

Code of Conduct of the Council of Europe Development Bank

**applicable to the Governor, Vice-Governors, staff members
and contractual collaborators**

1. Introduction

The purpose of this Code of Conduct (hereafter referred to as “the Code”) is to set forth, from a deontological point of view, the rules applicable to questions of ethics and professional behaviour that the CEB’s Appointed Officials, staff members and contractual collaborators must follow. It therefore helps to guarantee compliance with the values promoted by the CEB in accordance with the current rules.

2. Scope of application and definitions

The Code is applicable to the Governor and to the Vice-Governors (collectively referred to as “Appointed Officials”), as well as to all staff members and to the CEB’s contractual collaborators regardless of their legal status. Insofar as it shall be mentioned in their contract, the Code also applies to any third party who has been contracted to provide services or any other type of work for the CEB.

3. General principles

3.1. Values to be promoted

In working for the CEB, Appointed Officials, staff members and contractual collaborators enjoy the opportunity to contribute to the implementation of major objectives such as participating in the financing of social projects or responding to emergency situations, thereby contributing to improving living conditions and social cohesion in the less advantaged regions of Europe.

The foregoing imposes certain duties and obligations. The CEB’s Appointed Officials, staff members and contractual collaborators are expected to commit themselves to the CEB’s objectives loyally, honestly and impartially. They must subscribe to high standards of professional ethics, shall observe the highest standards of integrity and ethical conduct, and shall act with honesty and propriety by adhering to the CEB’s core values of commitment, cooperation, creativity, transparency and professionalism.

The CEB’s Appointed Officials, staff members and contractual collaborators shall adhere to the CEB’s commitment to minimise the negative environmental, social and governance impact of its business activities and to enhance their positive impact.

3.2. Basic rules

In discharging their professional duties for the CEB, Appointed Officials, staff members and contractual collaborators are, in particular, required to:

- act, in all circumstances, in the interest of the CEB, without allowing themselves to be influenced by any personal considerations or relations, and to avoid any situation that may give rise to a conflict of interest or the appearance of a conflict of interest;
- carry out their duties in a professional manner, devoting themselves fully to the tasks with which they are entrusted, satisfying the CEB’s legitimate expectations, complying with professional best practices, and

observing professional secrecy. This applies when working at the CEB's premises or remotely;

- respect the private lives and dignity of the CEB's Appointed Officials, staff members and contractual collaborators and observe the principles of integrity;
- proactively pursue the application of environmental, social and governance (ESG) good practices.

3.3. Respect for diversity and non-tolerance of discrimination

It is prohibited to show any discrimination based on gender, origin, colour, ethnic or social origin, political, philosophical or religious convictions, membership of any national minority, property, birth, disability, age or sexual orientation, nationality or, in general terms, the way in which the CEB's Appointed Officials, staff members and contractual collaborators choose to conduct their private lives, insofar as this remains compatible with the principle set forth in Article 2.1.2 of the Staff Regulations and the Staff Rules.

4. Confidential Information and Disclosure

The CEB's Appointed Officials, staff members and contractual collaborators are bound by the obligation to treat with due confidentiality any documents, information or other elements received in the context or course of their duties, in compliance with the CEB's related rules, policies and guidelines.

The CEB's Appointed Officials, staff members and contractual collaborators have the duty to protect the information entrusted to or generated within the CEB. They shall treat any documents or information (collected orally, in paper or electronic form) received in the context of their duties with due confidentiality, in compliance with the "CEB Data Protection Regulations", both when they are working physically at the CEB premises or remotely.

The CEB's Appointed Officials, staff members and contractual collaborators shall use the information entrusted to or generated within the CEB exclusively for their professional activity within the CEB and shall refrain from any unauthorised disclosure of information received in the context of their professional activity, unless that information is already publicly available.

In carrying out their duties, the CEB's Appointed Officials, staff members and contractual collaborators must strictly observe internal rules and procedures related to information and data protection.

Special provision shall be made to ensure respect for the confidentiality of nominative information, in particular to guarantee the right of access of persons working for the CEB to such information and, where appropriate, the right to rectify it, in compliance with the principles contained in the "CEB Data Protection Regulations".

