

## **CODE OF CONDUCT FOR EBRD PERSONNEL**

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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 the President, the Vice-Presidents, the Chief Evaluator, the Chief Accountability Officer and staff members (“Bank Personnel”) and to them only. However, to the extent set out in this Code, Bank Personnel are also required to consider the activities of, and disclose certain information about their Immediate Family. The Code is designed to foster the highest standards of integrity, ethical conduct, honesty and propriety among Bank Personnel, 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) “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.
- (iii) “Board Code” means the Code of Conduct for Officials of the Board of Directors of the EBRD, as amended from time to time.
- (iv) “Board Officials” has the meaning given in the Board Code.
- (v) “Conduct and Disciplinary Rules and Procedures” means Conduct and Disciplinary Rules and Procedures Directive, as amended from time to time.
- (vi) "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.
- (vii) “Conflict of Interest” means a situation or circumstances in which private interests of Bank Personnel 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.
- (viii) “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.

- (ix) “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.
- (x) “Ethics Committee” means the committee referred to in Rule 14 of the Board 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 16 of this Code.
- (xiii) “Governors’ Committee” means, for the purposes of this Code, a committee of the Board of Governors comprised of the Chair of the Board of Governors and two additional Governors selected by the Chair of the Board of Governors.
- (xiv) “Immediate Family” means a Bank Personnel’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 Bank’s Staff Handbook”, as amended from time to time.
- (xv) “Information Assets” has the meaning given in the Information Security Policy, as amended from time to time.
- (xvi) “Initial Inquiry” means an initial inquiry conducted pursuant to Rule 15 of this Code.
- (xvii) “Investigator” means the person appointed pursuant to Rule 16(a) of this Code.
- (xviii) “Investigator’s Final Report” means the finalised report of the Investigator, together with the appended and included elements as described in Rule 16(g), or (as applicable) Rule 16 (h)(ii) of this Code.
- (xix) “IT Facilities” has the meaning given in the Information Security Policy, as amended from time to time.
- (xx) “Precautionary Measures” means any or all of the measures specified in Rule 20(a) of this Code.
- (xxi) “Prohibited Practice” means any practice that is defined as such in the Bank’s Enforcement Policy and Procedures, as amended from time to time.
- (xxii) “Protected Activity” has the meaning given in the Whistleblowing Policy.
- (xxiii) “Relevant Entity” means any entity engaged in a financial transaction or other financial or supplier relationship with the Bank, including any Banking Counterparty.
- (xxiv) “Retaliation” has the meaning given in the Whistleblowing Policy.

- (xxv) “Rule 16 Documents” has the meaning given in Rule 16(h)(i)(A)(2) of this Code.
- (xxvi) “Rules of Procedure for the Ethics Committee” mean the Rules of Procedure for the Ethics Committee, as adopted or amended from time to time in accordance with Rule 22(b) of the Board Code.
- (xxvii) “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.
- (xxviii) “Subject” is a Covered Person who is or was the subject of misconduct proceedings under this Code.
- (xxix) “Whistleblowing Policy” means the Bank’s Whistleblowing Policy, as amended from time to time.

## **General Standards of Conduct**

### **Rule 1**

Bank Personnel 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.

## **Duties of Bank Personnel**

### **Rule 2**

(a) In the discharge of their offices, Bank Personnel owe their duty entirely to the Bank and to no other authority. They may not seek or accept any instructions from any person or entity outside of the Bank. In their communications with Board Officials Bank Personnel shall comply with any guidance notes on the matter.

(b) In their decisions for the Bank, Bank Personnel shall take into account only considerations relevant to the Bank's purpose, functions and operations, as set out in the Agreement Establishing the Bank. Such considerations must be weighed impartially in order to achieve and carry out the purpose and functions of the Bank.

(c) Bank Personnel 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, Bank Personnel must show respect and tolerance for varied cultures, beliefs and backgrounds. They must avoid behaviour

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that constitutes harassment, sexual harassment, bullying or abuse of authority, or that could be perceived by others as such.

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

## **Conflicts of Interest**

### **Rule 3**

Bank Personnel must avoid any situation involving a Conflict of Interest or the appearance of a Conflict of Interest. Bank Personnel finding themselves in such a situation must disclose the conflict to the Chief Compliance Officer who will consider the appropriateness of consulting with the Bank Personnel's line manager in case recusal is required. In case of doubt, Bank Personnel must refer the matter to the Chief Compliance Officer for guidance and must comply with such guidance.

