

CODE OF CONDUCT

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1. Purpose & Scope

This document constitutes the Code of Conduct (“Code”) of the Black Sea Trade and Development Bank (the “Bank”).

This Code of Conduct is applicable to the following categories of persons connected with the Bank, as more specifically prescribed in the individual provisions herein:

- a) Directors, Alternate Directors, Temporary Alternate Directors in their capacity as members of the Board of Directors (“Board Officials”);
- b) The President, the Vice Presidents and the Secretary General (“Bank Officials”);
- c) Officers and staff of the Bank (“Staff Members”);
- d) Interns, as set out in their contracts, and
- e) Experts and consultants or any other individual engaged at any given period by the Bank, to the extent set out in their Terms of Reference or contracts, as the case may be.

All these categories of individuals shall fully comply with the provisions and practises enshrined in the present Code of Conduct in their everyday activities with the Bank.

2. Terms & Abbreviations

2.1. Terms

For the purposes of this Code of Conduct, the following terms are used in this Policy as respectively defined below:

- **“Abuse of Authority”** is the improper use of a position of influence, power, or authority against another person. This is particularly serious when a person uses, or threatens to use, his/her influence, power, or authority to improperly influence the career or employment conditions of another, including, but not limited to, appointment, assignment, contract renewal, performance evaluation or promotion. Abuse of Authority may also include conduct that creates a hostile or offensive work environment, and such conduct can include (but is not limited to) the use of intimidation, threats, blackmail or coercion.
- **“Arm’s Length Basis”** is used when transactions are valued as if they had been carried out between unrelated parties, each party acting in his own best interest.
- **“Close Associates of a Politically Exposed Person (PEP)”** include: (a) any natural person who is known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with the individual holding important public position, (b) any natural person who has sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the benefit de facto of the individual holding important public position.
- **“Conflict of Interests”** arises where Private or Personal Interests may influence or appear to influence the impartial and objective performance of official duties.
- **“De Minimis Interest”** means that which constitutes (1) less than one percent of the total of any class of outstanding securities of an entity; and (2) an investment representing such a percentage of the Bank Personnel’s assets that it could not reasonably be seen as influential to his/her decision-making, or as a source of a Conflict of Interest.
- **“Discrimination”** is any unfair treatment or arbitrary distinction based on a person’s race, sex, religion, nationality, ethnic origin, sexual orientation, disability, age, language, social origin or other status. Discrimination may be an isolated event affecting one person or a group of persons similarly situated or may manifest itself through Harassment or Abuse of Authority.