Professional discretion shall be used in behaving offline as well as online, including but not limited to professional and social media. Professional media and social media have an important presence nowadays and introduce new and innovative ways to communicate; when used properly, they contribute to building stronger and more successful relationships with the CEB stakeholders. The CEB's Appointed Officials, staff members and contractual collaborators can use social media via personal social media accounts or personal professional accounts. They are expected to act with caution and care, to use sound judgment and common sense, and to behave in accordance with the CEB's core values.

On personal social media accounts, the CEB's Appointed Officials, staff members and contractual collaborators shall make it clear that they are not speaking on behalf of the CEB. They must be mindful not to bring the CEB into disrepute and consider the implications prior to posting or commenting on social media, including in the context of authorised outside activities.

Obligations with respect to confidential information and to not bringing the CEB into disrepute shall continue to apply to the CEB's Appointed Officials, staff members and contractual collaborators after separation of service or the end date of their contract with the Bank.

5. Inside information

The CEB's Appointed Officials, staff members and contractual collaborators who, in the context or course of their duties, have direct or indirect access to inside or privileged information in respect of companies or bodies with which they entertain direct or indirect relations, or concerning transferable securities of any kind, whether issued by such companies or bodies or by the Bank, shall not disclose such inside information to any other person unless such disclosure is made within the normal course of the exercise of their profession, employment or duties.

The CEB's Appointed Officials, staff members and contractual collaborators may not use, either directly or indirectly, such inside information in order to carry out, recommend or advise against financial transactions, either for their own account or for that of any third party.

Any CEB Appointed Official, staff member or contractual collaborator professionally arranging transactions in financial instruments who reasonably suspects that a transaction might constitute insider dealing shall forthwith notify the Chief Compliance Officer (hereafter referred to as "the CCO").

6. Financial activities

6.1. Professional transactions / private transactions

The CEB's Appointed Officials, staff members and contractual collaborators must not use the CEB's official communication procedures or professional contacts to manage their own private affairs or any external activities that they have been authorised to carry out.

6.2. Private investments

The CEB's Appointed Officials, staff members and contractual collaborators shall at all times manage their private financial affairs with full respect and in compliance with the provisions of the Staff Regulations and the Staff Rules, as applicable, and this Code of Conduct. They shall consider the interests of the Bank and make sure that the Bank does not incur a reputation risk as a result of their management of their private financial affairs.

Therefore, the CEB's Appointed Officials, staff members and contractual collaborators are expected to have a sound personal economy.

Generally, they shall conduct their private financial affairs 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, (iii) does not result in their 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 them, and (iv) avoids market manipulation.

The CEB's Appointed Officials, staff members and contractual collaborators shall immediately notify the CCO of any financial activity that is not in compliance with the Code or that could be or appear to be in conflict with their official duties.

7. Conflicts of Interest

The CEB's Appointed Officials, staff members and contractual collaborators must avoid any situation involving an actual or apparent conflict of interest, that is to say any situation in which private or external interests can influence or reasonably be perceived as influencing the impartial and objective exercise of their functions.

The CEB's Appointed Officials, staff members and contractual collaborators shall not exercise any activity, whether paid or otherwise, liable to give rise to a conflict of interest or the appearance of a conflict of interest.

They are required to be attentive to any conflict of interest or the appearance of conflict of interest and to take the necessary measures to avoid it.

Any CEB Appointed Official, staff member or contractual collaborator who finds themselves in a situation that is liable to result in a conflict or the appearance of a conflict between their interests and those of the Bank, shall bring the matter to the attention of the CCO, who will report thereon to the Governor. Declarations made by the Governor and Vice-Governors shall be sent to the Governing Board and to the CCO.

Any conflict of interest or appearance of conflict of interest concerning a candidate either to a staff member position, or to a contract for collaboration or to an elected position at the CEB must be solved prior to any engagement.

The CEB's Appointed Officials, staff members and contractual collaborators shall discharge their official duties in such a way as to preserve their personal integrity and that of the CEB.

