

CODE OF CONDUCT FOR OFFICIALS OF THE BOARD OF DIRECTORS OF THE EBRD

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Introduction

This Code of Conduct (the “Code”) has been revised by the Board of Governors in accordance with section 7 of the By-laws of the European Bank for Reconstruction and Development (the “Bank”). It applies to Directors, Alternate Directors or Temporary Alternate Directors and Advisers (“Board Official(s)”), and to them only. However, to the extent set out in this Code, Board Officials are required to consider the activities of, and disclose certain information about their Immediate Family. This Code also provides the basis for the functioning of the Ethics Committee, whose role is important to promote ethical behaviour among Covered Persons including Board Officials. The Code is designed to foster the highest standards of integrity, ethical conduct, honesty and propriety among Board Officials, and to be supportive of the values, reputation, integrity and mission of the Bank.

Definitions

For the purposes of this Code, the terms below shall have the following meanings:

- (i) “Affiliate(s)” means any entity controlled, directly or indirectly, by another entity (the controlling entity), any entity that directly or indirectly controls the controlling entity or any entity directly or indirectly under common control with the controlling entity.
- (ii) “Authorities” means:
 - (1) in respect of a Director, the member(s) represented by the Governor(s) who elected him/her or who assigned their votes to him/her; and
 - (2) in respect of an Alternate Director or an Adviser, the member(s) represented by the Governor(s) who elected or assigned their votes to the Director who appointed him/her, and the Director who appointed him/her.
- (iii) “Bank Personnel” has the meaning given in the Staff Code.
- (iv) “Banking Counterparty” means any existing client or sponsor of projects financed or to be financed by the Bank, or an Affiliate of any such entity.
- (v) “Confidential Information” means information that is considered as such by the Bank under the Bank’s Access to Information Policy, as amended from time to time.
- (vi) “Conflict of Interest” means a situation or circumstances in which past or present private interests of Board Officials influence or may influence the objective and impartial performance of their official duties. In this regard, private interests include any advantage for themselves, their families or personal acquaintances, as well as any present or past activity or activities the engagement in which may interfere or conflict with his/her official duties or status or bring the Bank into disrepute.

- (vii) “Covered Person(s)” means any of Board Officials, the President, Vice-Presidents, the Chief Evaluator, the Chief Accountability Officer, the Chief Compliance Officer and the Chief Internal Auditor.
- (viii) “De Minimis Interest” means a Financial Interest which constitutes less than one percent of the total of any class of outstanding securities of an entity.
- (ix) “Designated Officer” means, as applicable, any:
 - a. person designated by the Ethics Committee in accordance with Rule 16(b) of this Code or Rule 15(b) of the Staff Code; or
 - b. Investigator as defined in this Code or the Staff Code,in each case, acting as such in the carrying out of their duties under the Board Code and/or the Staff Code relative to allegations of misconduct of Covered Person(s) and to the extent necessary to carry out such duties.
- (x) “Ethics Committee” means the committee referred to in Rule 14 of this Code.
- (xi) “Financial Interest” means any right to receive interest, dividends, capital appreciation, fees or other payment or monetary or in-kind benefit.
- (xii) Formal Investigation means an investigation pursuant to Rule 17 of this Code.
- (xiii) “Immediate Family” means a Board Official’s Spouse or Domestic Partner, and/or Dependent Children as those terms are defined in the Directive “General Provisions and Glossary of Terms for the Staff Handbook”, as amended from time to time.
- (xiv) “Information Assets” has the meaning given in the Information Security Policy as amended from time to time.
- (xv) “Initial Inquiry” means an initial inquiry conducted pursuant to Rule 16 of this Code.
- (xvi) “Investigator” means the person appointed pursuant to Rule 17(a) of this Code.
- (xvii) “Investigator’s Final Report” means the finalised report of the Investigator, together with the appended and included elements as described in Rule 17(g) or (as applicable) Rule 17(h)(ii) of this Code.
- (xviii) “IT Facilities” has the meaning given in the Information Security Policy, as amended from time to time.
- (xix) “Precautionary Measures” means any or all of the measures specified in Rule 19(a) of this Code.

- (xx) “Prohibited Practice” means any practice that is defined as such in the Bank’s Enforcement Policy and Procedures, as amended from time to time.
- (xxi) “Protected Activity” has the meaning given in the Whistleblowing Policy.
- (xxii) “Relevant Entity” means any entity engaged in a financial transaction or other financial or supplier relationship with the Bank, including any Banking Counterparty.
- (xxiii) “Retaliation” has the meaning given in the Whistleblowing Policy.
- (xxiv) “Rule 17 Documents” has the meaning given Rule 17(h)(i)(A)(2) of this Code.
- (xxv) “Rules of Procedure for the Ethics Committee” means the procedural rules referred to in Rule 22(b) of this Code, as from time to time amended in accordance with that Rule.
- (xxvi) “Short-Term Trading” means:
 - (1) any combination of buying and selling of any securities of the same issue within six months; and
 - (2) buying any derivative or securitisation product that does or may have a similar effect to (1) above.
- (xxvii) “Staff Code” means the Code of Conduct for EBRD Personnel, as amended from time to time.
- (xxviii) “Subject” means the Covered Person who is or was the subject of misconduct proceedings under this Code or under the Code of Conduct for EBRD Personnel.
- (xxix) “Undue Influence” on the part of a Board Official refers to the use of his/her position or authority to direct or cause Bank Personnel to act inconsistently with applicable policies, regulations, or procedures of the Bank, for example those concerning the consideration and processing of Bank projects, award of contracts, or management of human resources.
- (xxx) “Whistleblower” has the meaning given in the Whistleblowing Policy.
- (xxxi) “Whistleblowing Policy” means the Bank’s Whistleblowing Policy, as amended from time to time.

General Standards of Conduct

Rule 1

Board Officials shall observe the highest standards of integrity and ethical conduct and shall act with honesty and propriety. Their personal and professional conduct should, at all times, command respect and confidence in their status as officials of an international organisation and should contribute to the good governance of the Bank.

Duties of Board Officials

Rule 2

(a) Board Officials shall discharge their duties to the Bank with the interests and objectives of the Bank in view and consistent with their obligations to their Authorities. They shall take note of the requirement in the Bank's By-laws that they devote to the activities of the Bank such time and attention as the interests of the institution may require.

(b) Recognising that Bank Personnel owe their duty entirely to the Bank in the discharge of their offices and that Bank Personnel in their decisions have an obligation to weigh considerations impartially, Board Officials shall take note of the requirement in Article 32.3 of the Agreement Establishing the Bank that all members respect the international character of this duty. Consistent with this requirement, Board Officials shall refrain from exerting undue influence on Bank Personnel.

(c) Board Officials shall perform their official duties in a manner that preserves and enhances public confidence in their integrity and the integrity of the Bank.

(d) In their dealings with colleagues and Bank staff, Board Officials must show respect and tolerance for varied cultures, beliefs and backgrounds. They must avoid behaviour that constitutes harassment, sexual harassment, bullying or abuse of authority, or that could be perceived by others as such.

(e) Board Officials shall always bear in mind the reserve and tact incumbent upon them by reason of their international functions, and they must exercise the utmost discretion in regard to all matters relating to the Bank, both while they are Board Officials, as well as after their service with the Bank has ended.

Conflicts of Interest

Rule 3

Board Officials must avoid any situation involving a Conflict of Interest or the appearance of a Conflict of Interest. Board Officials finding themselves in such a situation must recuse themselves and inform the Chief Compliance Office of such recusal. In case of doubt, any Board Official, the President or the Chief Compliance Officer may request

interpretation whether a specific situation involves a Conflict of Interest or the appearance of a Conflict of Interest by the Ethics Committee pursuant to Rule 14(b)(i).

Outside Activities

Rule 4

(a) Except with the authorisation of the Ethics Committee, Board Officials may not engage in any outside activity, including self-employment or employment with, or the rendering of services to, any outside entity. Such authorisation will normally be given for outside activities so long as they are not incompatible with the full and proper performance of the Board Official's official duties and do not give rise to a Conflict of Interest.

(b) Authorisation under Rule 4(a) is not required for:

(i) non-remunerated, voluntary, community-based activities undertaken for a charitable, social, educational, religious or other similar entity, or for outside activities such as teaching, publishing or giving lectures, that are carried out during personal time, in a private capacity, so long as such activities:

(1) are consistent with the Board Official's obligations under Rules 1 and 3, and

(2) do not affect the relations of the Bank with the public or its members.

