accounts and information about the progress and operations of the company
- A well functioning Board of Directors who have the skills, the time and the access to information needed to discharge its responsibilities effectively. The board should act in a fiduciary capacity on behalf of all stakeholders.

An enterprise should have a full disclosure policy along with standards of management accountability, and a system of internal controls and reporting. These standards will permit shareholders to monitor management personnel and discipline for poor performance.

Relationship with Employees

Enterprises have an important responsibility towards their employees. A number of basic principles typically guide the treatment of successful enterprises of their employees.

- Due regards for labour laws
- Commitment to adequate standards of worker health and safety
- Non discrimination in the recruitment, compensation and promotion of employees
- Respect for the rights of workers to engage in union activity
- Effective systems for consultation with employees on employment conditions and other issues that affect the employees
- Clearly stated and transparent policies relating to compensation, benefits, promotions and other employment conditions
- Commitments by the enterprise for contributions to pension plans and strict protection of the integrity of company sponsored pension plans.

These principles do not limit the right of an enterprise to enforce or to terminate the employment of workers in accordance with applicable laws.

Relationship with Suppliers and Subcontractors

A relationship of mutual trust in which all parties benefit is the most significant aspect of relations between partners in joint ventures, contractual arrangements or business relations with other enterprises. The reputation of a company is its most valuable asset. Once the reputation of an enterprise is tarnished, it is very difficult to gain trust with the same or other business relations.

A number of basic principles that typically promote mutual trust in business relations include:

- Commitment to excellence in products and services
- Commitment to gain respect and trust in all business relations
- Respect for the sanctity of contracts and business relations
- In case of a commercial dispute, a willingness to negotiate and compromise in order to reach an amicable solution, and
- Respect for the sanctity of rule of law, including abiding in a timely manner with decisions of any court, arbitral panels or other administrative bodies.

Relationship with Competitors

- A company must respect laws, regulations and relations with competitors. Periodical reviews and updating of relevant laws (e.g antitrust law) are an essential component of these obligations by business and government.
- Treatment of competitors should be resolute but honest, in compliance with fair and open competition practices and in the interest of the good reputation of the entire industry.
- A company must respect the property and the good reputation of competitors and treat the competitors as equal subjects.
- A company must not try to acquire information on competitors through dishonest and illegal methods (*e.g industrial espionage, bribery, demanding confidential information from customers or any other unfair way*).
- A company must not engage in any form of unfair competition.

Relationship with Government

Well managed enterprises are law abiding enterprises. To maintain a sound relationship with Albanian government authorities, enterprises must:

- Pay all taxes due and owned
- Abide by all mandatory government and local regulations

- Obtain all governmental permits, licenses and approvals required to do business
- Make no attempts to influence government decisions through other than proper legal actions
- Establish transparent procedures regarding transactions engaged in by enterprises with a governmental agency or official or in dealings with an enterprise owned or controlled by a government agency or official
- Include appropriate provisions to ensure compliance with international or national codes against extortion or bribery in transactions with a government agency or officials, or with an enterprise owned or controlled by government or government official.

The role of the Albanian government in supporting ethical business conducts is described in section 5 of this Booklet.

Relationship with Clients and Customers

- An honest and correct approach to customers and satisfaction of their needs and interests, are preconditions for a successful and permanent business relationship.
- Conduct in relations with customers must be discreet, courteous, without any favouritism, prejudice and discrimination. A company must commit itself to use only legitimate business methods.

Operating principles

Conflict of Interest

A conflict of interest exists when an employee's duty and loyalty to his or her business may be compromised by his or her personal interests. Employees are expected to avoid any direct or indirect (e.g. family members or close friends) association or investment interest that interferes with, might interfere with, or might appear to interfere with the independent exercise of an employees' judgment while acting in what should be the company's best interests.

Financial interest: A conflict of interest may exist when an employee or member of em-

ployee's family directly or indirectly engaged in the same or similar kind of business in which the employee's company engages, or owns a significant beneficial interest in a competitor.

Outside Activities: A conflict of interest may exist when an employee or member of employee's family serves as a director, officer, employee, or agent of an organization which is a competitor, or which has a current or prospective business relationship with the employee's company.