7.1. Conflicts of Interest in Relationships

A CEB Appointed Official or staff member who, during their service with the Bank, becomes a close relative of another CEB Appointed Official or staff member by marriage or by registered partnership to a family member of such other Bank Appointed Official or staff member, is required to make this relationship known to CCO.

Close relatives include a CEB Appointed Official or staff member's spouse, domestic partner, children, grandchildren, siblings, parents, grandparents, siblings of the staff member's parents, children of siblings of the staff member's parents, the staff member's children-in-law, siblings-in-law and parents-in-law and any step-children, step-siblings and step-parents of the staff member.

Such persons, so related, may not a) hold positions in the Bank that entail a supervisory relationship or reporting duties between them, or b) have the signing authority to jointly commit the Bank, and therefore, in such instances, one of them must be reassigned, according to the interests of the Bank. The interests of the Bank will determine which of the two individuals shall be assigned to other duties.

A CEB Appointed Official or staff member shall recuse himself/herself from participating in any employment-related decisions concerning either such relative or an individual with whom she/he has an intimate relationship, including recruitment, assignments of duties, evaluation performance, awards of merit pay and any other actions inherent in the employment relationship. In cases of doubt, guidance shall be sought from the CCO.

8. Incompatibilities and external activities

8.1. General guidelines

CEB staff members must devote their professional activities to the service of the Bank. They must not exercise any other professional activity outside the Bank without prior authorisation from the Governor, in compliance with Article paragraph 110 of the Staff Regulations and the Staff Rules.

8.2. Special rules concerning the Governor and Vice-Governors

The Governor and the Vice-Governors may exercise another remunerated professional activity if authorised by the Governing Board. In considering a request for authorisation, the Governing Board will take account of factors such as the compatibility with the official's work requirements at the CEB and whether the activity creates a conflict of interest. The amounts of corresponding emoluments of such authorised remunerated activities shall be communicated to the Chairperson of the Governing Board. The Chairperson of the Governing Board keeps a record of these declarations. Any member of the Governing Board that may wish to have knowledge of them can contact the Chairperson who will pass them on to them in appropriate forms of confidentiality.

The Governor and the Vice-Governors may exercise another non-remunerated professional activity if authorised by the Compliance Committee and with obligation to inform the Chairperson of the Governing Board. The Compliance Committee will take account of factors such as the compatibility with the official's work requirements at the CEB and whether the activity creates a conflict of interest. The Compliance Committee keeps a record of these declarations.

8.3. Voluntary or community-based work

The CEB's Appointed Officials, staff members and contractual collaborators may, during their free time, exercise unpaid and non-financial activities, notably in the cultural, scientific, educational, sporting, charity, religious or social field, or any other charitable activities, provided that these do not have any negative incidence on the discharge of their obligations in respect of the CEB. The CEB's Appointed Officials, staff members and contractual collaborators may also accept unpaid functions of responsibility within such associations or organisations, provided that these functions remain compatible with their work at the Bank and with the other provisions of the Code and of the Staff Regulations and the Staff Rules.

8.4. Teaching and research

The CEB's Appointed Officials, staff members and contractual collaborators are allowed to engage in teaching or research activities, in particular in subject matters related to their work.

All such activities for staff members must be authorised by the Governor in accordance with paragraph 110 of the Staff Regulations and the Staff Rules.

8.5. Political activities

Article 1.9 of the Staff Regulations and the Staff Rules applies to this matter.

8.6. External communications and relations

The CEB's Appointed Officials, staff members and contractual collaborators must, in all circumstances, endeavour to deal loyally and in good faith with third parties and, in particular, with the Bank's business partners and stakeholders.

The CEB's Appointed Officials and staff members shall avoid taking any stance or expressing any point of view which might prove embarrassing to or give a false image of the Bank, raise doubts as to the Bank's policies and practices or encourage unwarranted expectations as to the possible granting or terms and conditions of a loan or any other operation or transaction conducted with the Bank.