- **“Family”** means spouse/ legally recognized partner, father, mother, step-mother/father, sister, brother, step-sister/brother, son, daughter, step-children, aunts/ in-law, uncles/ in-law, nieces/ in-law, nephews/ in-law, first cousins, parents in-law, sister/brother in-law or daughter/son in-law, grand-mother/father/son/daughter.
- **“Harassment”** is any improper and unwelcome conduct that has or might reasonably be expected or be perceived to cause offence or humiliation to another person. Harassment may take the form of words, gestures or actions which tend to abuse, demean, intimidate, belittle, humiliate or embarrass another person or which create an intimidating, hostile or offensive work environment. It includes Harassment based on any grounds, such as race, religion, color, creed, ethnic origin, physical attributes, gender or sexual orientation. Harassment normally involves a series of incidents.
- **“Immediate Family Members of a Politically Exposed Person (PEP)”** include (a) the spouse; (b) any person considered as equivalent to the spouse; (c) the children and their spouses or persons considered as equivalent to the spouse; (d) the parents.
- **“Impartiality”** means not making any Discrimination among employees or customers and avoiding any prejudiced behavior; it implies tolerance and restraint.
- **“Insider Dealing”** arises in the cases stipulated in the Bank’s Policy on the Prevention of Market Abuse, as it may be amended from time to time.
- **“Inside Information”** has the meaning ascribed to it in the Bank’s Policy on the Prevention of Market Abuse, as it may be amended from time to time.
 - **“Insider”** is any natural person, whether internal or external to the Bank, who receives or originates Inside Information in the course of his/her working activities; the legal person of the Bank may also constitute an Insider with regard to the Inside Information of third parties.
 - **“Integrity”** embraces all aspects of an International Civil Servant’s behaviour, including such qualities as honesty, truthfulness, Impartiality and incorruptibility.
- **“International Civil Servant”** refers to an individual who works for a public international organization and who is expected to (1) perform his/her work in compliance with any and all institutional documents and treaties relevant to his/her organization with honesty, Integrity, Impartiality, Loyalty and independence from any government or other authority external to the employer and from any Undue Influence and considerations, and (2) avoid placing himself or herself in a position of Conflict of Interests.
- **“Loyalty”** implies not only the fulfillment of entrusted tasks and compliance with instructions through the applicable reporting lines, but also assistance, advice, openness and transparency among colleagues.
- **“Market Manipulation”** has the meaning ascribed to it in the Bank’s Policy on the Prevention of Market Abuse, as it may be amended from time to time.
- **“Misconduct”** constitutes “Unsatisfactory Conduct”, which is particularly serious and may warrant the staff member’s dismissal. Misconduct does not require malice or guilty purpose. Internal Fraud and Corruption constitute Misconduct.
- **“Politically Exposed Persons” (“PEPs”)** are individuals who are or have been entrusted with prominent public functions and include the categories stipulated in the Bank’s Know Your Customer Procedures.
- **“Private or Personal Interests”** shall mean any potential advantage for oneself, his/her Family, other relatives or circle of friends and acquaintances.

- **“Prohibited Practices”** shall mean any ‘Fraudulent Practice’, ‘Coercive Practice’, ‘Collusive Practice’, ‘Obstructive Practice’ and/or ‘Corrupt Practice’, as each is defined and outlined in the Bank’s Policy on Anti-Fraud, Corruption, Money Laundering and Terrorism Financing, and Domiciliation of BSTDB Counterparties, as may be amended from time to time.
- **“Sexual Harassment”** is any unwelcome sexual advance, request for sexual favor, verbal or physical conduct or gesture of a sexual nature, or any other behavior of a sexual nature that might reasonably be expected or be perceived to cause offence or humiliation to another, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile, or offensive work environment. While typically involving a pattern of behavior, it can take the form of a single incident. Sexual Harassment may occur between persons of the opposite or same sex. Both males and females can be either victims or offenders.
- **“Undue Influence”**: the use of one’s position or authority to direct or cause the subjects of this Code to act inconsistently with applicable rules of the Bank.
- **“Unlawful Disclosure of Inside Information”** arises in the cases stipulated in the Bank’s Policy on the Prevention of Market Abuse, as it may be amended from time to time.
- **“Unsatisfactory Conduct”** means an intentional or negligent failure to observe the rules of conduct or standards of behavior set by this Code, or, as far as staff members are concerned or other applicable persons, by the contracts of employment and any applicable rules of the Bank, or to observe the standards expected of an International Civil Servant. Unsatisfactory Conduct does not require malice or guilty purpose.
- **“Whistleblower”** means a person who discloses in good faith reasonable suspicions or evidence of occurrence of illegal, unethical or questionable practices.

2.2. Abbreviations

The following abbreviations are used in this Policy:

Abbreviation	Full Wording of Abbreviation
DCR	Compliance and Operational Risk Management Office
PEP	Politically Exposed Person

3. Responsibilities

The following Business Units and Positions are responsible for the corresponding tasks:

➤ **DCR:**

- is consulted with, in the event of doubt about issues related to the present Code of Conduct and in particular about the existence of Conflicts of Interest;
- collects the periodic confidential statements relating to Conflicts of Interest, which are signed by Bank Officials and Staff Members upon acceptance of their appointment and by each June 30 thereafter.
- gives instructions on issues of financial or business interest that might reasonably reflect unfavorably on or cause embarrassment to the Bank or be in actual or apparent conflict with the Bank Official's or Staff Member's duties or be affected by a matter with which the Bank Official or Staff Member is dealing.