Gifts and entertainment: Employees are prohibited from accepting gifts from anyone having or seeking a business relationship with the company. Gifts in the form of cash, gift certificates or other cash equivalents, stocks, bonds commissions or similar types of negotiable items are not permitted under any circumstances. As a general rule a supervisor should not authorize the acceptance by an employee of entertainment offered by the same host more than once during any month irrespective of the cost to the host.

Prevention of Extortion and Bribery

Principles concerning the prevention of extortion and bribery are intended as a method of self-regulation by businesses. The voluntary acceptance of these principles by enterprises will not only promote high standards of integrity in business transactions, both between enterprises and public bodies and between

enterprises themselves, but also protect enterprises that are subject to attempts at extortion.

The business community should not tolerate any forms of extortion and bribery. The highest priority should be directed to ending extortion and bribery involving politicians and senior officials. Bribery and extortion threaten democratic institutions and cause grave economic distortions.

All enterprises should observe both the letter and spirit of the following rules:

- No one may, directly or indirectly, demand or accept a bribe.
- No enterprise may, directly or indirectly, offer or give a bribe, and any demands for such a bribe must be rejected.
- Enterprises should take measures reasonably within their power to ensure that any payment made to any agent, represents no more than appropriate remuneration for legitimate services rendered by the agent that no part of such payment is passed on by the agent as a bribe or otherwise in contravention of these principles.
- All financial transactions must be properly, accurately and fairly recorded in appropriate books or account available for inspection by the Board of Directors as well as by Auditors. Enterprises must take all necessary measures to establish independent systems of auditing in order to bring to light any transactions that contravene these principles. The enterprises must then take appropriate corrective action.

- The Board of Directors of the enterprise should periodically review compliance with these principles, and take appropriate action against any director or employee who acts in a manner inconsistent with these principles.
- Contributions to political parties or to individual politicians may be made only in accordance with applicable laws, and in accordance with all applicable requirements for public disclosure of such contributions.

A particularly useful reference for business seeking to develop an anti-bribery strategy is an initiative of Transparency International and Social Accountability, International titles “Business Principles for Countering Bribery”, A multi-stakeholder initiative led by Transparency International.

Lobbying

Professional and personal conduct of lobbying activity is viewed as acceptable in most countries worldwide as long as it is done in a manner consistent with company standards and in compliance with all applicable laws and regulations of that country.

Lobbying has not yet been included in Albanian legislation. However, Albanian Parliament has approved the Law on Public Consulting and might be working on possible legislation. This is an ideal area for cooperation of businesses with the Parliament. Additionally, businesses should establish standards of lobbying in anticipation of Government legislation, and in order to ensure that current lobbying activity is performed in an ethical manner and respectful of company values.

Whistle-blowers

The Cambridge International Dictionary of English defines a whistle-blower as a person who tells someone in authority about something that is happening. A corporate whistle-blower is then a company employee who **discloses** an illegal or wrongful activity within his company to an **appropriate government agency** or the supervision body of the company itself.

Business guarantees that whoever reports a case of non-compliance in good faith will be protected from any form of retaliation, discrimination or penalisation, and ensures maximum confidentiality, except in cases otherwise indicated by law.

Guidance available

- These guidelines do not reference all laws, policies, rules, regulations or standards applicable to conduct by employees. Requirements not referenced in these guidelines may apply to specific work activity.
- Many laws to which company is subject, including those referenced in these guidelines, are complex and their application to company business practices or activities can at time be unclear. Appropriate guidance should be sought regarding any proposed action, which raises questions or creates uncertainty with respect to compliance with laws or regulations.
- Employees should seek the advice and guidance of the appropriate authorities within the company with regard to any and all transactions, which may have legal implications.
- Open discussion sessions with employees should be planned in order to address particularly complex or sensitive issues.

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Administration of a business code of ethics

Employees covered

- A business code of ethics should apply to all managers, full time and part time employees, as well as to all other people acting in the name of the company.
- They should be obliged to observe the code, act in compliance with its provisions, and support it.
- Employees who engage in prohibited conduct must be subject to appropriate disciplinary action, including discharge. Appropriate cases may also be called to the attention of governmental enforcement agencies.