(ii) outside activities undertaken as part of the Board Official's official duties, such as teaching and publishing. Board Officials may not accept remuneration or other forms of compensation in connection with such outside activities, with the exception of reasonable travel and living expenses; and

(iii) work carried out at the request of their Authorities, including work for any governmental agency or political agency of the Authorities or any wholly or partially owned entity of the Authorities, provided that, consistent with Rule 2(a), Board Officials shall at all times ensure that the performance of any such work at the request of their Authorities does not affect their ability to devote to the activities of the Bank such time and attention as the interests of the institution may require. If the work affects the Bank's activities or policies, the Board Official should inform the President and the Ethics Committee.

Political Activities

Rule 5

Nothing in this Code affects the legitimate interest of Board Officials to participate in a democratic process or to be a member of a political party that espouses democratic principles. However, while serving at the Bank, Board Officials may not engage in such political activity that may interfere or conflict with their official duties or status. Any

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Board Official who is elected or appointed to political office or who accepts nomination for such an office must separate from the Bank where the holding of such political office may interfere or conflict with his/her official duties or status.

Employment

Rule 6

(a) Former Employers

Board Officials may not exercise any responsibility with respect to any Bank matter in which their former employers have or may have an interest, for a period of two years after they have separated from such former employers, without authorisation of the Ethics Committee.

(b) Prospective Employers

Board Officials must not allow the performance of their official duties to conflict with, or be affected by, possible or prospective employment with, or the rendering of services to, an outside entity. Therefore if a Board Official is seeking or negotiating for or has received an offer of employment or appointment outside of the Bank, he/she may not exercise any responsibility with respect to any Bank matter in which the prospective entity or any of its Affiliates has or may have an interest and he/she must inform the Chief Compliance Officer of any such recusal.

(c) Post-Employment

On separating from the Bank, Board Officials may proceed to work for any outside entity. Notwithstanding the immediately preceding sentence, except with the authorisation of the Ethics Committee, a Board Official who has separated from the Bank may not, for a period of one year after separating from the Bank, communicate or attend any business-related meetings with any official of the EBRD Board of Directors, any Bank Personnel, or any other person connected with the EBRD (such as consultants, contractors, temporary staff or interns) on behalf of any entity or its Affiliate(s), including, without limitation, providing advice, guidance or direction to any such party in respect of any matter in which the Bank has an interest or is a party.

(d) The restrictions in Rules 6(a), 6(b) and 6(c) do not apply in the context of employment with any international organisation, government, central bank, or government agency (including the Board Official's Authorities).

(e) Employment by the Bank

Directors and Alternate Directors may not apply for, or take up appointment to the staff of the Bank, or enter into a secondment (or similar arrangement) or a consultancy assignment for the Bank, while serving as a Board Official, or within one year following the end of such service. However, this prohibition does not apply to Directors or Alternate Directors who, following their separation from the Bank, are nominated by the Bank to

serve as nominee directors in another entity provided that any such nomination is disclosed to the Ethics Committee.

(f) Advisers may not take up an offer of employment on the staff of the Bank while serving as an Adviser, or within six months following the end of such service, without authorisation of the Ethics Committee. An Adviser who is seeking employment on the staff of the Bank shall so inform his/her Director.

Gifts, Hospitality, Gratuities, Honours and Awards

Rule 7

(a) The acceptance by Board Officials of gifts, hospitality, gratuities, honours or awards in connection with their official duties from any person or entity outside the Bank, other than their Authorities, should be strictly avoided.

(b) Notwithstanding Rule 7(a), if there are circumstances which make it difficult to refuse or decline a gift, hospitality, gratuity, honour or award, in particular where such refusal might cause offence or embarrassment to the gift-giver or the Bank:

(i) tangible items may be accepted, provided that:

(1) the market value of the item does not exceed £100 or such other value as prescribed from time to time by the Ethics Committee. Board Officials must report the receipt of such item to the Office of the Chief Compliance Officer, within twenty-one (21) calendar days, except for items of a token value (with a market valuation equal to, or less than £25) by sending an email to: compliance@ebrd.com; and

(2) if the market value of the item exceeds £100 or such other value as prescribed from time to time by the Ethics Committee, Board Officials must surrender such item to the Office of the Chief Compliance Officer as soon as possible, but no later than twenty-one (21) calendar days after receipt;

(ii) limited hospitality may be accepted provided that the scope and cost of such hospitality is reasonable and customary.

Financial Interests

Rule 8

(a) Generally, Board Officials are free to conduct their private financial affairs as they see fit, provided that this is done in a manner that: (i) avoids Conflicts of Interest, (ii) does not compromise the independence of judgement or action required in the performance of official duties and (iii) does not result in Board Officials dealing in publicly listed securities in circumstances where any such dealing would or may result in a misuse of material non-public information / insider dealing by such Board Officials.

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(b) To this end, Board Officials must, in particular, refrain from:

(i) Short Term Trading in securities issued by the Bank; and

(ii) knowingly acquiring or divesting, directly or indirectly, for their own account or the account of others, any Financial Interest in

(1) a loan made by the Bank; or

(2) the securities of any Relevant Entity from the time the transaction or relationship is first considered until the time the transaction or relationship is terminated.

(c) The prohibition under Rule 8(b)(ii) applies whether or not Board Officials are personally involved in such transactions or relationships in the performance of their official duties. However, the prohibition under Rule 8(b)(ii)(2) does not apply to the acquisition or divestment of a De Minimis Interest in a publicly traded Relevant Entity, provided that, in respect of acquisitions or divestments of a De Minimis Interest in a publicly traded Banking Counterparty, the Chief Compliance Officer has been informed of and has issued a prior no objection to any such acquisition or divestment. If the Chief Compliance Officer has raised an objection to such an acquisition or divestment then the relevant Board Official may request that the matter be referred to the Ethics Committee for their determination and, if appropriate, authorisation. The prohibition does not apply to Financial Interests in securities issued by the Bank, subject to the prohibition on Short Term Trading. In the event of doubt, including as to whether any entity is a Relevant Entity or Banking Counterparty, the Chief Compliance Officer should be consulted.

(d) In addition, if Board Officials become aware of the fact that a member of their Immediate Family has any Financial Interest prohibited under Rule 8(b), they must report such Financial Interest to the Chief Compliance Officer. Board Officials must also recuse themselves from participating in any Bank matter in which, to their knowledge, they or any member of their Immediate Family has a Financial Interest other than a De Minimis Interest, and they must inform the Chief Compliance Officer of any such recusal.

(e) Rule 8 shall not apply to Financial Interests of Board Officials held in or managed by investment funds, pension funds, trusts, estates, or similar types of investment vehicles, provided that neither the Board Officials nor a member of their Immediate Family has the ability to exercise any discretion over, or otherwise direct the investments made by any such investment vehicle.

Code of Conduct Compliance Statement

Rule 9

On arrival at the Bank and annually thereafter until separation from the Bank, Board Officials must file with the Chief Compliance Officer a Compliance Statement for Board Officials in a form and manner to be proposed by the Chief Compliance Officer and approved by the Ethics Committee. In the event that such statement by a Board Official,

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including in respect of their Immediate Family, reveals a Conflict of Interest, or any other non-compliance situation with the Code of Conduct, the Chief Compliance Officer will provide advice on how to obviate or mitigate the conflict, or the non-compliance situation similarly.

Confidentiality

Rule 10

(a) Board Officials may not disclose Confidential Information to anyone internal or external to the Bank who is not authorised to receive such information, including members of their Immediate Family. Except as otherwise provided in this Rule 10, this provision does not apply to disclosures of Confidential Information to a Board Official's Authorities in the course of the performance of his/her duties.

(b) Additionally, Board Officials must refrain from using, or providing to others, Confidential Information to which they may have access because of their appointment at the Bank for private advantage, whether direct or indirect.

(c) Additionally, a Board Official may not disclose to anyone internal or external to the Bank Confidential Information of which the Board Official becomes aware in the discharge of his or her duties as a member of the Ethics Committee in a misconduct matter, except:

- (i) to other members of the Ethics Committee, to Designated Officers, the internal or external advisors to the Ethics Committee and to the Subject, in each case only to the extent necessary for the proper processing of that misconduct matter relative to that Subject and in which such other members, Designated Officers or advisors act as such;
- (ii) for information provided by the Ethics Committee in its recommendation to the relevant decision-making body (but only to the extent that such information is made available to such decision-making body and no other parties, whether internal or external to the Bank) relating to misconduct proceedings; or
- (iii) for the purpose of periodic reporting by the Ethics Committee on its work, provided that such reporting is on an anonymised and/or aggregated basis.