➤ **The President:**

- in consultation with the **Head of DCR** and the **General Counsel** and with: (i) the **Board of Directors** on matters involving the Vice Presidents and the Secretary General, (ii) the **Chairman of the Board of Governors** on matters involving him/her (the President), may adopt orders implementing and clarifying the provisions of this Code and establishing procedures for its application.
- gives instructions on issues of financial or business interest that might reasonably reflect unfavorably on or cause embarrassment to the Bank or be in actual or apparent conflict with the Head of DCR duties or be affected by a matter with which the Head of DCR is dealing.

➤ **The Chairman of the Audit Committee** gives instructions on issues of financial or business interest that might reasonably reflect unfavorably on or cause embarrassment to the Bank or be in actual or apparent conflict with the Board Official's duties or be affected by a matter with which the Board Official is dealing.

➤ **The Chairman of the Board of Governors** gives instructions on issues of financial or business interest that might reasonably reflect unfavorably on or cause embarrassment to the Bank or be in actual or apparent conflict with the President's or the Chairperson of the Audit Committee duties or be affected by a matter with which the President or the Chairperson of the Audit Committee is dealing.

➤ **The Board of Governors** for the President;
the **Board of Directors** for the Vice Presidents and the Secretary General; and
the **President** for all Staff Members

grant specific prior authorization to accept honors from third parties and to perform remunerated self-employment or remunerated employment or remunerated offer of services in private capacity, outside of the Bank's working hours.

➤ **All persons of the Bank to which the present Code of Conduct is applicable** shall fully comply with the principles and practices enshrined herein in their everyday operations and acknowledge their responsibility to the Bank.

4. Code of Conduct

Rule 1. Principles of Conduct for Board Officials

Notwithstanding any other provisions of this Code:

- a) Any Director or Alternate Director in his/her capacity as a member of the Board of Directors, may (i) receive and carry out instructions from the Member (as such term is defined in the Agreement Establishing the Bank) which appointed him/her, and (ii) while in service with the Bank, remain in service or employment with the Member which appointed him/her;
- b) Any Temporary Alternate Director may (i) receive and carry out instructions from the Director who appointed him/her, or in the absence of the Director, from the Member which appointed the Director, and (ii) while in service with the Bank, remain in service or employment with the Member which appointed him/her; and
- c) Any Board Official shall avoid any type of actual Conflict of Interest, or the appearance of Conflict of Interest, in his/her relationship and activities with, and commitments to, other entities or persons, and recuse himself/herself from any such related deliberations and decisions.

Rule 2. Principles of conduct for Bank Officials and Staff Members

Bank Officials and Staff Members shall:

- a) Discharge their duties as an International Civil Servant, solely with the best interests and objectives of the Bank as well as the maintenance and boosting of public trust in the Bank in mind;
- b) Not involve themselves in any conflict between their personal interests or the interests of any member of their Family and their respective duties or the interests of the Bank;
- c) Not use their official position for personal benefit or gain and not allow personal relationships and considerations, including prejudice or favouritism, to influence the performance of their official duties;
- d) Conduct at all times in a manner befitting their status as Bank Officials or Staff Members of an international financial institution;
- e) Avoid any action, in particular any public pronouncement or personal gainful activity that may adversely reflect upon such status or on the Integrity, independence and Impartiality that are required by that status;
- f) Always bear in mind the reserve and tact incumbent upon them by reason of their international functions;
- g) Exercise the utmost discretion in regard to all matters relating to the Bank both while they are Bank Officials or Staff Members and after their service with the Bank has ended; and
- h) Serve the interests and objectives of the Bank as a shareholder when nominated by the Bank to act as Board Members of investee companies, and, at the same time, act ethically and discharge their duties due to the investee company on an Arm's Length Basis vis-à-vis the Bank and in accordance with the applicable national laws; in such case, having served and acted so, shall be adequately indemnified by the Bank in the instance of a legal action against them with regard to such duties, provided -and to the extent that- such indemnification is not available from the investee company.