Administration and reporting

- All employees should be required to report violations of the company's business code of ethics.
- Notification of violations should be given to a direct supervisor according to a standard procedure. However, if the employee feels that in a given situation this is not appropriate, he/she can give notification to the next highest superior according to organizational structure, to the chairman of the Ethics Council or to any of its members or other specifically designated employees.
- Companies with sufficient resources should consider establishing an ethics hotline for reporting violations of the code.
- The company should keep confidential the identity of anyone making such a report to the extent possible.
- Due to the importance of this reporting procedure, any false report should be considered a violation of the code of ethics and not be tolerated.

SECTION 3

**DEVELOPING
AND IMPLEMENTING
A BUSINESS CODE OF ETHICS**

Case study

ANTEA CEMENT FACTORY - Strategy for developing and implementing a business code of ethics

ANTEA Cement Sh.A. is the biggest “Greenfield” investment in Albania with a total value exceeding 200 million Euro and one of the biggest industrial companies operating in Albania. The investment has been made jointly by the TITAN Group, a Greek multinational cement company, The International Finance Corporation (IFC) an organization of the World Bank and the European Bank for Reconstruction and Development (EBRD). The company starting from 2010 operates a cement plant in Boka e Kuqe, Kruje district. Moreover, the International Finance Corporation holds a 20% stake in the company.

The Cement plant was built with the best available techniques in mind, integrating best practices internationally as well as modern technologies. Additionally, from the beginning, the plant was built with an Environmental and Social Impact Assessment in mind and through a Public Consultation process, allowing the local community to partake in the process and terms of the establishment of the plant. Currently, the same principles of transparency and excellence are applied in ANTEA, as evidenced both by its certification for management systems of quality, environment, health and safety and social accountability (BS OHSAS 18001, ISO 9000 & ISO 14001) as well as by its commitment to corporate social responsibility, throughout its supply chains and operations.”

Action Plan for Development and Implementation of a Business Code of Ethics

Key principles for the development of the Business Code of Ethics

Since its founding in 1902, TITAN Cement Company S.A. has been guided by its belief that a business can combine competitiveness and efficiency with ethical principles and sensitivity to community needs.

The achievement of this objective requires a framework of agreed-upon principles and Values that determine our everyday conduct and practice. This framework explicitly defines our responsibilities towards all those affected – directly or indirectly – by our business activities. Our actions reflect our commitment to all of our stakeholders.

- 1. To our Shareholders:** We strive to ensure a sufficient return on their capital, to protect their investment, and to be transparent in all our dealings.
- 2. To our Customers:** We do our utmost to provide quality products and services with competitive terms, tailored to our customers’ needs and supported by the necessary technological, environmental and commercial experience.
- 3. To our Employees:** Our workforce is our most valued resource. Respect for their human rights, providing safe, open, non-discriminatory, diverse and good working conditions and an emphasis on employee development are essential in order for TITAN Group to attain its objectives.

4. To our Business Associates: We believe in mutually-beneficial relationships with our contractors and suppliers and we are committed to promoting responsible supply chain management practices.

5. To the Society: It is our belief that socially responsible businesses contribute to the prosperity and progress of society as a whole. Our commitment to Corporate Social Responsibility and Sustainable Development is integral component of our Governing Objective.

As TITAN's activities have expanded to multiple regions, so too has the need for disseminating the principles and Values which have guided the Company throughout its history. We embrace the principles and Values of other cultures integrated in our operations, yet our collective actions must be guided by the core set of principles and Values set forth in this Code of Conduct.

Our commitment to these principles and Values must be ensured by the daily conduct of all members of the TITAN Group. We are all required to operate with integrity, transparency and responsibility in all that we do.

Our Corporate Values

Integrity

- Ethical business practices
- Transparency
- Open communication

Know-How

- Enhancement of our knowledge base
- Proficiency in every function
- Excellence in core competencies

Value To The Customer

- Anticipation of customer needs
- Innovative solutions
- High quality of products and services

Delivering Results

- Shareholder value
- Clear objectives
- High standards

Continuous Improvement

- Learning organization
- Willingness to change
- Rise to challenges

Corporate Social Responsibility

- Safety first
- Sustainable development
- Stakeholder engagement

Within the context of our Values, we nurture a culture of collective ambition and collaboration, while encouraging individual accountability for the achievement of a common goal. At the same time, we honour mutual trust and respect among each other.