## **Outside Activities**

### **Rule 4**

(a) Absent appropriate authorisation, Bank Personnel 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 Bank Personnel'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 Bank Personnel's obligations under Rules 1 and 3, and

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

(ii) outside activities undertaken as part of the Bank Personnel's official duties, such as teaching, lecturing, speaking, writing and publishing, provided that such activities are approved in accordance with the applicable channels of internal clearance. Bank Personnel may not accept remuneration or other forms of compensation in connection with such outside activities, with the exception of reasonable travel and living expenses.

(c) A request for authorisation under Rule 4(a) shall be directed for review by the Chief Compliance Officer and for decision:

(i) in the case of the President, by the Governors' Committee;

(ii) in the case of a Vice President, the Chief Accountability Officer or the Chief Evaluator, by the Ethics Committee; and

(iii) in the case of other Bank Personnel, by the President. In such cases, the President may delegate to the Chief Compliance Officer the authority to decide requests for authorisation.

## **Political Activities**

### **Rule 5**

Nothing in this Code affects the legitimate interest of Bank Personnel 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, Bank Personnel may not engage in such political activity that may interfere or conflict with their official duties or status. Any Bank Personnel 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 their official duties or status. Further guidance on what is acceptable political activity and the holding of political office can be found in guidance notes or Bank directives on the matter.

## **Employment**

### **Rule 6**

(a) Former Employers

Absent appropriate authorisation, Bank Personnel 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.

(b) Prospective Employers

Bank Personnel 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 Bank Personnel are seeking or negotiating for or have received an offer of employment or appointment outside of the Bank, they 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. If such conflict arises, they must inform the Chief Compliance Officer who will consider the appropriateness of consulting with the Bank Personnel's line manager in case recusal is required.

(c) Post-Employment

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On separating from the Bank, except as provided below, Bank Personnel may proceed to work for any outside entity. Notwithstanding the immediately preceding sentence, except with the appropriate authorisation, Bank Personnel who have separated from the Bank may not, for a period of one year after separating from the Bank:

(i) communicate or attend any business-related meetings with any Bank Personnel, any official of the EBRD Board of Directors, 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;

(ii) in the case of the President, in addition to what is stipulated in Rule 6(c)(i), accept any work, whether remunerated or not, from any outside entity without a prior authorisation from the Ethics Committee.

(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 except if such entity is a Bank counterparty with which the Bank Personnel was involved as an operation leader or member of a Bank team, task force or committee. The prohibition under Rule 6(c) does not apply to Bank Personnel who are nominated by the Bank to serve as nominee directors in another entity.

(e) A request for a derogation from the prohibitions in Rule 6(a) or Rule 6(c)(i) must be directed for review by the Chief Compliance Officer and for decision:

(i) in the case of the President, by the Governors' Committee;

(ii) in the case of a Vice President, the Chief Accountability Officer or the Chief Evaluator, by the Ethics Committee; and

(iii) in the case of other Bank Personnel, by the President; in such cases, the President may delegate to the Chief Compliance Officer the authority to decide requests for authorisation.

## **Gifts, Hospitality, Gratuities, Honours and Awards**

### **Rule 7**

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

(b) Notwithstanding Rule 7(a), in 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:

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(1) the market value of the item does not exceed £100 or such other value as prescribed from time to time by the Chief Compliance Officer. Bank Personnel 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](mailto: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, Bank Personnel 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, Bank Personnel 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 Bank Personnel 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 Bank Personnel.

(b) To this end, Bank Personnel 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 Bank Personnel 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 provided a prior authorisation for any such acquisition or divestment. The prohibition does not apply to Financial Interests in securities issued by the Bank, subject to the prohibition on Short

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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 Bank Personnel 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. Bank Personnel 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 Bank Personnel held in or managed by investment funds, pension funds, trusts, estates, or similar types of investment vehicles, provided that neither the Bank Personnel 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**

(a) All Bank Personnel, must file on arrival at the Bank and annually thereafter until separation from the Bank, a Compliance Statement for EBRD Personnel in a form and manner to be proposed by the Chief Compliance Officer and approved by the Ethics Committee. All filings must be made with the Chief Compliance Officer, save for the President, who shall file with the Governors' Committee, and the Chief Compliance Officer, who must file with the President. In the event that such statement by Bank Personnel, including in respect of their Immediate Family, reveals a Conflict of Interest, or any other non-compliance with the Code of Conduct, the Chief Compliance Officer will provide advice on how to obviate or mitigate the conflict or the relevant non-compliance situation. If the Chief Compliance Officer is conflicted, the President, in consultation with the General Counsel, will work with the Chief Compliance Officer to obviate or mitigate the conflict, or the non-compliance situation similarly.

