



INTESA SANPAOLO BANK

Albania

Code of Ethics

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Important notice: this Code of Ethics is a local adaptation of the Parent Company from which it draws inspiration and with which it complies specifically regarding long term strategy

Our values

Our social and environmental responsibility

Intesa Sanpaolo Bank Albania joins Intesa Sanpaolo Group efforts to contribute to the preservation of our natural environment, health, work, the future, the well-being of the entire community and the protection of the social relations system.

In this framework Intesa Sanpaolo Bank Albania promotes and implements corporate and social responsibility policies and practices in relation to its staff, its clients, its suppliers and its shareholders

This Code, which is a governance tool, is part of the wider vision of our social and environmental responsibility and attributes primary importance to our relations with our stakeholders. From constructive dialogue with them springs a process that activates a circle of continuous improvement, through listening to requests and balancing them with respect to company strategy.

Implementation of monitoring and reporting system are tools that help us to keep the values that this Code sets out alive and working properly In our company life.

Our mission

Intesa Sanpaolo Bank Albania, as part of Intesa Sanpaolo Group works to provide quality banking and financial services to its customers, supporting the development of families and of the country, contributing to the improvement of financial services provided to Albanian communities in Albania and abroad.

We aim to achieve sustainable results and the creation of a process based on the trust deriving from customer and shareholder satisfaction, a sense of belonging on the part of our employees and close monitoring of the needs of the community.

We compete on the market with a sense of fair play and are ready to cooperate with other economic entities, both private and public, whenever necessary to reinforce the overall capacity for growth of the economies of the countries in which we operate.

We take responsibility for prudent savings management, we undertake to widen the access to credit and financial instruments to everyone, and the sustainable development of the entrepreneurial system, being aware that our decisions have important impacts, direct and indirect, on the natural environment and the community. We want to contribute to the welling (not only material) of both by sustaining and carrying out cultural projects and others that are for the common good.

Reference values and principles

Our growth strategy reflects the global strategy of Intesa Sanpaolo Group aiming at creating solid and sustainable values from economic and financial, social and environmental points of view, built on the trust of all our stakeholders and based on the following values:

Integrity

We pursue our goals with honesty, fairness and responsibility in the full and true respect of the rules and professional ethics and in the spirit of signed agreements.

Excellence

We set ourselves the goal of continuous improvement, farsightedness, anticipating challenges, cultivating extensive creativity aimed at innovation; moreover we recognize and reward merits.

Transparency

We are committed to making transparency the basis of our actions, advertising and contracts in order to allow all our stakeholders to make independent and informed decisions.

Respect for specific qualities

It is our intention to combine large-scale operations with profound local roots and to be a bank with a broad vision, without losing sight of individuals.

Equity

We are committed to eliminating all forms of discrimination from our conduct and to respect differences in sex, age, race, religion, political and union persuasions, language or disability.

Values of the individual

The value of each single person is a guide for our *modus operandi* we use listening and dialogue as tools for continuously improving our relationships with all our stakeholders.

Responsibility in the use of resources

We aim to use all our resources attentively, promote behavior based on the best use of resources and the avoidance of waste and ostentation, and we give priority to choices that take sustainability into account.

Principles of conduct in stakeholder relations

Intesa Sanpaolo Bank Albania in line with the, Intesa Sanpaolo Group values, and Global Compact principles promoted by the United Nations, to 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 Labor Organization) and in particular the right of association and collective bargaining, the prohibition of forced and child labor and non-discrimination in hiring practices
- contribute to the fight against corruption, sustaining the guidelines of the OEC D (the Organization for Economic Co-operation and Development) and the anti-corruption principles established by the United Nations in 2003

Principles of conduct in customer relations

Listening and dialogue

We believe that customers should always be at the centre of our attention and that only through on-going dialogue can we truly understand their actual expectations and maintain excellent relations:

- in the development of new products and services we use systematic dialogue aids in order to understand the suggestions made by customers,
- through dialogue with our customers we can accurately identify their risk profiles, a fundamental starting point to offering advice and financial products that are consistent with their needs We realize that in so doing we play an important role in assisting investors and providing prudent savings management services
- we promptly respond to questions and complaints, aiming for a real and not formal resolution to controversies

Transparency

We believe enduring relationships based on trust require communication that allows customers to understand always the features and value of all the products and services offered to them and/or purchased by them:

- we simplify the products, make contracts easily understood and reduce possible misunderstandings and ambiguities by providing clear \ and exhaustive information
- we prepare clear communication and notify through all available channels

Equity

We believe that everybody should have access to our product and services

- we do not discriminate against our customers on the basis of their nationality, sex or religion
- we apply price policies in compliance with the quality of the product and service offered

Access to credit

While considering the principles of prudence in the assessment of creditworthiness, which safeguard not only our interest but also that of the customers themselves we:

- identify the possible areas of intervention and as a consequence we widen our range of products and services that support continuously evolving social dynamics better
- sustain the development of new entrepreneur to favor activities having the potential to create previously unexpressed economic and social value
- in line with our Group policies we aim to build up instruments that will facilitate access to credit to socially oriented and non-profit ventures which contribute by their activity to the improvement of the social climate of the country

Supporting the development of the country

We believe that a great bank has a specific responsibility to promote economic and social growth in the country where it operates and to:

- assist companies in expanding and improving of their competitiveness, and in developing their business
- support worthy companies with valid projects, even at difficult times, in the achievement of innovative solutions for reorganizing and relaunching
- support the public sector and local authorities as far as our role allows, by cooperating without interfering and promoting financial solutions that ensure a long-term equilibrium in view of a growth and modernization that concur to improve the quality of life for society in general
- apply the best standards internationally recognized in particular in infrastructure projects conform to guidelines for social and environmental impact

Promotion of the local economies and support of the Albanian communities abroad

We believe that an effective support linking economic results with the respect of fundamental values can release all the potential of small and medium enterprises.

- we highly value our relation with the local community and consider a close approach to the needs of the areas where we operate to be essential. For this reason we establish internal organization processes and instruments aimed at simplifying and developing an appropriate supply with the intent of being a bank that "connects" and not just a sales network
- we work closely with communities with the aim to develop products and services that facilitate integration of the Albanian communities in the countries living abroad
- we promote initiatives with a high social value also in partnership with specialized local operators
- We develop multi-channels to favor access to our services

Socially responsible investments

It is our belief that investments must always give more weight to social and environmental criteria and the good governance of companies in order to promote balanced and sustainable development. We offer our customers the opportunity to choose products managed according to ethical principles and we aim at activating a process involving the progressive sensitization of customers and commitment of the companies to sustainable behavior .

Security and Safety

We believe that protecting the security of our customer, as well as their assets and confidential information, is not only a primary duty but also the basis of a trusting relationship-that we wish to maintain with them and we:

- undertake to protect persons, their assets and valuables, as well as their wealth of information and internal organizational processes in such a way as to provide a service that completely meets the requisites of reliability, continuity and confidentiality
- guarantee constant compliance with the law
- observe criteria of absolute transparency in informing our customers about their rights to privacy and the way in which we handle their personal information

Assessment of social-environmental risk

We believe that our investment decisions and credit policies must also take into account social-environmental risks inasmuch as a business that produces economic value can be sustainable only if it does not simultaneously destroy social or environmental value, therefore we:

- comply with national and international protocols for compliance with social and environmental standards
- promote peaceful coexistence and avoid providing financial support to economic activities that might jeopardize it

Principles of conduct in shareholder relations

Equity

- We act in such a way that the value of all shareholders' capital invested in Intesa Sanpaolo Bank Albania is protected and increased in a sustainable manner
- we guarantee equal information and the best attention to shareholders, without any discrimination or preferences