CORE Operating Principles

Through this Code, our Group explains its values and intends to direct individual behaviours accordingly, being aware at the same time that consideration for social and environmental factors contributes to minimizing exposure to credit and compliance risks and strengthens the company's reputation. In line with the Global Compact principles promoted by the United Nations, with which we comply, we therefore undertake to:

- Sustain the protection of human rights according to the principles listed in the Universal Declaration of 1948;
- Recognize the principles established by the fundamental conventions of the ILO (International Labour Organization) and in particular the right of association and collective bargaining, the prohibition of forced and child labour and non-discrimination in hiring practices;
- Contribute to the fight against corruption, sustaining the guidelines of the OECD (the Organization for Economic Co-operation and Development) and the anti-corruption principles established by the United Nations in 2003. Our Company undertakes to promote, in all of the Group's companies and in all the countries in which it operates, behaviours that abide by these principles in all its stakeholder relations held with all its:

- Compliance
- Human Rights
- Health and Safety
- Sustainable Growth
- The Environment
- Fair Competition
- Bribery and Corruption
- Gifts and Donations
- Insider Trading
- Conflicts of Interest
- Relations with Customers and Suppliers
- Relations with the Society
- Employee Relations
- Communication
- Confidentiality
- Group Assets
- Financial and Non-Financial Reporting

Implementation and Violations of the Code of Conduct

Implementation

Each TITAN Group company is responsible for implementing the Code. Managers are responsible for communicating the Code to their subordinates and for ensuring that it is understood and abided by. Compliance with the Code is everyone's responsibility and no one can justify an unethical act by saying that it was directed by someone in a superior position.

All employees must familiarize themselves with the contents of the Code and are accountable for compliance with its rules and principles.

Support and familiarization is offered, where required, in order to ensure the full understanding of rules and principles set forth in the Code. Where there is confusion or doubt, clarifications should be sought out by employees through their immediate supervisor, line management or the local legal department.

All employees should sign the Acknowledgement Form attached to this Code or the related Company Employee Handbook and return it to the local HR Department.

Violations

Any employee who violates the Code may be subject to performance or disciplinary consequences including termination of employment, subject to local laws and regulations. Where an action is also in breach of

the law, the employee may be subject to prosecution under civil or criminal law.

Raising Concerns

Employees who have genuine concern about matters which they believe may violate the Code are encouraged to seek advice from their immediate supervisor, line management or the local legal department. They may also raise concerns through the confidential communication telephone or intranet “Hotline”, which has been launched in Greece or the relevant internet-based communication line, “Ethics Point,” which has been created in the USA.

Thereafter, the concern, which may also be raised anonymously, is properly investigated and dealt with in accordance with procedures, which ensure confidentiality and non disclosure of the name of the person who raises such concern, unless so required by the law.

The policy and instructions for using the Hotline can be found in the local Titan intranet.

Access to the “Ethics Point” can be found on www.ethicspoint.com.

TITAN will not tolerate any retaliation or action against any employee for reporting such concerns.

Code of Conduct for Antea Cement can be found at:

<http://www.titan.gr/en/titan-group/code-of-conduct/>

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SECTION 4

**UNDERSTANDING AND APPLYING
A BUSINESS CODE OF ETHICS**

Certain concepts and principles of ethical behaviour by business are either so important or so new and complex that examples of the application of these concepts and principles in real life add immeasurably to the capability of a business to understand and apply these elements of ethical business conduct. Additionally, real-life examples or case studies offer a company a non-threatening way to discuss with employees the actual practice of ethical conduct.

Case study

VODAFONE ALBANIA - Understanding and applying a business code of ethics

About Vodafone Albania

Vodafone Albania is part of Vodafone Group Plc, the world's leading mobile telecommunications company, with a significant global presence and equity interests in over 26 countries and over 52 partner markets worldwide. With 461 million proportionate customers, including here more than 2,2 million customers only in Vodafone Albania, Vodafone represents one of the world's largest mobile telecommunications company measured by revenues operating across the globe.