## **Confidentiality**

### **Rule 10**

(a) Bank Personnel 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.

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

(c) Bank Personnel's obligations under Rule 10 shall continue after separation from the Bank.

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## **Bank Property, Assets and Resources**

### **Rule 11**

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

(b) All rights to any work or intellectual property created by Bank Personnel in the course of their official duties belong to the Bank unless the Bank authorises otherwise. 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) Bank Personnel must report suspected misconduct by Bank Personnel, Board Officials or by any person working on Bank premises, or 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.

(b) Bank Personnel 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 by the Agreement Establishing the Bank and other applicable legal instruments, Bank Personnel 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 Bank Personnel.

## **Misconduct proceedings arising from allegations against the President, Vice-Presidents, the Chief Evaluator, the Chief Accountability Officer, the Chief Compliance Officer or the Chief Internal Auditor**

### **Rule 14**

This Code sets out rules with respect to the treatment of allegations of misconduct in respect of the President, Vice-Presidents, the Chief Evaluator, the Chief Accountability Officer, the Chief Compliance Officer or the Chief Internal Auditor. Alleged misconduct

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by all other Bank Personnel is dealt with in the Conduct and Disciplinary Rules and Procedures.

## **Initial Inquiry**

### **Rule 15**

#### (a) Criteria

The Ethics Committee shall review reports of suspected misconduct in respect of the President, a Vice-President, the Chief Evaluator, Chief Accountability Officer, Chief Compliance Officer or Chief Internal Auditor 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 15(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 15(a) that the allegations warrant a Formal Investigation, then the Ethics Committee shall commence a Formal Investigation.

## Formal Investigation

### Rule 16

#### (a) Investigator

If the Ethics Committee determines pursuant to Rule 15 that a formal investigation is warranted, it shall (i) inform the President (applying the modalities of this Rule, if the President is the Subject) 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 staff member (other than by members of the Office of the Chief Compliance Officer, the Office of the General Counsel and the Human Resources Department) 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.

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(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 16 (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, if the President or a Vice President, 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 16 Documents") to the appropriate body, as set out in Rules 17-19 of this Code for further processing in accordance with the applicable Rule, 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 16 in respect of a Vice-President, the Chief Evaluator, the Chief Accountability Officer, the Chief Compliance Officer, and the Chief Internal Auditor.

## **The President**

### **Rule 17**

(a) Ethics Committee Referral to Governors’ Committee

In the case of misconduct allegations against the President, where the Ethics Committee agrees with the Investigator’s Final Report, the Ethics Committee shall send the Rule 16 Documents to the Governors’ Committee.

(b) Governors’ Committee

Using a “more likely than not” standard, the Governors’ Committee shall consider the Rule 16 Documents and shall determine by simple majority of the number of its members what action (if any) the Governors’ Committee will recommend be taken by the Board of Governors.

(c) Board of Governors

(i) The President may present to the Board of Governors his/her views on the recommendation from the Governors’ Committee and the Rule 16 Documents, prior to the Board of Governors reaching its decision on what action (if any) is to be taken.

(ii) Using a “more likely than not” standard, the Board of Governors shall consider the Rule 16 Documents, the recommendation from the Governors’ Committee and any views thereon by the President and may determine whether misconduct has been established and what action (if any) may be taken as a result.

(iii) If the Board of Governors determines that misconduct by the President has been established, such actions may include:

A. written censure;

B. 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

C. termination of appointment, with or without notice and/or with or without any benefits or payments due upon ending appointment (other

than retirement plans benefits), and/or the loss of future contractual opportunities with the Bank in any capacity.

## **Vice Presidents**

### **Rule 18**

#### (a) Ethics Committee Referral to Board of Directors

In the case of misconduct allegations against a Vice President where the Ethics Committee agrees with the Investigator's Final Report, the Ethics Committee shall send the Rule 16 Documents to the Board of Directors.