Any such disclosure shall be on terms so as to preserve privilege and confidentiality as to the identity of any Whistleblower in accordance with the Whistleblowing Policy.

(d) Board Officials' obligations under Rule 10 shall continue after separation from the Bank.

Bank Property, Assets and Resources

Rule 11

(a) Board Officials must protect and preserve Bank property and assets and must use such resources as efficiently as possible, guarding against waste and abuse. Board Officials may not use Bank services, supplies and facilities except as permitted under relevant Bank policies.

(b) Intellectual property belonging to the Bank may not be used for private benefit or for the benefit of others except with appropriate authorisation from the Bank.

Duty to Report Misconduct and Prohibition against Retaliation

Rule 12

(a) Board Officials must report suspected misconduct by Bank Personnel or Board Officials or by any person working on Bank premises, as well as any suspected incidence of a Prohibited Practice. Reports may be made to any of the reporting channels provided for in the Whistleblowing Policy, including to the Ethics Committee where the report relates to a Covered Person. Board Officials shall refrain from making frivolous or knowingly false allegations.

(b) Board Officials must not engage in Retaliation against any person who has engaged in a Protected Activity. Retaliation that is determined to be misconduct may be subject to disciplinary action as a result.

Local Laws

Rule 13

Except as provided under the Agreement Establishing the Bank and other applicable legal instruments, Board Officials are subject to national laws and must avoid actions that could be perceived as an abuse of the privileges and immunities accorded to the Bank or to Board Officials.

Implementation

Rule 14

Ethics Committee

The Ethics Committee is established by the Board of Governors: it shall be composed and shall operate in accordance with the provisions of this Rule 14, other applicable provisions of this Code and the Code of Conduct for Bank Personnel, and the Rules of Procedure for the Ethics Committee.

(a) The Ethics Committee consists of five members, all of whom must be Directors. Two members of the Ethics Committee serve as Chair and Vice Chair. The remaining three members are regular members. There shall also be three substitutes, who also must be Directors. The Ethics Committee Chair, Vice Chair, regular members and substitutes shall be nominated, selected, and appointed in accordance with the Rules of Procedure for the Ethics Committee.

(b) The Ethics Committee shall:

(i) render upon request of any Board Official, the President, or the Chief Compliance Officer, or of its own volition as it may deem appropriate, an interpretation of any provision of this Code and resolve as necessary any differences of opinion among such parties that relate to the interpretation or application of the Code;

(ii) consider authorising, where permitted by this Code, exceptions to certain prohibitions for Board Officials;

(iii) consider authorising, where permitted by the Code of Conduct for Bank Personnel, exceptions to certain prohibitions for the President, Vice Presidents, the Chief Evaluator and the Chief Accountability Officer;

(iv) approve the form and manner of the Compliance Statement for Board Officials and Bank Personnel, as proposed by the Chief Compliance Officer, and any amendments thereto;

(v) carry out the functions provided for in this Code and the Code of Conduct for Bank Personnel relative to cases of misconduct and alleged misconduct, as applicable, including without limitation approval of interim Precautionary Measures with respect to Covered Persons who are Subjects of misconduct proceedings;

(vi) approve general guidance notes clarifying the provisions of the Code of Conduct for Bank Personnel in accordance with Rule 22(a) of that Code, and decide whether and to what extent to adopt the same or similar guidance notes clarifying the provisions of this Code with respect to Board Officials; and

(vii) provide an annual report of its work to the Board of Directors, in such detail as the restrictions in favour of confidentiality permit.

(c) Where this Code requires that the authorisation of the Ethics Committee be obtained, Board Officials shall first submit the request for authorisation to the President as Chair of the Board of Directors. A request for authorisation under Rule 4(a), Outside Activities, should set forth in writing the nature of the proposed activity, its expected duration, and any remuneration expected. In all requests for authorisation, the President shall refer the request to the Chief Compliance Officer. The Chief Compliance Officer shall determine whether, in his/her opinion, the authorisation requested is not contrary to the interests of the Bank. The President shall also request the opinion of the General Counsel in cases involving legal issues, in particular issues relating to the status and immunities of the Bank or a Bank Official. The President shall forward the request, together with the opinion of the Chief Compliance Officer and, if applicable that of the General Counsel, to the Ethics Committee for its decision.

Misconduct Proceedings

Rule 15

This Code sets out rules with respect to the treatment of allegations of misconduct in respect of Board Officials.

Initial Inquiry

Rule 16

(a) Criteria

The Ethics Committee shall review reports of suspected misconduct in respect of Board Officials and conduct an initial inquiry pursuant to this Rule. The purpose of the Initial Inquiry shall be to determine whether a Formal Investigation is warranted, based on the following criteria:

- (i) credibility, i.e., that the allegation received, when considered together with any other information obtained during the Initial Inquiry, is sufficiently plausible;
- (ii) verifiability, i.e., that there is likely availability of relevant evidence if an investigation were to be undertaken;
- (iii) gravity, i.e., that the alleged misconduct is sufficiently serious, whether of itself or in the context of the Subject's role;
- (iv) whether the alleged misconduct is within the mandate of the Ethics Committee; and
- (v) whether the allegations are appropriate for disciplinary review.

(b) Scope of Initial Inquiry

In determining whether a Formal Investigation is warranted, the Ethics Committee may gather and review evidence, obtain and examine documents and electronic data, interview Bank Personnel, Board Officials and external persons, and obtain information beyond that included in the allegations. The Ethics Committee shall designate a person or persons internal or external to the Bank to assist in carrying out these tasks. Any such tasks will be conducted within reasonable limits, as befits a limited initial inquiry.

(c) Initial Determination

- (i) If the Ethics Committee determines based on the criteria set out in Rule 16(a) that the allegations do not warrant a Formal Investigation, the matter shall be terminated.

- (ii) If the Ethics Committee determines based on the criteria set out in Rule 16(a) that the allegations warrant a Formal Investigation, then the Ethics Committee shall commence a Formal Investigation.

Formal Investigation

Rule 17

(a) Investigator

If the Ethics Committee determines pursuant to Rule 16 that a formal investigation is warranted, it shall (i) inform the President and (ii) appoint an external investigator with experience in investigations and misconduct matters to conduct a fair, impartial, thorough and timely investigation in accordance with the provisions of this Rule, as an expert performing a mission for the Bank.

(b) Standard of Proof

Using a “more likely than not” standard, the Investigator shall make findings of fact and apply the law to the facts, to produce a written report, in draft and final forms, and a recommendation as to whether misconduct has been established.

(c) Notification to the Subject of a Formal Investigation; Assistance

- (i) As soon as practicable after the Formal Investigation is initiated, the Ethics Committee shall notify the Subject of the Formal Investigation, including the basis of the investigation and the conduct under investigation.

- (ii) The Subject may, with prior written notice to the Ethics Committee, be assisted during a Formal Investigation by another Board Official or by a person external to the Bank, provided in each case that such person is not acting in the capacity of a legal representative.

(d) Subject Interview

- (i) As part of any Formal Investigation, the Investigator shall, wherever reasonably possible, interview the Subject. Before an interview of the Subject takes place, the Investigator shall inform the Subject of the nature of the conduct being investigated and as to how it may amount to misconduct.

- (ii) Interviews of the Subject shall be recorded on a recording device. A copy of the recording and, if transcribed, a copy of the transcript of the interview, will be made available to the Subject. The Investigator may request the Subject to review the transcript against the recording, advise of any changes required to the transcript to make it accurate and agree to the accuracy of the reviewed transcript.

(e) Response by the Subject

In the course of a Formal Investigation, the Subject shall be given reasonable opportunity to explain or justify her/his position with respect to the conduct under investigation and to present her/his own evidence, including the names of witnesses who might corroborate her/his statements.

(f) Draft Investigator's Report

The Investigator shall provide the Subject with a draft of the Investigator's Report (redacted as necessary) without conclusions. Such draft shall be balanced and fairly reflect the information gathered. The Subject may comment on the factual accuracy of such report and request corrections.