Vodafone has increased its business performance during the years, being one of the leading companies that contribute significantly to the Albanian economy by investing from 2001 to 2015 an approximate amount of €523 million in the market.

As part of one of the most responsible businesses worldwide, Vodafone is a best practice of managing the company's operations responsibly, in an ethical and transparent way in order to ensure a sustainable future for the company and also enable a positive impact in the telecommunication industry, economy and social environment of the countries it operates.

Vodafone Albania Business Principles

“Trust is fundamental to everything we do.”

Vodafone's success is underpinned by our strong commitment to ethical behaviour in the way we do business. Vodafone Albania expects from our 435 employees to uphold the high standards set out in our Code of Conduct, which includes our Business Principles.

To meet these standards Vodafone Albania maintains a culture where employees understand what is required of them, recognise their responsibility to raise concerns and have the confidence to do so.

Vodafone Albania's business principles, enlisted below, are the foundation of how the company does business by maintaining at heart the Code of Conduct. This is a central policy document outlining the requirements that every single person working for and with Vodafone must comply with, including employees, directors, contractors, subsidiaries, joint ventures and suppliers.

Business Principles:

Individual Conduct of employees:

Vodafone ensures employees act with honesty, integrity and fairness in dealings both internally and externally. These principles mean zero tolerance to any form of bribery, including improper offers of payments or gifts to or from employees; including here avoidance of any contracts that might lead to, or suggest, a conflict of interest. Vodafone Albania always ensures that each gift received is registered in a global level and is within reasonable value, or otherwise must be approved by appropriate managerial levels.

Compliance with the law:

Vodafone operates in more than 26 countries. Being a global company, it is fundamental to be familiar with relevant laws and regulations applied locally, to always ensure the most stringent standards apply. Vodafone acts in compliance with **all applicable domestic and international laws** and appropriate standards and principles. For example, in accordance with competition laws, the company supports free and fair competition. Therefore, each employee is vigilant not to breach any of above competition laws or engage in any anti-competitive practices.

Health and safety

Protection of health, safety and wellbeing is crucial in the communities in which Vodafone operates by adhering strictly to the company's absolute rules of safe driving and safe working.

Financial integrity

All procurements are based on Code of Ethical Purchasing to responsibly manage the wider impact of Vodafone's business on communities, society and the environment.

Public policy

Vodafone leaders voice opinions on government proposals and other matters that affect Vodafone, through proactive engagement with stakeholders such as the media, non-government organisations, industry analysts and international institutions.

Communications

Company's communications are made openly and transparently with all stakeholders within the bounds of commercial confidentiality.

Customers

Privacy is central to earning and sustaining trust in Vodafone, and being a responsible and ethical corporate citizen. Vodafone is strongly focused in ensuring protection of each customer and employee privacy, in every decision making, products and campaigns.

Employees

Vodafone's aim is to create an inclusive environment where everyone feels respected and valued and where it can truly deliver the promise 'we are at our best, when you are at yours'.

Environment

Vodafone's aim is to reduce use of resources and cut any harmful emissions. In this frame, the company reuses and recycles telecommunication equipment and waste in compliance with relevant environmental legislation and international standards.

Communities & Society

Vodafone's focus is to deliver products and services that can transform people's lives and contribute to more sustainable living by empowering individuals, contributing to wider development goals and reducing environmental impacts.

Vodafone Albania Doing What's Right Programme:

The Code of Conduct learning and awareness programme," Doing What's Right", is designed to help employees across Vodafone understand their responsibilities to people, partners and shareholders. Through this programme, employees complete e-learning courses every two years on the Code of Conduct, anti-bribery, privacy, competition law and customer data security.

Line managers attend face-to-face briefings from senior leaders on the key topics of Vodafone's Code of Conduct and their role as a people manager. The Doing What's Right programme is rolled out to new employees as early as possible when they join Vodafone, so that they are clear on Vodafone Albania standards from the start.