Transparency on the market

All the financial communications of Intesa Sanpaolo Bank Albania, as well as those submitted to the Supervisory and Control Authorities, both domestic and international, are based on the transparency, exhaustiveness and timeliness of the information, as well as on full respect for the law and the codes of self-discipline adopted:

- we guarantee to shareholders and the financial community in general timely and transparent communication with the intent of providing clear, complete and prompt information on the status of the Bank's results and strategies. In order to guarantee equal information, we use various channels including the web, where we publish:
 - o financial statements
 - o annual report
 - o Press releases and presentations to the market of corporate results
 - o Principals data of the corporate

Remuneration policies for management and staff

Apart from what is envisaged by the Articles of Association the laws and regulations currently in force, we envisage the implementation of transparent remuneration and incentive systems, aimed at all levels and grades of our staff, with a view to encouraging competitively and to attracting and maintaining the best professional skills within the Group. In defining the remuneration and incentivizing structure, we ensure a central role for the bank's Boards. The Shareholders' General Meeting is constantly informed with regard to the policies adopted for staff remuneration and incentives; this establishes the compensation for the Members of the Board of Director;

The Board of Directors is responsible for approving staff remuneration policies.

As to the criteria applied constantly, the remuneration policy (including the variable components) adopted for staff is based on equality, merit and the sustainability of results. The guidelines for the definition of the management remuneration policy are based on objective parameters and elements deriving from the assessment of job roles as well as of performance and potential, with the aim of constituting an integrated system for managing staff and aiding their development.

Our remuneration systems are in line with policies advocating prudent risk management and long-term strategies. We envisage incentivizing forms of retribution – connected to company results – which should be congruent with respect to the risk taken and structured in such a way as to avoid producing incentives that are not in keeping with the bank's interests from a long term point of view.

All the members of the Board of Directors receive compensation according to the entire period of their appointment and are not based on financial instruments, nor on incentives connected to economic results. As far as compensation for the Managing Director and management, is concerned, we envisage limits based on an equal balance of fixed and variable components and, with regard to the latter, we apply suitable risk assessment mechanisms aiming at ensuring a connection with effective and lasting results.

The same limit system aimed at adequate balancing between the fixed and variable components form the basis for policies aimed at all staff, including market operators and traders. We also ensure adequate compensation for those in charge of internal auditing and for the executive in charge of drawing up financial statements, taking into account their responsibilities and the commitment that their role involves.

We apply a limit to the remuneration envisaged in the case of cessation of employment, with respect to legislative and contractual rules and regulations currently in force. We exclude the distribution of incentives in the case of negative results.

Principles of conduct in employee relation

Respect for the individual

We believe that respect for the personality and dignity of each employee is fundamental for developing a work environment based on reciprocal trust and loyalty and which is enriched by the contribution of each individual, thus we:

- adopt procedures for the hiring and management of employees that are based on fairness and consistent conduct, preventing favoritism, abuse and discrimination based on sex, ethnic origin, religion, political beliefs or union participation' language, age or disabilities
- guarantee equal opportunities for professional development and growth, access to training programs, refresher courses and the assignment of job positions
- acknowledge the possibility for all employees to express individuality and creativity in their job and we bring out the best in each of them This gives us a thrust towards innovation and provides an essential contribution to the growth of the Group
- pursue excellence in our results in terms of quantity and quality through our commercial deals and budget policies that are targeted, planned and monitored in compliance With the ethical principles of this Code. We respect the professional standing and dignity of all our employees, as well as the singularity of the context in which they operate
- pay maximum attention to defining our goals, making them easy to understand and share in order to promote proper and transparent behaviors in our relations with customers
- set up objective and transparent incentive systems that contemplate realistic attainable goals
- make people's work easier by simplifying the products, procedures and forms of communication and we safeguard their health and safety by adopting increasingly effective measures
- promote policies that make the personal and professional lives of all our employees easier being well aware that the private life of each employees is essential to his/her well-being

Appreciation and motivation

In our intention to apply fairness, equality and merit in the assessment, rewards, motivation and career development of our staff we:

- recognize that the ensemble of relational, organizational and technical skills of each employee is our main strategic resource; we undertake to protect and bring out the best in them because this is a key factor in maintaining sustainable competitive advantages
- adopt systems for assessing the behaviors, skills, know-how and potentialities of our employees according to criteria of transparency and appreciation of their merits In order to reinforce motivation and give fair rewards to incentives the achievement of excellent results
- develop training programs that focus on individual needs in the conviction that listening to the needs expressed by our employees is vital In designing training processes
- put each individual In a condition to best interpret their role to favor the on-going improvement of their skills, developing their capacity for teamwork and contributing to the achievement of the company's goals
- promote the responsible participation of people and ask that they always apply themselves earnestly so that they feel involved in the banks growth process,
- ask our people to cooperate in the responsible use of all the resources they need to do their Job

Listening and dialogue

We believe that listening and dialogue are the foundation of relationships that generate trust, hence we:

- promote the strategic role of internal communication to help people to participate with more awareness in the life of the company
- base communication on criteria of correctness, completeness, simplicity and transparency
- develop instruments for sharing information and promote the discussion of experiences that also favor comparisons and integration among the various territorial entities of the Group
- undertake to develop, in those who have positions of responsibility, a specific sensitivity and perceptiveness toward the needs of employees; we teach them to appreciate suggestions and differences of opinion as opportunities for company growth and improvement

Cohesion

Cohesion is the distinctive trait of a community of people who work well together and are proud to belong to a large company. In order to foster and strengthen the spirit of cohesion in all employees within a strong and shared company identity we:

- explain and spread our values, and continuously check their relevance so that all employees can identify with those values
- make information available to everyone about the Group's strategies and goals for the purpose of sharing the elements that characterize our identity
- foster, in those holding positions of responsibility, the capacity to act as guides and referees; their actions always comply with the company's ethical principles
- adopt management and reward policies that acknowledge and appreciate individual and group contributions to the achievement of our goals
- envisage forms of co-participation, even on an economic level, in the company's achievements
- promote initiatives for building solidarity to support colleagues who are going through difficulties and to pursue socially significant goals

Principles of conduct in supplier relations

Listening and dialogue

We believe that behavior based on listening and sharing ideas with our suppliers fosters the on-going improvement of those relationships, reinforcing them and generating reciprocal value through:

- attitudes based on trust that involve the suppliers in an active role
- measuring the level of satisfaction of our suppliers and determining the areas that need improvement. particularly regarding transparency, communication and compliance with terms of payment

Transparency

We believe that a clear and transparent attitude contributes to maintaining enduring relationships with our suppliers. We are convinced that integrity is a fundamental premise of these relationships and therefore:

- our choice of suppliers is based on clear and proven criteria through an objective and transparent procedure
- we are faithful to company policies that base relationships on maximum honesty, especially in the management and conclusion of contracts, thereby avoiding situations of conflict of interest, even potential ones
- in the specific case of professional consultancy, we base our decisions on professional and competence criteria and avoid conflicts of interest, even potential ones
- we communicate our policies related to suppliers relations

Equity

We believe that a big company should be able to manage responsibly the contractual position;

- guarantee equal opportunity in the selection of suppliers and commercial partners, taking into account their compatibility with and capacity for the size and needs of our company
- undertake to make sure that the contracts stipulated with our suppliers are based on fairness, especially regarding terms of payment and administrative compliance

Principles of conduct regarding the environment

Environmental protection is one of the key dimensions of our commitment to fulfill our social responsibilities. We join the idea that a Group like Intesa Sanpaolo has a significant influence in terms of environment sustain ability, particularly in the social and environmental context in which it carries out its operation, both in short and long term. From this vantage point we guarantee complete and substantial compliance with legislative provisions regarding the environment

- continuously seek new and effective solutions for the environment even through the offer of products and services to our customers and solutions to our suppliers
- undertake to spread best practices regarding environmental responsibility, through the Implementation of international principles such as the UNEP Declaration, the Global Compact of the United Nations