Rule 3. Duty of dignity and cooperation and prohibition of Discrimination, Harassment, and Abuse of Authority

All individuals working at the Bank are treated with dignity and respect and are aware of their role and responsibilities in maintaining a workplace free of any form of Discrimination, Harassment, Sexual Harassment or Abuse of Authority. To this aim, they shall adhere to the following dignity-at-work provisions:

(a) Board Officials, Bank Officials and Staff Members shall refrain from any form of: (i) psychological, physical or sexual Harassment, (ii) sexual blackmail and (iii) bullying of any kind. They shall show sensitivity to and respect for others and avoid any behavior that another person could reasonably consider offensive. The status of Staff Members shall not be prejudiced in any way on the grounds of their preventing or reporting Harassment or bullying.

(b) Board Officials, Bank Officials and Staff Members shall refrain from any form of Discrimination of any kind affecting dignity at work and, in particular, any Discrimination towards others based on race, nationality, gender, age, physical disability, sexual preference, political opinions, philosophical views, religious convictions, as well as in general with the manner in which a Bank Official or Staff Member chooses to conduct his/her private life, provided that this remains compatible with the principles enunciated under Rules 1 and 2 herein.

(c) For Bank Officials and Staff Members, Loyalty to the Bank implies not only the fulfillment of the tasks entrusted to them and compliance with instructions through the applicable reporting lines, but also assistance, advice, openness and transparency among colleagues.

Disagreement between a Staff Member and a Board or Bank Official on work performance or on other work-related issues is normally not considered Harassment or Abuse of Authority and is not dealt with under the provisions of this Article but in the context of performance management.

Rule 4. Activities incompatible with the full and proper discharge of duties to the Bank

Bank Officials and Staff Members owe their duties entirely to the Bank and to no other authority and shall not knowingly engage in any outside activity which is incompatible with the full and proper discharge of their duties and responsibilities to the Bank, or which may create any appearance of impropriety or prove a source of embarrassment to the Bank.

Inter alia, Bank Officials and Staff Members shall not perform the following activities, which are incompatible with the full and proper discharge of their duties and responsibilities to the Bank:

a) In the performance of their duties with the Bank, accept instructions from or be influenced by considerations from any government, or from any other entity or person external to the Bank;

b) Engage in remunerated self-employment or accept remunerated employment with or perform remunerated services for any public entity other than the Bank, including a government or other international institution;

c) Engage in remunerated self-employment or accept remunerated employment with or perform remunerated services for any outside private entity, whether as an employee, official, officer, consultant, partner or director (other than (i) as provided in Rule 2.h herein);,; d) Accept any compensation, whether in monetary or any other form, from any government, entity or person, in connection with their appointment or service with the Bank,

except as below:

Engaging in remunerated self-employment or accepting remunerated employment with or performing remunerated services, in private capacity¹, for any public or private entity is permitted upon authorization:

- i) by the Board of Governors for the President;
- ii) by the Board of Directors for the Vice Presidents and the Secretary General; and
- iii) by the President for all Staff Members.

In considering a request for authorization, factors such as whether the activity creates an internal or external Conflict of Interest, including also the full and proper discharge of their duties and responsibilities to the Bank, or the appearance of impropriety, or could prove a source of embarrassment to the Bank, shall be taken into consideration. In such cases of authorized remunerated self-employment or remunerated employment or remunerated performance of services, in private capacity, upon authorization by the appropriate authority, the Bank Officials and Staff Members may accept remuneration and/or reimbursement of expenses. Offer of services to a non-profit making entity in the context of unpaid charitable activities fall outside the above authorization requirements.

Bank Officials or Staff Members shall immediately report to the competent person, as above, any remunerated activity of their Family which could cause or could be perceived as causing a Conflict of interests.

The above apply also in cases when the Staff Member is on unpaid leave.

Bank Officials and Staff Members may retain re-employment rights acquired from a previous employer.