This applies to employees joining through acquisitions as well as new starters. Global surveys to assess employees' awareness of key aspects of the Code of Conduct and communication campaigns where improvements are needed are run regularly.

This includes a targeted campaign to raise awareness of Vodafone *Speak Up*, a programme for reporting concerns. Vodafone conducts annual audits to understand how well the Code of Conduct is implemented across the business and local markets then use the results to strengthen controls.

Privacy and Security

Vodafone finds essential the protection of customers' personal information and respecting their privacy in order to maintain their trust. Managing privacy and security risks effectively and putting customers in control of their data is core to the company.

People are increasingly concerned about the privacy and security of their personal information as they use communications technology more and more. Vodafone aims to make it easier and more intuitive for customers to understand and take control of how their data is used. The complexity of technology, cyber threats and the potential for human error can lead to information being lost, deleted or getting into the wrong hands. Vodafone policies and programmes are designed to ensure the privacy and security of customer information.

Our privacy and security programmes **govern how we collect, use and manage customers' information – ensuring the confidentiality of their personal communications**, respecting their permissions and protecting and securing their information. We promote a strong internal culture where our employees understand the critical nature of privacy and security risks and know how to manage them. Privacy and security are fundamental to our global Code of Conduct, by which all Vodafone employees are bound.

Vodafone Privacy Commitments are based on:

Respect: We value privacy because of its value to people. It's about more than legal compliance it's about building a culture that respects privacy and justifies the trust placed in us.

Openness and honesty: We communicate clearly about actions we take that may impact privacy, we ensure our actions reflect our words and we are open to feedback about our actions.

Choice: We give people the ability to make simple and meaningful choices about their privacy.

Privacy-by-design: Respect for privacy is a key component in the design, development and delivery of our products and services.

Balance: When we are required to balance the right to privacy against other obligations necessary to a free and secure society, we work to minimise privacy impacts.

Laws and standards: We comply with privacy laws and we will work with governments, regulators, policy makers and opinion formers for better and more meaningful privacy laws and standards.

Accountability: We are accountable for living up to these principles throughout our corporate family, including when working with our partners and suppliers.

Governments also have legal powers to demand access to customer communications and data and we manage these challenging issues through the policies and procedures covered in detail in our Law Enforcement Disclosure report¹.

Health and Safety

Ensuring the safety of everyone involved in operations is core to Vodafone. The company believes all accidents and injuries are preventable and that driving a culture where safety is an integral part of decision making across the company.

Loss of life or injury related to Vodafone operations is unacceptable. Vodafone strategy is designed to tackle the root causes of major incidents and to create a mature safety culture. The company programmes and policies establish how employees and contractors identify and manage risks and take personal responsibility for their own safety and the safety of those around them. This vigilance is essential to Vodafone's vision, not just of eliminating major incidents but preventing any incidents that could affect the health and safety of people.

Vodafone focuses on reducing the impact of the top five risks across their operations: **occupational road risk, working with electricity, working at height,**

control of contractors and cables in the ground. All markets, supply chain teams and group technology teams to clearly demonstrate what they are doing to reduce or eliminate these risks and promote awareness of Absolute Rules on safety. In 2014/15, 91% of employees agreed that the Absolute Rules for Health and Safety are taken seriously at Vodafone.

Our Absolute Rules on safety focus on high-risk activities and zero tolerance of unsafe behaviours. Vodafone employees must:

- Always wear seatbelts when travelling in or operating vehicles
- Always use suitable personal protective equipment, a safety harness and fall protection when working at height
- Never carry out electrical work on electrical equipment, circuits and gear if they are not qualified
- Never work under the influence of substances (alcohol or drugs) that are illegal or in excess of legal levels or where this impairs the individual's ability to perform tasks
- Never exceed speed limits or travel at speeds that are dangerous for the type of vehicle or conditions

¹ For more information please refer to our Law Enforcement Disclosure Report 2015: https://www.vodafone.com/content/dam/sustainability/2014/pdf/operating-responsibly/law_enforcement_disclosure_report_2015_update.pdf

- Never use a hand-held phone while driving and only make calls by pulling over or using hands-free devices, when it is safe to do so
- Never undertake any street or underground work activities unless competent to do so.