(g) Investigator's Final Report

The Subject's comments on and requested corrections to the draft Investigator's Report (if any) shall be carefully considered and reflected, as necessary, by the Investigator in the Investigator's Report. Thereafter, the Investigator shall finalise the report and submit it to the Ethics Committee. The finalised report so submitted and any amended version thereof prepared pursuant to Rule 17 (h)(ii)(B) shall: (i) be balanced and fairly reflect the information gathered; (ii) consider both inculpatory and exculpatory evidence, as applicable; (iii) append the documentary evidence which it considers and upon which its conclusion is based; (iv) include the Subject's comments and requested corrections; and (v) include the Investigator's reasoned conclusion as to whether misconduct has been established.

(h) Next Steps

The Ethics Committee shall evaluate the Investigator's Final Report.

(i) Where the Investigator concludes that misconduct has been established:

A. If the Ethics Committee agrees, it shall send the Investigator's Final Report (redacted as necessary) to the Subject, who may reply. Thereafter, the Ethics Committee may either:

(1) terminate the matter, or

(2) send the Investigator's Final Report, any such reply from the Subject and the Ethics Committee's recommendation (together, the "Rule 17 Documents") to the Board of Directors for further processing in accordance with Rule 18 of this Code, with a copy to the Subject.

B. If the Ethics Committee does not agree, the matter shall be terminated.

(ii) Where the Investigator concludes that misconduct has not been established:

A. the Ethics Committee shall accept such conclusion and the matter shall be terminated, unless

B. the Ethics Committee directs the Investigator to conduct further investigation into the alleged misconduct in question, in which case the Investigator shall record the conclusions of the further investigation in an amended version of the Investigator's Final Report. In preparing such report, the processes referred to at paragraphs (a) – (g) above shall apply, mutatis mutandis, and the amended version of the Investigator's Final Report shall supersede the prior Investigator's Final Report in the matter.

(iii) The Ethics Committee shall inform the President of the outcome of its evaluation under this Rule 17.

Rule 18

(a) In the case of misconduct allegations against a Board Official where the Ethics Committee agrees with the Investigator's Final Report, the Ethics Committee shall send the Rule 17 Documents to the Board of Directors.

(b) The Board of Directors shall invite the Subject to comment on the Rule 17 Documents. Using a "more likely than not" standard, the Board of Directors shall consider the Rule 17 Documents and any comments thereon by the Subject and shall determine whether misconduct has been established.

(c) If the Board of Directors determines that misconduct has been established, it may vote to censure the Board Official and, where appropriate, may also recommend to the Authorities that they take other appropriate actions. Such actions may include:

A. reduction and/or forfeiture, whether permanently or for a specific period of time, of amounts payable in respect of salary, benefits (other than retirement plan benefits) and/or allowances payable after the date of notification of the measure; and

B. recall (in the case of a Director) or termination of appointment (in the case of any Board Official not being a Director) in each case with or without notice and/or with or without any benefits or payments due upon ending appointment (other than retirement plan benefits), and/or the loss of future contractual opportunities with the Bank in any capacity.

(d) If the Subject is a Director and the Board of Directors has determined that misconduct has been established, the Board of Directors shall provide the Director's Governor(s) with a reasonable period of time for the Director's Governor(s) to inform the Board of Directors what action, if any, has been or will be taken with respect to the Subject and any other actions taken or to be taken by the Director's Governor(s) or by the Director's Authorities.

(e) If the Subject is an Alternate Director, Temporary Alternate Director or Adviser and the Board of Directors has determined that misconduct has been established, the Subject's appointing Authorities shall within a reasonable period of time inform the Board of Directors what action, if any, has been or will be taken with respect to the Subject and

any other actions taken or to be taken by the Director or by the Board Official's Authorities.

(f) If the Director from the same Board constituency as the Alternate Director, Temporary Alternate Director or Adviser Subject is him/herself implicated in a related misconduct proceeding, then the Board of Directors shall provide the Director's Governor(s) with a reasonable period of time for the Director's Governor(s) to inform the Board of Directors what action, if any, has been or will be taken with respect to the Subject and any other actions taken or to be taken by the Director's Governor(s) or by the Director's Authorities.

(g) The Board of Directors shall inform the President of its determinations and recommendations under paragraphs (b) and (c) of this Rule and any actions to be taken as a result. In cases where the Board of Directors has determined that misconduct has been established and the misconduct is serious and may have negative impact on the Bank's reputation or its financial operations, then in consultation with the Ethics Committee, the President may take any other measures he/she deems necessary to protect the reputation and interests of the Bank.

(h) For the purposes of this Rule, the term "Director's Governor(s)" means the Governor(s) who elected him/her or who assigned their votes to him/her.

Precautionary Measures

Rule 19

(a) At any time during the pendency of misconduct proceedings, in order to safeguard evidence, to ensure a proper investigation, to protect the interests of the Bank or to protect persons involved in the investigation, the Subject may be:

- (i) prevented from having access to Bank IT Facilities or Information Assets or having such access limited or made subject to conditions;
- (ii) relieved of specific duties;
- (iii) suspended from duty with pay; and/or
- (iv) prohibited from entering all or any portion of Bank premises.

(b) Decision-making in relation to the imposition of Precautionary Measures shall be undertaken as follows:

- (i) if the Subject is the Chair, by the Vice Chair in consultation with the President;
- (ii) if the Subject is a Board Official (not being the Chair), by the Chair in consultation with the President.

(c) Where a decision is made to impose Precautionary Measures on a Subject, the Subject shall be notified in writing of the imposition of the applicable Precautionary Measures by the decision-maker, ascertained in accordance with Rule 19(b).

Cooperation and Non-Interference with Misconduct Proceedings

Rule 20

Board Officials shall have the obligations to cooperate with and not to interfere with the work of the Ethics Committee in misconduct proceedings.

Disclosure to Law Enforcement Authorities

Rule 21

If at any time during the proceedings provided for in Rules 16-18, the Ethics Committee has reason to believe that the laws of a member country may have been violated by the Subject, the Ethics Committee may recommend to the President to consider whether the Bank should disclose information concerning the suspected violation to local, national or supranational authorities for law enforcement purposes. The President shall seek the opinion of the General Counsel regarding the legal aspects of the disclosure and, in particular, its potential ramifications for the Bank's status, privileges and immunities, and shall consult with the Chair of the Audit Committee. Subject to obtaining the necessary waiver of applicable immunities, if any, the President may authorise such disclosure, if he/she concludes that such disclosure would be in the interests of the Bank.

Final Provisions

Guidance Notes and Rules of Procedure for the Ethics Committee

Rule 22

(a) The Ethics Committee shall take account of Guidance Notes published by the President pursuant to the authority set out in Rule 22 of the Code of Conduct for Bank Personnel and decide whether and to what extent to adopt the same or similar guidance notes clarifying the provisions of this Code with respect to Board Officials.

(b) The Board of Directors may establish procedural rules to support the efficient functioning of the Ethics Committee. The initial set of such rules, established contingent on the approval of this Code and the Staff Code, is presented at Annex 1. Upon the recommendation of the President, the Board of Directors may from time to time amend such rules, provided that any such amendments must be consistent with the provisions of this Code and of the Code of Conduct for Bank Personnel.

Review

Rule 23

This Code will be reviewed as and when it is deemed necessary by the Board of Directors but no later than five years from the date on which it becomes effective.

Effective Date

Rule 24

(a) This Code shall enter into force on the date on which the President confirms adoption by the Board of Governors of this Code and adoption by the relevant Bank bodies of all changes in the relevant Bank policies, directives and procedures relating to this Code (the Effective Date). It shall replace the Code adopted by the Board of Governors pursuant to Resolution No. 212. Any act or omission amounting to misconduct under this Code but which occurred while the previous Code was in place shall be handled in accordance with the provisions of this Code, except that any process ongoing on the Effective Date shall be concluded in accordance with the provisions of the previous Code as though it remained in effect.

(b) Allegations of misconduct that are made against a Subject while the Subject is a Covered Person under this Code shall be handled pursuant to the provisions of this Code, regardless of when the alleged conduct took place. Allegations against a Subject who has left the Bank shall be handled in accordance with that person's last status at the Bank.

Annex 1

Rules of Procedure for the Ethics Committee

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Relationship to Board Code and Staff Code

Purpose

1. These Rules of Procedure for the Ethics Committee (the “Rules”) are established as procedural rules to support the efficient functioning of the Ethics Committee in carrying out its responsibilities under the Code of Conduct for Board Officials (the “Board Code”) and the Code of Conduct for Bank Personnel (the “Staff Code”).