In discharging their professional duties, the CEB's Appointed Officials, staff members and contractual collaborators are required to conduct themselves in a professional and courteous manner in all forms of communication, whether oral or written, including e-mails, the internet, electronic bulletin boards or any other means of electronic communication.

9. Employment

9.1. Former Employers

Should any CEB Appointed Official or staff member be required to exercise any responsibility with respect to any CEB matter in which their former employer has or may have a business interest, they must declare it to their line manager, who may decide to inform the CCO. This obligation applies for two years after termination of their previous employment.

9.2. Prospective Employers

The Bank's Appointed Officials and staff members must not allow the performance of their duties to conflict with, or be affected by, possible or prospective employment with, or the rendering of services to, an outside entity. As soon as any negotiations concerning prospective employment and the acceptance of professional positions are under way, if such positions relate to the CEB's counterparties, the Bank's Appointed Officials and staff members are expected to abstain from any matter that may relate to the prospective employer. As soon as the employment has been accepted by them, they shall inform their reporting line, who shall consult the CCO in case of a personal conflict of interest situation.

9.3. Exceptions

The restrictions set forth in 9.1 and 9.2 above do not apply if the former or prospective employer or entity is another international organisation, government, central bank, or government agency, except if such entity is a Bank counterparty with which the Bank's Appointed Official or staff member is involved as an operation leader or member of a Bank team, task force or committee.

9.4. Post-employment period ("cooling-off")

The Bank's Appointed Officials, staff members and contractual collaborators who cease to work for the CEB are free to pursue their professional development after leaving the CEB. However, for reasons of professional secrecy and to safeguard the CEB's reputation, they may not work for twelve months on any project or transaction in which they had directly participated. If they wish to engage in such projects or transactions, upon leaving the CEB, they shall inform the CCO, who will decide on the appropriate measures.

This restriction does 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's Appointed Official or staff member was involved as an operation leader or member of a Bank team, task force or committee.

A request for a derogation must be submitted for review:

- in the case of the Governor or a Vice-Governor, by the Governing Board;
- in the case of staff members, by the Governor; in such cases, the Governor may delegate to the CCO the authority to decide upon the requests for authorisation.

The Bank may not employ members of its Collegial Organs or their substitutes as managerial staff or expert consultant for a period of two years after they cease to hold office.

10. Gifts, sundry advantages, favours and benefits

The CEB's Appointed Officials, staff members and contractual collaborators shall not apply for, receive, offer or accept any gift, favour, entertainment, award or tangible or intangible advantage, direct or indirect, real or perceived, which is in any way related to their employment with the CEB, and whose value, nature or repeated occurrence could be perceived as an attempt to influence their actions.

Therefore, the CEB's Appointed Officials, staff members and contractual collaborators shall discourage the offer of any gift having more than a token value. They must make this obligation known to persons who have expressed the intention of offering them any advantage. In some cases, refusal of gifts might prove embarrassing or offensive to the gift giver, given differences in business cultures or particular circumstances. In such situations, the CEB's Appointed Officials, staff members and contractual collaborators shall notify the CCO by means of a written declaration. After having considered all the circumstances of the case, the CCO may ask the CEB's Appointed Officials, staff members and contractual collaborators to refuse (or send back to the gift giver) the gift or to surrender the gift to the CEB.

In any event, any person bound by this Code receiving any gifts or advantages above a token value must, as soon as possible and regardless of the nature of the gift or advantage, notify the CCO in writing and, over and above a certain significant value, must surrender the gift or refuse the advantage.

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:

- (1) the market value of the item does not exceed €150 or any such other value as prescribed from time to time by the CCO. The CEB's Appointed Officials, staff members and contractual collaborators must report the receipt of such items to the Office of the CCO, within one month, except for items of a token value (with a market valuation equal to, or less than €50);
- (2) if the market value of the item exceeds €150, the CEB's Appointed Officials, staff members and contractual collaborators must surrender any such item to the Office of the CCO as soon as possible, but no later than one calendar month after receipt of the item;

(ii) limited hospitality may be accepted, provided that the scope and cost of such hospitality is reasonable and customary. The CEB's Appointed Officials, staff members and contractual collaborators may normally accept meals, refreshments and receptions in the course of a meeting or other business occasion, provided that:

- They are unsolicited;
- They do not take the form of cash or cash-equivalents (such as gift cards);
- The purpose is strictly business-related;
- The level of expense is reasonable and customary in the context of the business relationship, taking into consideration the local customs, costs and value levels;
- The frequency of such invitations from the party in question is not excessive with regard to the business relationship.