Anti-bribery Programme

Vodafone has a zero-tolerance approach to any form of bribery. This is embedded across the company through a robust global anti-bribery programme, which is aligned with the guiding principles of the UK Bribery Act. The approach includes procedures, top-level commitment, and continuous risk assessment, due diligence, communication and training.

Vodafone anti-bribery programme is managed centrally to ensure a consistency across local markets, which are provided with a framework of procedures for implementation.

Vodafone's senior managers take an active role in the global anti-bribery programme and it has sponsorship from a member of the Executive Committee. Local CEOs in higher-risk markets must commit to a set of specific anti-bribery programme actions. Nominated policy champions are also responsible for implementing the anti-bribery programme in their local markets and sharing their practices.

Vodafone global risk assessment model annually reviewed. This model provides a consistent framework

to identify and analyse new and emerging bribery risks in local markets, which shape policy and procedures across the Group. Vodafone anti-bribery requirements cover identification of high-risk suppliers and business partners by filtering them in the qualification process and terms in supplier contracts, as well as performance management programme for strategic suppliers, for which Vodafone Albania applies a Supply Chain Policy & Procedure.

Anti-bribery policy is included in the Code of Conduct and promoted on a dedicated intranet page with clear and concise guidance. It is supported by a global training and communication programme that includes an anti-bribery e-learning tool available to all employees. Face-to-face workshops in all markets help ensure employees working in higher-risk areas (such as procurement, enterprise and government relations) have a practical understanding of the key issues.

Monitoring and review: The global anti-bribery champions meet quarterly to discuss anti-bribery programme and share best practice. The group regularly monitors and reviews compliance with anti-bribery requirements and addresses any new or emerging risks.

Responsible Supply Chain

Vodafone Albania works with all suppliers to help them meet ethical, health and safety, social and environmental standards and improve their performance through monitoring, assessments and engagement. High ethical, health and safety, social and environmental standards are demanded of all company's suppliers. These standards are clearly set in the Code of Ethical Purchasing² and in the initial *qualification process*. This process is a Vodafone Group-wide tendering process (known as a request for quotation or RFQ) includes criteria for relevant suppliers – identified on the basis of degree of risk to the business – to assess the impact and likelihood of failure to meet standards for operating ethically and responsibly.

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Vodafone's Code of Ethical Purchasing and other supplier policies are found at www.vodafone.com/policies. Criteria include labour standards, health and safety, environmental management and prevention of bribery and corruption. For example, suppliers' health and safety performance is a key factor for projects involving high-risk activities, such as working at height, and suppliers that do not meet our minimum requirements are not awarded work.

Reporting concerns: Speak Up Policy

All Vodafone Albania employees and contractors can report any suspected breaches of the Code of Conduct, which is known as the company Speak Up policy. The Speak Up process, to promote a culture of transparency, ensures a consistent approach in responding to concerns through global external reporting scheme, where employees and contractors can report concerns anonymously via a third party. Employees also have the option to report concerns directly to their line managers or local human resources teams. **Protecting innocent people is a Vodafone priority at all times.** Whistle-blowers who choose to report concerns anonymously can identify themselves to Vodafone's external partner using a personal identification number in order to receive feedback. Vodafone has a non-retaliation policy and will not take action against anyone reporting a genuine concern.

² Code of Ethical Purchasing: ([http://vodafone.com/content/dam/group/suppliers/downloads/VPC_SupplierPolicy_A2_Code_of_Ethical_Purchasing_\(V3.0\).pdf](http://vodafone.com/content/dam/group/suppliers/downloads/VPC_SupplierPolicy_A2_Code_of_Ethical_Purchasing_(V3.0).pdf))

Taking action

Vodafone investigates reported concerns to resolve issues promptly and takes disciplinary action where appropriate. Any issue involving bribery, corruption or breaches of competition law must be reported immediately.

Responsible, Ethical & Lawful

The implementation programme of the Code of Conduct showcases how Vodafone employees have a culture of always acting with integrity to ensure trust among our customers, colleagues, business Partners and the communities in which we work.³ Being an admired company for Vodafone is not just about performance and achievements, it's also about acting in a responsible, ethical and lawful way.