Definitions and Interpretation

2. Terms defined in the Board Code and/or in the Staff Code shall have the same meanings as therein when used in these Rules and the following terms shall have the following meanings:
 - (i) “Chair” means the Chair of the Ethics Committee.
 - (ii) “Conduct and Disciplinary Rules and Procedures” or “CDRP” means Conduct and Disciplinary Rules and Procedures Directive, as amended from time to time.
 - (iii) “Confidential File” means the file(s) created and maintained pursuant to Paragraph 21 of these Rules or the equivalent provision under any of the Board Code, the Staff Code, either of their precursors and the CDRP as applicable.
 - (iv) “Confidential Information” has the same meaning as in the Board Code with respect to Board Officials and the same meaning as in the Staff Code with respect to Bank Personnel.
 - (v) “Conflict of Interest” has the same meaning as in the Board Code with respect to Board Officials and the same meaning as in the Staff Code with respect to Bank Personnel.
 - (vi) “Disciplinary Phase” in relation to a Subject, means the time after the Investigative Phase during which any of the processes relating to the imposition of a disciplinary measure on a Subject and mandated under any of (a) Rule 18 of the Board Code, (b) Rules 17 and/or 18 and/or 19 of the Staff Code and (c) Part III of the CDRP are ongoing relative to that Subject.
 - (vii) “Investigative Phase” in relation to an allegation of misconduct against a Subject, means the time during which any of the processes of or under the supervision of the Ethics Committee and mandated under Rules 16 and/or 17 of the Board Code and Rules 15 and/or 16 of the Staff Code are ongoing relative to that Subject.
 - (viii) “Vice Chair” means the Vice Chair of the Ethics Committee.
3. In the case of a conflict between these Rules and either or both of the Board Code or the Staff Code, the applicable code shall prevail.

Composition and Appointments

The Ethics Committee

4. In implementation of Rule 14(a) of the Board Code, the Chair, Vice Chair, regular members and substitutes shall be nominated, selected, and appointed in accordance with the following:

- (a) A Director may nominate him or herself or any other Director to serve on the Ethics Committee in any one or more of the following capacities: Chair/Vice Chair, regular member, or substitute.
- (b) In making and in accepting nominations, Directors shall strive to reflect the economic, cultural and geographic diversity of the member countries of the Bank, as well as gender balance.
- (c) A Director serving as chair or vice chair of a Board committee shall not be eligible to serve concurrently as Chair or Vice Chair, but may serve concurrently on the Ethics Committee as a regular member or as a substitute.
- (d) There shall be a separate ballot to select (i) the Chair and Vice Chair; (ii) the regular members and (iii) the substitutes, as follows:
 - i. First, the Chair and Vice Chair shall be selected in a secret ballot by the Directors, with the candidate receiving the most votes in such ballot selected as Chair and the candidate receiving the next highest number of votes in that ballot selected as Vice Chair. Successive rounds of balloting may be used as needed to break any ties for these positions.
 - ii. Next, among those nominated to serve as regular members, the three Directors receiving the most votes in a secret ballot by the Directors shall be selected as regular members. A lottery shall be used to break any ties that leave more than three candidates in the running.
 - iii. Finally, among those nominated to serve as substitutes, the three Directors receiving the most votes in a secret ballot by the Directors shall be selected as substitutes. A lottery shall be used to break any ties that leave more than three candidates in the running.
- (e) The Chair, Vice Chair, regular members and substitutes ordinarily shall serve for two-year terms; provided, however, that all members who continue as Directors beyond their two-year Ethics Committee terms shall remain on the Ethics Committee in a holdover capacity until they are renewed or replaced. Each of the Chair and Vice Chair may serve in each such capacity for one term only. Each regular member or substitute may be renewed once, serving for a total of four years maximum in each such capacity. Upon an individual ceasing to be a Director, his or her role on the Ethics Committee shall simultaneously cease.
- (f) In the interest of continuity, the terms of Ethics Committee members shall be staggered. Accordingly, two regular members and two substitutes may be appointed to initial one-year terms, renewable once for a regular two-year term. After the initial selection process for all Ethics Committee members and substitutes, the selection procedures set out above at Paragraph 4(d) shall be applied *mutatis mutandis* based on the number of seats to be filled each year.

Secretary to the Ethics Committee

- 5. The Secretary to the Ethics Committee shall provide administrative support to the Ethics Committee.
 - (a) The Secretary General of the Bank shall serve as Secretary to the Ethics Committee and shall designate a senior staff member from the Office of the Secretary General to serve as alternate Secretary to the Ethics Committee while the Secretary General is not available. Where a Conflict of Interest or the appearance thereof prevents both the Secretary General and the other senior staff member from the Office of the Secretary General from so serving, the Chief Internal Auditor shall serve as alternate

Secretary to the Ethics Committee. References in these Rules to the Secretary to the Ethics Committee shall encompass any such alternate as appropriate.

- (b) In order to preserve confidentiality, the Secretary to the Ethics Committee shall, in consultation with the Chair, establish secure procedures to ensure that any documents or other material relating to the work of the Ethics Committee, whether in electronic or hard-copy form, are securely stored and processed, such that they can be accessed only by those few individuals whom the Secretary to the Ethics Committee may designate, in consultation with the Chair, as having a need to do so in order effectively to process the work of the Ethics Committee.

Legal Counsel and Compliance Advisor to the Ethics Committee

- 6. The Legal Counsel to the Ethics Committee shall provide legal advice to the Ethics Committee. The Compliance Advisor to the Ethics Committee shall provide advice to the Ethics Committee on ethical issues, including in respect of interpretation of the Board Code and the Staff Code (in consultation with the Legal Counsel to the Ethics Committee where appropriate), requests for authorisations, as well as in the context of the Investigative Phase.
 - (a) The General Counsel of the Bank shall serve as Legal Counsel to the Ethics Committee and shall designate a senior staff member from the Office of the General Counsel to act as alternate Legal Counsel to the Ethics Committee while the General Counsel is not available. The Chief Compliance Officer of the Bank shall serve as Compliance Advisor to the Ethics Committee and shall designate one or two senior staff members from the Office of the Chief Compliance Officer to act as alternate Compliance Advisor to the Ethics Committee while the Chief Compliance Officer is not available. References in these Rules to the Legal Counsel to the Ethics Committee and the Compliance Advisor to the Ethics Committee, respectively, shall encompass any such alternates as appropriate.
 - (b) Questions of institutional law shall be reserved to the Legal Counsel to the Ethics Committee. Where external legal advice is needed, the Office of the General Counsel shall retain external counsel.
 - (c) In order to preserve confidentiality and legal privilege, each of the Legal Counsel to the Ethics Committee and the Compliance Advisor to the Ethics Committee shall, in consultation with the Chair, establish secure procedures to ensure that any documents or other material relating to his or her work for the Ethics Committee, whether in electronic or hard-copy form, are securely stored and processed, such that they can be accessed only by those few individuals whom the Legal Counsel to the Ethics Committee may designate, in consultation with the Chair, as having a need to do so in order effectively to provide legal advice to the Ethics Committee.

Designated Officers and Other Advisors to the Ethics Committee

- 7. In addition to appointing Designated Officers, the Ethics Committee may call upon other internal or external advisors as it deems necessary or appropriate to assist it in the performance of its duties, including for specialised expertise in ethics, human resources, investigations or other areas.
- 8. In order to preserve confidentiality, each such Designated Officer and advisor, whether internal or external, shall be required to establish or to demonstrate procedures to ensure that any documents or other material relating to their work for the Ethics Committee, whether in electronic or hard-copy form, are securely stored and processed, such that they can be accessed only by those few individuals whom each such Designated Officer or advisor may designate, in consultation with the

Chair, as having a need to do so in order effectively to perform their duties for the Ethics Committee.

9. The Ethics Committee shall establish terms of reference for Designated Officers and for its external advisors, with the assistance of its internal advisors including the Chief Compliance Officer and the Legal Counsel to the Ethics Committee. Such terms of reference shall require periodic reporting to the Ethics Committee on status of the work of such Designated Officer and external advisors, on milestones and progress and on legal and institutional questions that arise, as applicable.
10. All Designated Officers and external advisors shall follow the Bank's internal law interpreted, as applicable, in accordance with the Agreement Establishing the Bank and by the General Counsel, and taking also into account relevant Bank precedents.
11. An Designated Officer may be a person, a team of persons or an entity.