Acceptance of corporate gifts (i.e. gifts given by a stakeholder to the CEB and not to an individual staff member) on behalf of the CEB has to be considered by the management and – above a certain threshold – by the CCO. If the CEB's Appointed Officials, staff members and contractual collaborators do not know whether or not they may accept a gift or any other advantage, they must ask for the opinion of the CCO.

The CEB's Appointed Officials, staff members and contractual collaborators shall not solicit, receive or accept any honour or decoration coming from any government or authority without the prior consent of the Governor (or of the Governing Board for the CEB's Appointed Officials), as applicable, in consultation with the CCO.

The CEB's Appointed Officials, staff members and contractual collaborators will not offer any gift, favour, entertainment, award or tangible or intangible advantage, direct or indirect, real or perceived, in order to obtain or retain business relationship with any third party. Payments to officials and/or to facilitate or expedite any administrative process are forbidden.

11. Abuse of an official position

The CEB's Appointed Officials, staff members and contractual collaborators must not attempt to use their position at the CEB to influence any person or entity whatsoever with a view to gaining any personal advantage or any advantage to their authorised outside functions or external activities.

12. Independence and vulnerability to influence

The CEB's Appointed Officials, staff members and contractual collaborators must not allow themselves to be placed in any situation that would oblige them to return a favour to any person or entity whatsoever. Likewise, their conduct, both in public and in private, must not render them vulnerable to undue influence by a third party

In compliance with the provisions of Article 1.7 of the Staff Regulations and the Staff Rules, the CEB's Appointed Officials, staff members and contractual collaborators must not allow themselves to be influenced or accept instructions from a government or from any other entity or person outside the Bank.

13. Internal relations

13.1. General principles to be adhered to in working with colleagues

The CEB's Appointed Officials, staff members and contractual collaborators must carry out their work in a professional manner, devoting themselves fully to the tasks entrusted to them, satisfying the CEB's legitimate expectations and adhering to professional best practices.

The Bank encourages staff members to demonstrate a spirit of cooperation in good faith. Misinformation or the withholding of information, unwarranted refusal to collaborate with colleagues and, in general, obstructive behaviour or systematic denigration, are firmly discouraged at all levels.

13.2. Behaviour toward superiors and subordinates

The CEB's Appointed Officials, staff members and contractual collaborators are required to respect the authority of their superiors and loyally to carry out the tasks assigned to them, provided that these are compatible with their duties.

Because of their function and visibility, superiors must set an example.

Relations of subordination shall be applicable only to instructions of a professional nature.

13.3. Dignity at work

All forms of harassment, including psychological and sexual harassment, blackmail, and bullying, are unacceptable and strictly forbidden at the CEB, in compliance with the Rule on the Protection of Dignity at Work. The Bank's Rule on the Protection of Dignity at Work provides concrete guidance on the matter.

13.4. Duty to lend assistance

Any CEB Appointed Official or staff member who witnesses behaviour constituting any form of harassment or bullying is duty-bound to offer their assistance to the victim and to report the situation, following the procedures set up in the Bank's Rule on the Protection of Dignity at Work. Any CEB Appointed Official or staff member who, in full awareness of the facts, prevents or contributes to preventing victims from coming forward, or discredits or contributes to discrediting them, is in breach of his/her professional duties.

14. Use of the Bank's services and facilities for private purposes and intellectual property

All CEB Appointed Officials, staff members and contractual collaborators must ensure that the goods, facilities, services and financial resources entrusted to them are managed and used in a useful, efficient, responsible and economic way, with the utmost care, guarding against waste and abuse. They are reserved for professional purposes by the CEB's Appointed Officials, staff members and contractual collaborators; a residual use for private purposes is possible in accordance with applicable rules.