³ For more information please refer to our 2014/15 Sustainability Report, in the link below: <http://www.vodafone.com/content/dam/vodafone-images/sustainability/downloads/vodafone-full-report-2015.pdf>

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SECTION 5

**ROLE
OF GOVERNMENT**

The primary function of code of ethics is to establish the sense of moral duty and obligation of that business to obey the laws and regulations of the Albanian national and local governments in the course of its day-to-day business activity. Although the Albanian Government doesn't not require a business to adopt an ethics code, it is clearly in the best interest of the government that ethics code be recognized and accepted as a part of the business environment in Albania.

The role of the Albanian Government, as with all governments worldwide, is to maintain and strengthen the system of rule of law, which includes clear regulations and laws, a transparent process of administrating these laws, fair and predictable law enforcement against violations and an accessible and efficient mechanism for resolving disputes. The Albanian government should also consider mechanisms that help demonstrate national intent and standards regarding the duty and obligation of citizens, organizations and businesses to obey the laws.

Albania is taking steps towards a new approach regarding Corporate Social Responsibility's best practices, because being part of the EU integration processes and globalization, Social Corporate Responsibility takes a great importance too.

Ministry of Economic Development, Trade, Tourism and Entrepreneurship is being also committed to the drafting of the National Plan 2016-

2020, in support of SMEs which are engaged to the implementation of CSR practices in Albania.

Objectives of the National Action Plan will be focused on:

- To encourage enterprises developing and implementing CSR policies and practices and their application in business operations
- To create an enabling environment and regulatory framework to develop CSR
- To construct and develop CSR capacities and competencies in small and medium companies
- To increase transparency and reporting of CSR activities for enterprises
- To promote social entrepreneurship and CSR from business organizations and civil society
- Annual Prices Ceremony for CSR promotion from companies and the evaluation of the best practices within their operations.

All private codes for ethical business conduct are the exclusive responsibility of each individual business operating in Albania. Although the Albanian government does not constitute a legal obligation in requiring these codes of ethics for businesses, it is advisable to start applying and promoting the OECD Guidelines for Multinational Enterprises, which are publicly available to all businesses and can serve as an inspiration for private business codes of conduct.

The instrument of Corporate Social Responsibility of the Organization for Economic Cooperation and Development (OECD), include the OECD Guidelines for Multinational Enterprises. The Guidelines present the most comprehensive set of government-backed recommendations on responsible business conduct in existence today. The governments that adhere to the *Guidelines* aim to encourage the positive contributions MNEs can make to sustainable development and to minimize the difficulties to which their various operations may give rise.

The OECD guidelines for multinational enterprises **“RESPONSIBLE BUSINESS CONDUCT MATTERS”**

The text can be accessed at: <http://mneguidelines.oecd.org/MNEguidelinesRBCmatters.pdf>

Online Resources

<http://www.titan.gr/en/titan-group/code-of-conduct/>

https://www.vodafone.com/content/dam/sustainability/pdfs/vodafone_code_of_conduct_2012.pdf

<http://www.albaniancsrnetwork.org/>

<http://www.csreurope.org/albanian-csr-network>

http://www.ekonomia.gov.al/files/documents_files/National_Report_on_CRS_2013.pdf

http://mneguidelines.oecd.org/MNEguidelines_RBC-matters.pdf

http://www.lloydsbankinggroup.com/globalassets/documents/our-group/responsibility/policies-and-codes/code_of_business_responsibility.pdf

http://www.lloydsbankinggroup.com/globalassets/our-group/responsible-business/download-centre/rb_summary_report_2013.pdf

http://group.intesasanpaolo.com/portallsir0/isInvestor/en_sostenibilita/CodiceEtico_en.pdf

http://www.intesasanpaolobank.al/web/pub/intesasanpaolosustainabilityreport2012_855_1.pdf

<file:///C:/Users/User/Downloads/TUV-AUSTRIA-Hellas-Code-of-Ethics.pdf>

<http://www.ineko.sk/>

<http://alianciapas.sk/en/>

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www.fiaalbania.al