General Procedures for the Ethics Committee

Quorum

12. The quorum for a meeting of the Ethics Committee shall be five members in matters of alleged misconduct; and three members, to include the Chair or Vice Chair, in all other matters. The Chair, or in the Chair's absence the Vice Chair, shall preside at all Ethics Committee meetings. Participation in Ethics Committee meetings may be in person or virtual through electronic means provided that and for so long as all members required for a quorum can hear each other. Participation in person is encouraged where possible.

Decision-making

13. Decisions of the Ethics Committee shall be taken by consensus where possible, or by simple majority vote when consensus is not possible, each member having one vote. Where a vote is called, all Ethics Committee members participating in the matter shall vote. In establishing a consensus or upon a vote, abstentions shall not be recognised and shall be counted as opposition to the point for resolution. The Chair's vote shall be decisive in the event of a tie in a non-misconduct matter. Dissenting members may require that their views be recorded in the Ethics Committee meeting minutes.

Minutes

14. Minutes of all Ethics Committee meetings shall be prepared by the Secretary to the Ethics Committee, under the direction of the Chair and in consultation with the Legal Counsel to the Ethics Committee; and submitted for approval, on a no-objection basis and as soon as possible after each meeting, by those members of the Ethics Committee participating in each such meeting. Determinations of the Ethics Committee shall be prepared by the Secretary to the Ethics Committee, under the direction of the Chair and in consultation with the Legal Counsel to the Ethics Committee; and submitted for approval by the participating Ethics Committee members and signature by the Chair.

Recusal and Substitution

15. Ethics Committee members shall be subject to recusal in accordance with the following:
 - (a) An Ethics Committee member shall not be eligible to attend or participate in any deliberations or decision-making regarding a matter pending before the Ethics

Committee where the matter involves that member or any other Board Official(s) in that member's office, or otherwise presents a Conflict of Interest or the appearance thereof. In those circumstances, the Ethics Committee member shall be recused.

- (b) Any dispute as to whether recusal is required in a particular matter shall be decided by the Ethics Committee without participation of the member(s) concerned.
 - (c) Where an Ethics Committee member is recused and must be replaced to meet quorum requirements in a particular matter, a replacement shall be designated in accordance with Paragraph 16 below for the duration of that matter only. If a member is subjected under Rule 18(c) of the Board Code to censure or the recommendation of another action, that member shall thereupon be permanently recused from all further business of the Ethics Committee and the replacement shall serve in his or her place for the remainder of that member's term.
16. Where an Ethics Committee member or substitute becomes unavailable to serve, either temporarily or permanently, and whether due to recusal, end of tenure as Director, or any other reason, a replacement may be designated as follows:
- (a) Where the Chair is unavailable, the Vice Chair shall serve as Chair.
 - (b) Where the Vice Chair is unavailable, the regular member who received the most votes in the original selection process shall be called to serve as Vice Chair. Where there was a tie between two or more regular members, the selection shall be decided by lottery.
 - (c) Where a regular member is unavailable, and must be replaced to meet quorum requirements, the substitute who received the most votes in the original selection process shall be called to serve in place of that regular member. Where there was a tie between two or more substitutes, the selection shall be decided by lottery.
 - (d) Where a substitute is unavailable and must be replaced to ensure adequate availability of replacements, a new substitute shall be nominated and selected in a new secret ballot of the Directors in accordance with the relevant provisions of Paragraph 4(a)-(b) and (d)(iii), applied *mutatis mutandis*.
 - (e) In each instance, a member's replacement by another member or a substitute shall have no impact on the continuation of the Ethics Committee's processing of any ongoing matters.

Confidentiality, Impartiality and Fairness

17. In order to preserve confidentiality, attendance at any Ethics Committee meeting for a particular matter shall be restricted to those Ethics Committee members participating in such matter, the Secretary to the Ethics Committee, the Legal Counsel to the Ethics Committee, and such other individuals whose attendance is specifically authorised by the Chair or, if the Chair is unavailable, by the Vice Chair. Documents circulated for the Ethics Committee's consideration in respect of a particular matter shall be distributed only to the Ethics Committee members participating in such matter, the Secretary to the Ethics Committee, and the Legal Counsel to the Ethics Committee, except as specifically authorised by the Chair or, if the Chair is unavailable, by the Vice Chair.
18. In all proceedings pursuant to these Rules, the Ethics Committee shall at all times act in a fair, impartial, thorough and timely manner, with the rights of all parties appropriately protected in accordance with the standards set out in these Rules. The Secretary to the Ethics Committee, Legal Counsel to the Ethics Committee, any

Designated Officer and any other advisors to the Ethics Committee shall at all times act in the same manner.

Processes for Interpretations of the Board Code

19. Matters of interpretation under Rule 14(b)(i) of the Board Code shall be handled in accordance with the following provisions:
- (a) A Board Official, the President or the Chief Compliance Officer may submit a written request for interpretation to the Ethics Committee concerning any provision of the Board Code, including questions of Conflict of Interest or other ethical aspects of conduct for Board Officials. In the absence of such request, the Ethics Committee may also consider such matters of its own volition, as it may deem appropriate.
 - (b) The Ethics Committee shall review the matter with a quorum of three members, in accordance with Paragraph 12 above. The Legal Counsel to the Ethics Committee shall assist with this review. The Ethics Committee may also consult with the Chief Compliance Officer or other advisors. The Ethics Committee may at any time request further information from any relevant person as appropriate, including the person who submitted the request for interpretation.
 - (c) The Ethics Committee shall provide a written determination to each person who has submitted a request for interpretation in accordance with Paragraph 19(a) above. The Ethics Committee shall communicate its determination to the Board of Directors, after consultation with the person(s) concerned and in a manner that ensures the privacy of such person(s); and to the General Counsel and Chief Compliance Officer in each case.
 - (d) Each Board Official shall comply with the determination of the Ethics Committee. The Board Official concerned shall promptly inform the Ethics Committee of such compliance in such detail as the Ethics Committee may request.

Processes for Requests for Authorisation

20. Requests for Ethics Committee authorisation pursuant to Rule 14(b)(ii)-(iii) of the Board Code shall be handled in accordance with the following provisions:
- (a) Where Board Officials, Vice Presidents, the Chief Evaluator and the Chief Accountability Officer seek to obtain the Ethics Committee's authorisation for exceptions to certain prohibitions under the Board Code or Staff Code, respectively, such individuals shall first submit a written request for authorisation to the President. In particular, any request for authorisation with respect to Outside Activities should set forth in writing the nature of the proposed activity, its expected duration, and any remuneration expected. Where a sitting President seeks authorisation under Rule 6(c)(ii) of the Staff Code, he or she shall submit a written request for authorisation to the Chief Compliance Officer.
 - (b) The President shall refer all requests for authorisation received under Paragraph 20(a) above to the Chief Compliance Officer. For all requests, the Chief Compliance Officer shall provide an opinion as to whether the authorisation requested is not contrary to the interests of the Bank. The President, or where the request for authorisation is made by a sitting President, the Chief Compliance Officer, shall also request the opinion of the General Counsel in cases involving legal issues, in particular issues relating to the status and immunities of the Bank or of a member of Bank Personnel or a Board Official. The President or, where relevant, the Chief Compliance Officer, shall forward the request, together with the opinion of the Chief Compliance Officer and, if applicable, that of the General Counsel, to the Ethics Committee for decision.

- (c) The Ethics Committee shall review the request with a minimum quorum of three members, in accordance with Paragraph 12 above. The Legal Counsel to the Ethics Committee shall assist with this review. The Ethics Committee may also consult further with the Chief Compliance Officer or other advisors. The Ethics Committee may at any time request further information from any relevant person as appropriate, including the person who submitted the request for authorisation.
- (d) The Ethics Committee shall provide a written determination in response to each person who has submitted a request for authorisation in accordance with Paragraph 20(a) above. The Ethics Committee shall communicate its determination to the Board of Directors, in case of requests for authorisation under the Board Code or by the President under Rule 6(c)(ii) of the Staff Code, after consultation with the person(s) concerned and in a manner that ensures the privacy of such person(s); to the President, in case of requests for authorisation under the Staff Code; and to the General Counsel and Chief Compliance Officer in all cases.
- (e) Each person concerned shall comply with the determination of the Ethics Committee. The individual concerned shall promptly inform the Ethics Committee of such compliance in such detail as the Ethics Committee may request.