Bank Officials and Staff Members participating in their official capacity (i.e. indicatively: during working hours, upon the Bank's instruction, upon external request with the authorization of the Bank, using the job title born within the Bank), upon authorization of the Bank, in activities such as teaching, lecturing, speaking, writing and publishing or of other honorary nature and receiving remuneration from such activity owe it entirely to the Bank. The said Bank Official or Staff Member may keep the reimbursement of reasonable travel and living expenses for his/her participation in the aforementioned activities.

Rule 5. Scientific or academic contributions

In scientific or academic contributions and publications made in private capacity, Bank Officials and Staff Members shall make clear that such contributions are made in a private capacity and do not represent or affect the views of the Bank.

¹ For the avoidance of doubt, profit-making activities in private capacity such as receipt of remuneration from renting property, whether as an individual or through participation in a legal entity, shall not be considered remunerated self-employment or remunerated employment or remunerated performance of services, for which authorization shall be required. Nevertheless, in case such activities may generate Conflicts with the Bank's activities and interests, they should be declared to the Head of DCR, in accordance with Rule 23 herein. Similarly, ownership in private capacity of profit-making entities in the form of mere possession of stocks shall not be considered remunerated self-employment or remunerated employment or remunerated performance of services, for which authorization shall be required. Nevertheless, in case such activities may generate Conflicts with the Bank's activities and interests, they should be declared to the Head of DCR, in accordance with Rule 23 herein. Such ownership in private capacity of profit-making entities should not entail a business-wise active role of the Bank Official or Staff Member; this shall be decided on a case-by-case basis upon examination of relevant documentation by the Head of DCR.

Rule 6. Employment of Directors and Alternate Directors as Bank Officials or Staff Members

Directors and Alternate Directors may enter into employment contracts as Bank Officials or Staff Members of the Bank not earlier than one year after ceasing their services in their capacity as members of the Board of Directors, in accordance with all related rules, policies and procedures of the Bank, including, but not limited to, the Bank's recruitment policies.

Rule 7. Duty of Confidentiality

Each Board Official, Bank Official, Staff Member or Intern shall rigorously observe all rules and procedures established by the Bank to protect confidential information. Any such person shall not at any time use outside the Bank information or materials not available to the general public obtained in the course of service with the Bank and, when possible, also abstain from professional activities outside the Bank, which present him/her with the possibility of using information or materials not available to the general public obtained in the course of service with the Bank (subject to Rule 1 herein). After their separation from the service with the Bank this obligation continues.

Rule 8. Non-disclosure of Inside Information

A Board Official, Bank Official or Staff Member who becomes an Insider, as a result of having access, through the exercise of his/her employment, profession or duties to Inside Information, shall not disclose that Inside Information to any other person (natural or legal), except where the disclosure is made in the normal exercise of his/her employment, profession or duties. Such non-disclosure shall not result to disciplinary proceedings by the Bank against the non-disclosing person, in case it is deemed that the non-disclosure in name has negatively affected particular interests of the Bank under certain circumstances.

Rule 9. Transactions with former or prospective employers

a) A Bank Official or Staff Member shall not exercise any responsibility with respect to a Bank transaction involving a former employer as: (i) a recipient or beneficiary of Bank financing, investment guarantee or service, (ii) a guarantor of such financing, or (iii) a supplier of goods or services to the Bank, if such involvement could improperly benefit, or could be perceived to improperly benefit the former employer.

b) A Bank Official or Staff Member who is negotiating for, or has an arrangement concerning prospective employment other than at the Bank shall not exercise any responsibility with respect to a Bank transaction in which the prospective employer has a direct or indirect financial interest.

The Head of the Compliance and Operational Risk Management Office (DCR) shall be notified immediately by that Bank Official or Staff Member in any such instance.

Rule 10. Post-service non-competition conditionality

Except where the interests of the Bank are not adversely affected in the sole determination of the Bank, as prescribed in Rule 4, which Bank retains the right to impose possible conditionality, upon a written request of the person concerned, a former Board Official, Bank Official or Staff Member may not, within one year after separation from the Bank, perform services for any other entity or person (other than, in the case of a Board Official, the Member which appointed him/her) in respect of any matter in which the Bank has an interest or is a party and in which he/she has participated personally and substantially. The Bank retains the right to impose possible conditionality even for a/the period following the expiration of the aforementioned one-year period.