Responsible and efficient use of resources

- we pursue the conscientious consumption of the resources we need to carry out our business by implementing an environmental management system and actively Improving the energy efficiency of our activities
- we Endeavour to improve the environment continuously, also by monitoring environmental data and stimulating the awareness within the staff

Environmental and social responsibility along the supply chain

- we recognize that our responsibility to the environment and society extends along the entire supply chain and for this reason we try to orient the policies of our suppliers and subcontractors towards environmental protection and the respect of human and workers' rights
- we value suppliers who base their business on environmental and social sustainability and who adopt the measures and instruments needed to minimize the negative Impacts caused by their activities
- we undertake to make our suppliers sensitive to adopting a responsible attitude that favors awareness of the environmental, social and ethical risks and opportunities deriving from their activities

Principles of conduct regarding the community

Dialogue with associations representing our stakeholders

We feel that dialogue with associations is of strategic importance for the sustainable development of our business and moreover we:

- listen to and take into account observations about our activities expressed by various organizations
- keep a channel of communication open with associations that represent the interest of our stakeholders, with the aim of cooperating in relation to mutual interests and preventing possible situations of conflict

Support to communities through contributions and sponsorships

We determine the needs, material and otherwise, of the community and support them, also through liberal grants and sponsorships:

- in choosing possible areas of intervention, we pay special attention to the observance of our reference values, the merit of the initiatives proposed to us and the importance of the social needs they will respond to - among which the appreciation and protection of historical, artistic and cultural heritage
- by operating according to transparent and accountable procedures and through formalities that prevent any possible personal or corporate conflicts of interest
- making sure that our grants are unrelated to the pursuit of commercial interests

Relations with institutions

Our institutional relations with the State in its various agencies and with international organizations are aimed exclusively at forms of communication for assessing the implications of legislative or administrative activities regarding Intesa Sanpaolo bank Albania. We respond to informal requests and in any event make known our position on significant issues:

- we establish dedicated and authorized channels of communication with all institutional contacts whether they be international, domestic or local
- we represent our interests in a transparent manner
- we adopt specific organizational models to prevent crimes against Public Administration and thereby protect the interests of society and all its stakeholders
- we actively contribute to the initiatives taken by associations and business organizations aimed at the growth, stability and fairness of the banking and financial system

Mechanisms for implementing the principles, governance and internal auditing

The mechanisms for implementation, governance and control explained here are aimed at achieving the following goals:

- integration of Bank strategies, policies and procedures with shared ethical principles and values;
- audit and control over compliance with actions and behaviors with respect to shared ethical standards.

Implementation of the Code of Ethics

The Code of Ethics and any future amendments shall be approved by the Management Board and the Supervisory Board of Intesa Sanpaolo.

The Corporate Social Responsibility function under Compliance Office is responsible for updating the Code.

Code of Ethics Governance

Procedures for disclosure, participation and involvement

The Code of Ethics is published on the web site (www.intesasanpaolobank.al) where it can be accessed by customers and interested parties; it is also available in a section of the Bank's intranet.

A hardcopy of the Code is delivered to each director, employee or external collaborator upon their appointment, hiring or the start of a job relationship.

The values and principles that Intesa Sanpaolo Bank Albania intends to affirm through the Code of Ethics shall be conveyed through training activities aimed at achieving consensus on the contents of the Code of Ethics and providing instruments for raising awareness and knowledge about the mechanisms and procedures for translating the ethical principles into behaviors to be implemented materially in daily activities.

In particular training courses will be set up with contents suitable to the job role of each participant and developed according to a process that will complete their professional training and foster their personal growth.

The culture and values of the Code of Ethics will also be developed and circulated by means of all internal communication channels.

The assessment of the performance of those in positions of responsibility will also take into account compliance with the ethical principles concerning relationships with employees.