Processes for the Investigative Phase

Confidential File

- 21. Upon receipt of a report of an instance of suspected misconduct, the Ethics Committee shall make a determination as to whether the matter concerns a Covered Person. If so, it shall open a confidential file for each instance of suspected misconduct reported relative to a Covered Person, in which it shall record the information received, the name of the Covered Person and, if known, the name of the person reporting the suspected misconduct. All evidence collected during the course of any Investigative Process pursuant to these Rules shall be placed in the Confidential File.
- 22. If the Ethics Committee determines that the matter reported is not suspected misconduct relating to a Covered Person, it may refer the matter to relevant departments in the Bank for their review and action. In making such a referral, the Ethics Committee shall protect the identity of the person making the report as required by the Whistleblowing Policy.
- 23. The Confidential File shall be available for inspection only by:
 - (a) members of the Ethics Committee and Designated Officers;
 - (b) the President, unless the President is the Subject;
 - (c) the Chief Internal Auditor, unless the Chief Internal Auditor is the Subject; and
 - (d) any other person authorised by the Chair in consultation with the President.
- 24. In the event that the Ethics Committee is compelled to disclose the Confidential File pursuant to the Dispute Resolution Procedures (as such term is defined in the Conduct and Disciplinary Rules and Procedures), the Ethics Committee may, in consultation with the President, withhold or redact any information that, in the opinion of the Ethics Committee, is secret or confidential, or where the production of such material would prejudice the operations of the Bank or its relations with a member country, or would infringe on the right of privacy or reputation of other Bank Personnel or Board Officials.
- 25. If President is the Subject, consultation under Paragraphs 23 and 24 shall be had instead with the Chief Compliance Officer and the General Counsel.

Investigative Activity

26. In carrying out their duties under the Board Code and/or the Staff Code relative to allegations of misconduct of Covered Person(s), to the extent necessary to carry out such duties and subject to Paragraphs 37-39 below, the Ethics Committee and any Designated Officer:
- (a) shall have the right to call upon Board Officials, Bank Personnel and third parties for the production of materials believed to have probative value, to interview any person who is believed to have knowledge of the events in question, and to consult any person believed to have, or materials believed to contain, information of probative value to the investigation;
 - (b) shall have access to Subjects, Bank Personnel and Board Officials and to all pertinent correspondence, records and documents, as the Ethics Committee may determine to be necessary for the discharge of the duties of the Ethics Committee;
 - (c) may enter all parts of the Bank premises and examine, copy, and remove all or any portion of the contents of files (including electronic records), desks, cabinets, and other storage facilities on Bank premises or under the control of the Bank, and/or require the return of any Bank-owned electronic or telephonic equipment;
 - (d) may, but is not obligated to, undertake any of the following actions:
 - i. meet with the person who reported the suspected misconduct in order to confirm understandings about the key facts and issues involved;
 - ii. gather and review any evidence concerning the report of suspected misconduct, including interviewing witnesses or others who may be in a position to provide relevant information; and/or
 - iii. consult, as needed, with the General Counsel and/or the Chief Compliance Officer.
 - (e) shall conduct their work discreetly, with due regard for avoiding unreasonable intrusions into personal privacy of, and for protecting the reputation of, Bank Personnel and Board Officials, including without limitation the person who reported the suspected misconduct and the Subject.
27. In the case of an examination of physical items by the Ethics Committee or any Designated Officer, such as desks, cabinets and other storage facilities on Bank premises, such examination shall take place in the presence of a person designated by the Chair in consultation with the General Counsel.

Cooperation and Non-interference

28. All Bank Personnel and Board Officials (in the latter case subject to Paragraphs 37-39 below), including the Subject, who are approached by the Ethics Committee or any Designated Officer for interview or are otherwise called upon to assist in the misconduct proceedings shall:
- (a) cooperate with the Ethics Committee or Designated Officer, as applicable, and shall not make their cooperation subject to the condition that their identity or their oral or written statements shall remain confidential;
 - (b) in a timely and truthful manner, answer all pertinent and reasonable questions and provide information requested by the Ethics Committee and/or Designated Officer(s) that is reasonably connected to the matter under inquiry or investigation, other than information acquired solely in the course of an Informal Dispute Resolution Process (as such term is defined in the Conduct and Disciplinary Rules and Procedures) and

on the condition of confidentiality. With respect to any documentary information to be provided, the Ethics Committee or any Designated Officer(s) shall provide a reasonable amount of time within which the information is to be provided;

- (c) not disclose the fact of the inquiry or investigation, including the name of the Subject, details of the suspected misconduct, contents of their interviews, or the nature of their participation and/or assistance to others, unless authorised to do so by the Ethics Committee.
29. Bank Personnel and Board Officials, including the Subject, shall not interfere with any aspect of the Investigative Phase or Disciplinary Phase. Such prohibited interference includes, without limitation, the following:
- (a) refusing to cooperate with the Ethics Committee and/or Designated Officer(s); if the Subject refuses to cooperate, the Ethics Committee and/or the Designated Officer(s) shall be entitled to draw an adverse inference regarding such refusal, including in cases that have been disclosed to law enforcement authorities as provided under Rule 21 of the Board Code and Rule 21 of the Staff Code;
 - (b) knowingly making false or misleading statements to the Ethics Committee, any member thereof or a Designated Officer;
 - (c) hiding, destroying or tampering with information and/or evidence;
 - (d) interfering with, or retaliating against, someone who has provided or is expected to provide information, or threatening to interfere or retaliate, either during or after the Investigative Phase or Disciplinary Phase;
 - (e) violating the confidentiality of the misconduct proceedings as provided for in Paragraph 28(c); and
 - (f) any other conduct that materially interferes with the ability of the Ethics Committee, any member thereof or a Designated Officer to discharge its duties in the Investigative Phase.

Initial Inquiry

30. The Ethics Committee may, but is not required to, advise the Subject of the existence of an Initial Inquiry and the nature of the allegations before the commencement of a Formal Investigation.

Formal Investigation

31. The precise timing of the notification to a Subject of the initiation of a Formal Investigation shall be determined by the Ethics Committee, taking into account the circumstances of the individual case, including the risk of destruction of or tampering with information and/or evidence, intimidation of witnesses or other actions that may compromise the investigation.
32. To the extent practicable, the scope of a Formal Investigation will be kept in broad proportion to the complexity and gravity of the matters under investigation.
33. The Designated Officer shall have the discretion to decide, based on the specific circumstances of the case, who should be interviewed and the timing and sequence of such interviews, provided that, subject to the exigencies of the matter, the Designated Officer(s) shall provide reasonable advance notice of any interview to the intended interviewee.
34. Upon completion of the Formal Investigation, the Designated Officer shall prepare a draft written investigative report in compliance with the applicable Code and to include, without limitation, the following elements:

- (a) a summary of the suspected misconduct;
 - (b) the applicable rules or standards of conduct;
 - (c) a description of the available evidence with respect to the suspected misconduct, including, if applicable, any documentary evidence pertaining to the relevant issues;
 - (d) conclusions about whether the evidence substantiates the suspected misconduct, i.e., whether it is more likely than not that the misconduct did occur as alleged, or whether the evidence either exonerates the Subject or is insufficient to make a finding.
35. In considering whether to terminate a matter relative to a Subject, the Ethics Committee shall consult with the Legal Counsel to the Ethics Committee and the Compliance Advisor to the Ethics Committee. If the Ethics Committee decides to terminate a matter relative to a Subject:
- (a) it shall record this in the Confidential File, noting the reasons for its decision;
 - (b) it may offer the Subject advice as to future conduct, which shall be likewise be recorded in the Confidential File;
 - (c) any advice offered under Paragraph 35(b) shall not amount to a disciplinary action;
 - (d) it shall report on all such terminations in its annual report pursuant to Rule 14(b)(vii) of the Board Code, in a generalised and depersonalised manner.
36. The contents of a prior Confidential File may be consulted by the Ethics Committee or a Designated Officer in the course of a subsequent Initial Inquiry or Formal Investigation.