Rule 11. Financial interests

No Board Official, Bank Official or Staff Member or the members of their Family shall accept a financial interest in relation to any Bank transaction, whether by way of compensation, commission, favorable buying or selling arrangements, gift or otherwise. In the event of doubt, the person concerned should consult with DCR.

Rule 12. Acceptance of gifts from third parties

Board Officials, Bank Officials and Staff Members, in connection with their service with the Bank, shall not solicit gifts from any source external to the Bank and, if offered such gifts, should refuse them. Such gifts may be accepted, only if refusal to accept would offend or embarrass the donor or the Bank. In any such case, if the gift is only of a token value or not in excess of €100, it may be retained by the Board Official, Bank Official or Staff Member. Any gift in excess of €100 shall be surrendered to the Bank through DCR. Frequent gifts below € 100 from the same source shall not be accepted. In all cases, the offering and/or acceptance of gifts shall be reported to the Head of the Compliance and Operational Risk Management Office (DCR) within 21 calendar days from its receipt, in order to avoid any suspicion of Conflict of Interest or wrongdoing.

For the avoidance of doubt, the customary meals, refreshments and receptions offered in the course of a business meeting or other business-related matter, such as conference or training, may be accepted, as long as the frequency of such offerings by the specific party is not excessive.

Rule 13. Acceptance of honors from third parties

A Board Official, Bank Official or Staff Member may not solicit decorations or similar honors from any source external to the Bank, for service to the Bank, while in its service. If such honors are offered, prior to acceptance, authorization must be sought from appropriate authority, as follows:

- i) the Board of Governors for a Board Official or the President;
- ii) the Board of Directors for the Vice Presidents and the Secretary General; and
- iii) the President for all Staff Members.

Rule 14. Public expression of political opinions

Bank Officials and Staff Members in exercising their civic and political rights shall not publicly express opinions that may be detrimental to the image of the Bank or its relations with its Members.

Rule 15. Permission to accept appointment to public positions

(a) A Bank Official or Staff Member who intends to accept appointment to a public office or position shall seek prior permission.

Any such request for permission by the President shall be submitted to the Board of Governors; any such request for permission by a Vice President or the Secretary General shall be submitted through the President to the Board of Directors; and any such request for permission by a Staff Member shall be submitted to the President of the Bank.

Depending on the extent of the functions under such office or position and the time needed to be devoted, it may be decided that the person concerned:

- should resign;
- is granted unpaid leave;
- is authorized to discharge his/her duties at the Bank on a part-time basis, provided the nature of his/her post within the Bank so permits;
- continues to discharge his/her duties at the Bank.

In considering a request for authorization, factors such as whether the activity creates an internal or external Conflict of Interest (including also the full and proper discharge of their duties and responsibilities to the Bank) or the appearance of impropriety, or could prove a source of embarrassment to the Bank, shall be taken into consideration.

(b) A Bank Official or Staff Member who intends to become a candidate for a political party position or run as a candidate in any kind of political elections should resign from the Bank before the submission and announcement of his candidacy.

Rule 16. Use of human resources, assets and intellectual property of the Bank

Board Officials, Bank Officials and Staff Members shall not use Bank’s human resources and assets, such as cash, equipment, IT resources, services, supplies or facilities for private purposes and private gain, nor shall they permit other persons to do so.

All rights to any work or intellectual property created by Board Officials, Bank Officials and Staff Members in the course of their official duties belong to the Bank unless the Bank authorizes otherwise. Intellectual property belonging to the Bank may not be used for private benefit or for the benefit of others except with appropriate authorization from the Bank, in accordance with Rule 4 herein.