Intellectual property pertaining to the CEB may not be used for personal benefit or for the benefit of others.

These obligations continue after termination of employment with the CEB.

15. Respect for private life and personal data protection

The CEB's Appointed Officials, staff members and contractual collaborators must respect the private lives of their colleagues and of all other persons working for the CEB.

The aim of the "CEB Data Protection Regulations" is to guarantee the confidentiality of the personal data of all persons working for the CEB as well as their right of access to such data and possible rectification or erasure thereof. The provisions of these Regulations apply to the processing of all personal data which are collected, stored and used by the CEB, automatically or manually, with the aid of any type of medium (paper, electronic, etc.).

Personal data are collected, stored and used fairly and lawfully with the knowledge of the person concerned. The collection, storage and use of personal data, including their communication to third parties, for purposes other than the performance of the necessary internal administrative tasks by the CEB or for the discharge of the functions provided for in the Articles of the Agreement, may take place with the express and written consent of the person concerned or in accordance with the safeguards laid down in official texts already existing within the CEB or to be adopted.

16. Benefit of the privileges and immunities

The privileges and immunities enjoyed by the CEB's Appointed Officials, staff members and contractual collaborators are given in the sole interest of the CEB and not for their own personal advantage. They must be used in accordance with the spirit in which they were granted. These privileges and immunities shall in no way exempt the CEB's Appointed Officials, staff members and contractual collaborators from fulfilling their private obligations or from observing the applicable national law. In particular, they must fully comply with the laws and police regulations in force.

The Governor must be informed as soon as practicable if any person working for the CEB is arrested, charged or convicted of any criminal offences, save for minor violations.

17. Application measures

17.1. Administration of the Code, Signature and Annual Compliance Statement

The CCO shall ensure adherence to the Code. The CCO shall deliver a compulsory compliance induction course to newly recruited staff members and newly appointed Officials.

The CEB's Appointed Officials, staff members and contractual collaborators must sign, on arrival at the Bank, the Code of Conduct Statement and, annually thereafter until separation from the Bank, an Annual Compliance Statement in a form and manner to be proposed by the CCO.

Unless there are specific provisions to the contrary, at the request of any interested party, the CCO gives his/her opinion on the application and interpretation of the Code. The CCO informs the Human Resources Director and, if necessary, the Governor of any outstanding violation of the Code brought to his/her knowledge.

The CEB's Appointed Officials, staff members and contractual collaborators may refer to the CCO in the event of any doubt regarding the application of the Code.

17.2. Reporting and Whistleblowing Protection

Any CEB Appointed Official, staff member or contractual collaborator who has knowledge of elements that could lead them to presume the existence of a case of fraud, corruption, money laundering, financing of terrorism or a case of violation of the Code, the Compliance Framework, or the Staff Regulations and the Staff Rules, shall comply with their obligation to report in good faith (duty to report) such misconduct and must forthwith notify the CCO, in compliance with the CEB's Whistleblowing Policy. The provisions of Article 1.4 of the Staff Regulations and the Staff Rules are also applicable.

If the facts brought to his/her knowledge appear sufficiently serious, precise and conclusive, the CCO refers the case to the Governor.

The CCO guarantees that the information brought to his/her knowledge shall be treated with due confidentiality and that the person who reported the suspected misconduct will be protected from reprisals or retaliation in accordance with the Whistleblowing Policy.

18. Sanctions

Any staff member who violates the duties and obligations laid down by the Code, whether intentionally or through negligence on their part, is liable, according to the gravity of the case, to one of the disciplinary measures provided for in the Staff Regulations and Staff Rules (Article 12.1), in compliance with the procedures contained therein.

Breach of the Code by a person working for the CEB on a temporary basis may result in termination or non-execution of the contract, or such other penalties as may be expressly provided for in the contract.

As regards Appointed Officials, the Bank can review the basis of its collaboration with the Appointed Official concerned.

19. Entry into force

This Code shall enter into force on 21 June 2021.