#### (b) Board of Directors

(i) The Board of Directors shall invite the Subject Vice President to comment on the Rule 16 Documents. Using a "more likely than not" standard, the Board of Directors shall consider the Rule 16 Documents and any comments thereon by the Subject Vice President and shall determine whether misconduct has been established and the action (if any) to be taken as a result. The Board of Directors shall inform the President of its determination and any action to be taken as a result.

(ii) If the Board of Directors determines that misconduct by the Subject Vice President has been established, such actions may include:

A. written censure;

B. 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

C. termination of appointment, 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.

## **Chief Evaluator, Chief Accountability Officer, Chief Compliance Officer and Chief Internal Auditor and Secretary General**

### **Rule 19**

(a) In the case of misconduct allegations against the Chief Evaluator, Chief Accountability Officer, Chief Compliance Officer and Chief Internal Auditor, where the Ethics Committee agrees with the Investigator's Final Report, the Ethics Committee shall send the Rule 16 Documents to the Managing Director responsible for Human Resources. The Rule 16 Documents shall be treated as an Investigative Report of the Chief

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Compliance Officer to the Managing Director responsible for Human Resources as envisaged under Part II of the Bank's Conduct and Disciplinary Rules and Procedures, for handling in accordance with Parts III and IV of the Conduct and Disciplinary Rules and Procedures, subject to the following:

- (i) no further inquiry may be requested by the Managing Director responsible for Human Resources under Part III of the Conduct and Disciplinary Rules and Procedures;
- (ii) in the case of the Chief Evaluator and the Chief Accountability Officer, the imposition of and any appeal against a disciplinary measure which results in the removal from their role will be subject to any additional modalities provided for in the respective policies establishing each such role, as from time to time amended; and
- (iii) for the purposes of relevant Articles of the Conduct and Disciplinary Rules and Procedures, the Managing Director responsible for Human Resources shall consult with the Ethics Committee for those matters where the Conduct and Disciplinary Rules and Procedures would otherwise provide for consultation with the Chief Compliance Officer.

(b) The Managing Director responsible for Human Resources shall inform the Ethics Committee and the President of the outcome of any misconduct proceedings regarding any of the Chief Evaluator, Chief Accountability Officer, Chief Compliance Officer, or Chief Internal Auditor.

(c) In the case of misconduct allegations against the Secretary General, the Ethics Committee and/or the Chair of the Ethics Committee will be consulted and notified as provided for under the Rules of Procedure for the Ethics Committee.

## **Precautionary Measures**

### **Rule 20**

(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:

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(i) if the Subject is the President, by the Chair in consultation with the Chief Compliance Officer and the General Counsel;

(ii) if the Subject is a Vice President, the Chief Evaluator, Chief Accountability Officer, Chief Compliance Officer or Chief Internal Auditor, by the President in consultation with the Chair.

(c) Where a decision has been 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 20(b).

## **Disclosure to Law Enforcement Authorities**

### **Rule 21**

(a) If at any time during the proceedings provided for in Rules 15-19, 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. 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.

(b) If the President is the Subject, the First Vice President (or, in his/her absence or incapacity, the Vice President with the longest tenure in office) will carry out the functions contemplated for the President in Rule 21(a) above.

## **Final provisions**

### **Guidance Notes and Rules of Procedure for the Ethics Committee and Reporting**

#### **Rule 22**

(a) Other than as provided in Rule 22(b) below, the President, in consultation with the Chief Compliance Officer and with the agreement of the Ethics Committee, may publish, as and when necessary, general guidance notes clarifying the provisions of this Code. Except as provided for in the relevant guidance note(s), all guidance notes published under this Rule 22(a) shall apply to all Bank Personnel.

(b) The publication of any guidance notes that relate specifically to the President requires the agreement of the Governor's Committee.

(c) Measures consistent with the provisions of this Code, to support the efficient functioning of the Ethics Committee under this Code, may be included in the Rules of Procedure for the Ethics Committee.

(Effective 11 November 2021)

(d) At the end of each calendar quarter, or as often as the Chief Compliance Officer thinks necessary, the Chief Compliance Officer will submit a report outlining his or her activities under this Code to the President.

## **Review**

### **Rule 23**

This Code 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 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.