Rule 17. Investment transactions with recipients of financing or of advisory services

A Board Official, Bank Official or Staff Member shall not purchase directly or indirectly debt or equity securities of, or any interest in, any entity, or any of its affiliates, if such entity, or any of its affiliates, is:

- i) an actual recipient of financing or of financial advisory services by the Bank, including indirect Bank financing through a development finance company or other intermediary; or
- ii) known to the Board Official, Bank Official or Staff Member to be under active consideration for such financing or services.

In the event of doubt, the person concerned should consult with DCR.

The above rule shall not apply to financial interests held in or managed by investment funds, pension funds, trusts, estates, or similar types of investment vehicles, provided that neither the Board Official, Bank Official or Staff Member nor a member of their Family has the ability to exercise any discretion over, or otherwise direct the investments made by any such investment vehicle.

Rule 18. Investment transactions with suppliers, lenders, counterparties

A Board Official, Bank Official or Staff Member shall not purchase directly or indirectly debt or equity securities of, or any interest in, any entity, or any of its affiliates if such entity, or any of its affiliates:

- a) is a supplier of goods or services (including consulting or construction services) to be acquired or financed by the Bank, or which is being considered as such a supplier;

- b) is a financial institution from which the Bank is a borrower or to which the Bank is otherwise indebted;
or
- c) engages, directly or indirectly, in financial transactions with the Bank (other than those prescribed in Rule 17 above),

with the exception of a De Minimis Interest in a publicly held entity.

In the event of doubt, the person concerned should consult with DCR.

Rule 19. Unlawful Disclosure of Inside Information, Insider Dealing and Market Manipulation

Board Officials, Bank Officials or Staff Members who, in the context or course of their duties, have direct or indirect access to the Bank's Inside Information or are in possession of such information in respect of entities (especially if listed) or third-parties' financial instruments (especially if listed) the Bank is involved or interested in or transacting with shall not:

- i) disclose such information to any other person, including Staff Member, unless such disclosure is made in the normal course of their service with and the fulfillment of their duties to the Bank;
- ii) make use, either directly or indirectly, of such information in order to acquire or dispose of, for its own account or for the account of a third party, financial instruments to which that information relates;
- iii) cancel or amend an order concerning a financial instrument to which the information relates, where the order was placed before they possessed such information;
- iv) recommend, on the basis of that information, that another person acquire or dispose of financial instruments to which that information relates, or induce that person to make such acquisition or disposal;
and
- v) recommend, on the basis of that information, that another person cancel or amend an order concerning a financial instrument to which that information relates, or induce that person to make such a cancellation

Rule 20. Prohibited trading activities for the Bank's own account

No recommendation or decision to trade, for the Bank's own account, in securities issued by an investee company/ borrower (especially if listed), including the exercise of any conversion options, should be made by a Board Official, Bank Official or Staff Member on the basis of information received that could be considered to be Inside Information. More generally, at any point in time when a trade is contemplated by the Bank, it is necessary by all such persons involved to ensure that all the prevailing circumstances, including -but not be limited to- the totality of information on the investee company/borrower possessed by the Bank, the Bank's interests, the market characteristics and the applicable national law, are not such as might be capable at any point of time of being construed as having been Insider Dealing or Unlawful Disclosure of Inside Information or Market Manipulation.

Rule 21. Notification to DCR

Any Board Official, Bank Official or Staff Member suspecting that an activity might constitute Insider Dealing or Unlawful Disclosure of Inside Information or Market Manipulation shall notify the Head of DCR without delay.

Rule 22. Disclosure of Conflicts of interest

Each Board Official, Bank Official and Staff Member shall immediately disclose to:

- (1) the Chairman of the Board of Governors in the case of the Chairman of the Audit Committee and the President;
- (2) the Chairman of the Audit Committee in the case of any other Board Official;
- (3) the President in the case of the Head of DCR; or
- (4) the Head of DCR in all other cases,

any financial or business interest

- a) dealt with under Rules 11, 17 and 18;
- b) that might reasonably reflect unfavourably on or cause embarrassment to the Bank;
- c) that might be in actual or apparent conflict with the Board Official's, Bank Official's or Staff Member's duties; or
- d) that might be affected by a matter with which the Board Official, Bank Official or Staff Member is dealing.

and comply with any instructions given by the competent person who receives the disclosure.