Procedures for the internal management and control of the Code of Ethics

Intesa Sanpaolo Bank Albania has in force and applicable the Code of Conduct which complies in full with the ethical principal and values of the present Code, defines the essential standards of conduct for directors, employees and consultants in implementing and protecting the values of the Code of Ethics.

The model from which Intesa Sanpaolo Bank Albania draws inspiration is based on the self-responsibility of departments that pursue and defend the reputational value of socially responsible behaviors. Intesa Sanpaolo Bank Albania undertakes to formulate and implement operative policies for each area of activity having significant ethical and reputational impact.

Every bank department preserves and guarantees the compliance of their actions and activities with the principles and values of the Code of Ethics. Every department is therefore directly responsible, within its own sphere of influence, for determining and formalizing the goals as well as the consequent plan of actions and projects to give a tangible meaning to the Principles of Conduct that dictate the Bank's behaviors in all of its relationships, even in a multi-stakeholder logic.

Moreover each department is responsible for carrying out the line controls in its own area of competence, detecting cases of non-compliance that might occur within its department and reporting them to the appropriate departments according to the procedures set up by the company.

Heads of Divisions/Offices, in order to make the principle of self-responsibility effective, shall appoint the Corporate Social Responsibility (CSR) referees. They shall operate within the department in question and in a network between departments. They shall also cooperate with the Corporate Social Responsibility Delegate under Compliance Office by identifying the social responsibility objectives within their own department, managing, monitoring, and periodically reporting on the projects in progress and maintaining relations with the reference stakeholders.

The Corporate Social Responsibility Delegate under Compliance Office supports and advises departments within the company and sees to the preparation of effective monitoring procedures to ensure that policies, products and processes comply with the Code of Ethics. To this end, in concert with the assigned departments, amongst which in particular the Real Estate, Procurement & General Services Department under Operational Division and the Human Resource Department, it identifies specific indicators that allow them to assess the achievement of social and environmental goals. These assessments shall be included in a report to guarantee that commitments have been honored. Furthermore it cooperates with the Human Resource Department in the development and spreading of the culture and values contained in the Code of Ethics.

It performs secondary controls for the purpose of determining potential critical issues; it monitors the development of the same, and, in cooperation with the departments concerned, deals with the corrective measures for overcoming said critical issues.

It proposes the appropriate changes to be made to the Code to make it consistent with and current to the Bank's situation.

It assures an on-going flow of communication to the Chief Executive Officer of the Bank and Executive Committee, also through Audit Committee, with regard to both day-to-day management and the handling of unexpected situations.

The Internal Audit Department of the Bank supervises to make sure the Bank's operations and processes are carried out properly, as well as to ensure compliance with the rules governed by the Internal Code of Conduct to protect the value of activities, including those relative to the Bank's ethical commitments and social responsibilities (ethical auditing).

It supports the Audit Committee of the Bank in overseeing compliance with the principles and values contained in the present Code of Ethics. To this end it receives and analyzes reports relevant to breaches of the Code of Ethics.

The Audit Committee of the Bank, in its supervisory role, oversees compliance with the principles and values contained in the present Code of Ethics. It receives a periodical report published by the Corporate Social Responsibility function under Compliance Office, on the basis of information gathered also from Compliance and Internal Auditing regarding the outcome of checks concerning internal processes of compliance carried out by all structures of the bank, management of corrective measures, as well as serious irregularities and cases of non-compliance.

Actions in cases of non-compliance

In cases of non-compliance of this Code, Intesa Sanpaolo Bank Albania shall adopt the consequent measures according to a constructive approach – in cases other than fraudulent conduct or acts committed by the infringement of specific laws, contracts or regulations – sometimes even establishing training programs to reinforce the sensitivity and attention of individuals regarding compliance with the values and principles declared in the present Code of Ethics.

Reporting cases of non-compliance

Reports of cases of non-compliance with the present Code should be sent by email to code.ethics@intesasanpaolobank.al or by regular post to the following address: Intesa Sanpaolo Bank Albania, Compliance Office, Rr. Barrikadave, 1016 Tirane Albania.

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