Particular Processes

Board Officials

37. Where the Subject is a Board Official, paramount consideration will be given to protecting the confidentiality of any Initial Inquiry and/or Formal Investigation, including correspondence between the Subject and his or her Authorities, and avoiding any unreasonable intrusions into the relationship between the Board Official and his or her Authorities.
38. All inquiries and investigations into suspected misconduct conducted under the Board Code shall also comply with the following:
- (a) in the course of an Initial Inquiry or a Formal Investigation, other than conducted under Paragraph 38(b), the Subject shall be informed prior to the Ethics Committee or a Designated Officer examining items under the control of the Subject;
 - (b) in exceptional circumstances justified by the seriousness of the allegation, the Ethics Committee or a Designated Officer may examine items (including electronic records) under the control of the Subject without the Subject's knowledge, as follows:
 - i. if the Subject is a Director, upon authorisation in writing from the Chair;
 - ii. if the Subject is an Alternate Director, Temporary Alternate Director or Adviser, upon authorisation in writing from the Director who appointed the Subject or to whom the Subject reports, following consultation with the Chair; where the Director is also a Subject, upon authorisation in writing by the Chair;
 - iii. if the Chair is the Subject, upon authorisation in writing from the Vice Chair.

- (c) Any request for authorisation under Paragraph 38(b) shall be made without disclosing, to the extent possible, the identity of the Subject. Authorisation may be granted after determining that such examination is necessary and reasonable.
- 39. Access to records by the Ethics Committee, any member thereof or a Designated Officer:
 - (a) shall not extend to communications between Board Officials and their Authorities, except with the Authorities' consent; and
 - (b) shall be on terms such as to preserve the privileges and immunities of the Bank, including those accorded to experts performing missions for the Bank.

Bank Personnel

- 40. These Rules apply only to interpretations of the Board Code and requests for authorisations and misconduct proceedings involving Covered Persons, as specified herein, save for information sharing with the Chair and the Ethics Committee relating to the Secretary General as specified in Paragraphs 42-45 hereof.
- 41. If the Ethics Committee or any member thereof in the course of its work uncovers suspected misconduct by Bank Personnel other than Covered Persons, or a suspected Prohibited Practice, it shall, consistent with Rule 12(a) of the Board Code, promptly report the matter consistent with the requirements of the Whistleblowing Policy.

Secretary General

- 42. If a formal investigation under Article 5 of the CDRP is commenced against the Secretary General, the Chief Compliance Officer will notify the Chair in writing as follows:
 - (a) that formal investigation under Article 5 of the CDRP has been commenced and the date of its commencement;
 - (b) the relevant provision of the Bank's internal law forming the basis for the investigation;
 - (c) whether the investigation relates to the Secretary General's role vis-a-vis the Board of Directors or Board of Governors, or otherwise involves potentially serious misconduct.
- 43. If, following the opening of a formal investigation under Article 5 of the CDRP against the Secretary General, the Chief Compliance Officer determines that no formal accusation of misconduct against the Secretary General is warranted, the Chief Compliance Officer will so notify the Chair in writing.
- 44. If the Chief Compliance Officer determines that a formal accusation of misconduct against the Secretary General, concerning the Secretary General's role vis-a-vis the Board of Directors or Board of Governors or otherwise involving potentially serious misconduct, is warranted, the Chief Compliance Officer will provide the Ethics Committee with a copy of the Investigative Report envisaged under Section 6.02 (b) of the CDRP including any documentary evidence, whether inculpatory or exculpatory, on which the conclusions of such Investigative Report are based.
- 45. Following receipt of such Investigative Report, the Ethics Committee may notify its view to the Managing Director responsible for Human Resources as to the gravity of the misconduct alleged against the Secretary General in such report. Any such notification shall be made by the Ethics Committee:
 - (a) in writing;

- (b) within 4 weeks of the Ethics Committee having been notified under Paragraph 44 above, or such other period as may be agreed between the Ethics Committee and the Managing Director responsible for Human Resources; and
 - (c) before the Managing Director responsible for Human Resources proceeds to a decision under the Disciplinary Phase.
46. The Managing Director responsible for Human Resources will notify the Ethics Committee in writing as to the outcome of the Disciplinary Phase relative to the Secretary General as follows (including as to the possibility of further legal action by the Secretary General to challenge the imposition of any disciplinary measure imposed):
47. If, following the opening of a formal investigation under Article 5 of the CDRP against the Secretary General, a disciplinary measure is imposed upon the Secretary General, the Managing Director responsible for Human Resources will notify the Ethics Committee in writing as follows:
- (a) if the Disciplinary Phase is related to misconduct by the Secretary General vis-a-vis the Board of Directors or Board of Governors or otherwise involves serious misconduct:
 - i. the relevant provision of the Bank's internal law;
 - ii. information as to how the misconduct in question related to the Secretary General's role vis-a-vis the Board of Directors or Board of Governors, or was otherwise serious misconduct;
 - iii. whether a disciplinary measure has been imposed or not and, if so, the nature of that measure;
 - iv. a summary of the Managing Director responsible for Human Resources reasons for the decision references at Paragraph 47 (a)(iii);
 - (b) otherwise:
 - i. whether a disciplinary measure has been imposed or not;
 - ii. that the misconduct in question did not relate to the Secretary General's role vis-a-vis the Board of Directors or Board of Governors nor was otherwise serious misconduct.
48. The Managing Director responsible for Human Resources and the Ethics Committee shall, upon the request of either, meet to debrief following a notification made by the Managing Director responsible for Human Resources under Paragraph 47(a).
49. Notification and information provided under Paragraphs 42-48 shall be treated as strictly confidential in accordance with Rule 10 of the Board Code and the Ethics Committee confidentiality rules for handling misconduct allegations. The Ethics Committee shall in a generalised manner report on its engagement with the disciplinary process relating to the Secretary General in its annual report pursuant to Rule 14(b)(vii) of the Board Code.

Communications

50. Where disclosure is made to law enforcement authorities pursuant to Rule 21 of the Board Code and/or Rule 21 of the Staff Code:

- (a) The affected Covered Person shall normally be notified of the information that has been disclosed to the law enforcement authorities within a reasonable time after the disclosure is made, unless the authorities request the Bank to delay such notification. However, the Bank shall be under no obligation to provide the affected Covered Person with any document that has been disclosed to law enforcement authorities where it contains information that is secret or confidential, or where its production would prejudice the operations of the Bank or its relations with a member country, or would infringe on the right of privacy or reputation of other Board Officials or Bank Personnel, as applicable.
 - (b) The obligation of a Covered Person to cooperate in an investigative or disciplinary process shall continue notwithstanding such disclosure. In making such disclosure to a local, national or supranational enforcement authority, the Bank shall not disclose the response of or evidence obtained from a Covered Person in the course of the Investigative Phase or the Disciplinary Phase unless, in the case of evidence, the Bank was already in possession of that evidence before receipt of same from the staff member concerned.
 - (c) Any disclosure referred to in this Paragraph 50 shall not normally suspend the ongoing investigative or disciplinary process under the relevant Code, unless and to the extent that the applicable decision-maker under the applicable provision of the Codes concludes that the suspension of these processes, whether in whole or in part, would be in the interest of the Bank.
51. The existence and nature of any ongoing investigative or disciplinary process may be disclosed if and to the extent that such disclosure is necessary:
- (a) in the course of an external audit review;
 - (b) in connection with a matter pertaining to insurance coverage; or
 - (c) in order to defend the interests of the Bank in external contested proceedings.
52. The extent of disclosure (if any) under Paragraph 51 will be agreed in consultation between the Chair, the President and the General Counsel. However, if the Subject is:
- (a) the Chair, such consultation will be had with the Vice Chair in place of the Chair;
 - (b) the President, such consultation will be had with the First Vice President (or, in his/her absence or incapacity, the Vice President with the longest tenure in office) in place of the President.
53. If a matter involving a misconduct allegation against any Covered Person is terminated at any stage due to a conclusion by the Ethics Committee or other competent authority that the allegation against such Covered Person was unfounded or not established, then the Covered Person will be informed by the relevant body and, at the request of that Covered Person, that conclusion shall be published within the Bank.

Final Provisions

Review

54. These Rules will be reviewed as and when it is deemed necessary by the Board of Directors and the President, but no later than five years from the date on which they become effective.

Effective Date

55. These Rules shall enter into force on the date on which the President confirms adoption of all changes in the relevant Bank policies, directives and procedures (the Effective Date). Any act or omission giving rise to a misconduct allegation but which occurred prior to the Effective Date shall be handled in accordance with these Rules, except that any process ongoing on the Effective Date shall be concluded in accordance with the provisions of the previous Board Code or Staff Code as applicable, as though such Code remained in effect.