Rule 23. Conflict of Interest statements

Each Board Official other than the Chairman of the Audit Committee, each Bank Official other than the President, and each Staff Member other than the Head of DCR, on accepting their respective appointment, shall file a confidential statement with the Chairman of the Audit Committee, in the case of such Board Official, or the Head of DCR, in any other such case, attesting that neither he/she, nor –to the best of their knowledge and reasonable belief- any member of their Family, has any financial or business interest not complying with these rules or with any instructions received by the Chairman of the Audit Committee, in the case of such Board Official, or by the Head of DCR, in any other such case, with respect to such interest, taking into consideration also the list of entities referred to in Rules 17 and 18 with regard to which a Conflicts of Interest situation may arise. The Head of DCR shall file such statement with the President, whereas the Chairman of the Audit Committee and the President shall file such statement with the Chairman of the Board of Governors, who shall respectively, if needed, instruct them appropriately in respect of the disposition of, or the exercise of rights in connection with, any financial or business interest included therein. In all cases, such confidential statement shall also contain a section confirming the familiarity of the Board Official, Bank Official or Staff Member with the Bank's Anti-Fraud, Corruption, Money Laundering and Terrorism Financing, and Domiciliation of BSTDB Counterparties Policy.

DCR shall periodically share with all persons subject to the present Rule the list of entities referred to in Rules 17 and 18 with regard to which a Conflicts of Interest situation may arise. Upon receipt of the updated list in name, all persons subject to the present Rule shall, without undue delay, inform the competent person, as mentioned above, of any possible Conflict of Interest which may arise with regard to their person or members of their Family.

Rule 24. Interpersonal relationships between Bank Officials and/or Staff Members

A Bank Official or Staff Member who becomes a close relative of another Bank Official or Staff Member during their service with the Bank, by marriage to him/her or by marriage to a Family member of such other Bank Official or Staff Member, is required to make this relationship known to the Head of DCR.

Such persons, so related or who are/have become close relatives prior to their hiring by the Bank, may not (a) hold positions in the Bank that entail a supervisory relationship or reporting duties between them, (b) serve in the same unit, or (c) have the signing authority to jointly commit the Bank. Therefore, in such instances, one of them shall be reassigned to other duties, to be determined according to the interests of the

Bank. A Bank Official or Staff Member shall not participate in any employment-related decisions concerning any such relative or an individual with whom he/she has an intimate relationship, including assignments of duties, evaluation of performance, awards of merit pay and any other actions inherent in the employment relationship. In cases of doubt, the guidance of the Head of DCR shall be sought.

A Bank Official or Staff Member who becomes an Immediate Family Member or Close Associate of a Politically Exposed Person (PEP) is required to make this relationship known to the Head of DCR as soon as the close relative becomes a PEP.

Rule 25. Whistleblower protection

Board Officials, Bank Officials and Staff Members shall report in good faith (Whistleblowers) suspected incidents of Unsatisfactory Conduct or Misconduct, Fraudulent, Coercive, Collusive, Obstructive or Corrupt Practice (collectively, "Prohibited Practices") , in relation to any current, past or prospective Bank operation, Board Official, Bank Official, Staff Member, supplier, expert or consultant, or incidents of breach of the provisions of the Bank's rules or other types of complaints, in accordance with the Bank's Procedure for the Receipt, Retention and Treatment of Complaints.

Such persons reporting in good faith (Whistleblowers) shall be treated by the Bank in confidentiality to the extent possible and protected from retaliation of any type, as more specifically prescribed in the related rules of the Bank.

Rule 26. Implementing Orders

The President, in consultation with the Head of DCR and the General Counsel and with: (i) the Board of Directors on matters involving the Vice Presidents and the Secretary General, (ii) the Chairman of the Board of Governors on matters involving him/her (the President), may adopt orders implementing and clarifying the provisions of this Code and establishing procedures for its application.