



#WorldInCommon

PROPARCO

AFD GROUP ANTI-CORRUPTION CODE OF CONDUCT



AUGUST 2022

FOREWORD

AFD GROUP ANTI-CORRUPTION CODE OF CONDUCT



Dear Colleagues,

Corruption, in all its forms, is a major obstacle to development.

In developing countries, perhaps even more than in developed countries, it has detrimental effects. It deprives the poorest populations of resources, breaks the social pact and undermines the foundations of the rule of law.

For donors, corruption can damage the credibility, legitimacy and effectiveness of their actions. It can bring discredit in public opinion on the appropriateness of the aid allocated and sometimes, more seriously, on its usefulness.

AFD Group is resolutely determined to fight against corruption in all its forms, in the projects it finances and further afield.

This commitment requires the involvement of everyone. Each employee needs to take it on board, to promote exemplary conduct among all our employees and the Group's partners. This is the sense of this Code of Conduct.

I would therefore be grateful if you could pay the greatest attention to reading and understanding it, so that it can guide you in your daily professional activities.

I know that I can count on your involvement to act in full compliance with the values of probity, equity and honesty, which are the drivers for our action and the honor of our Agency.

Rémy RIOUX
Chief Executive Officer

FOREWORD

Dear Colleagues,

The fight against corruption is a focus of concern for populations, international organizations and the French authorities. France, via its "Sapin II" law, aims to contribute to strengthening a culture of preventing and detecting risks of corruption in the conduct of business in companies from the French public and private sectors.

AFD Group is already in line with this approach. It now needs to build on its achievements and disseminate them internally and externally by adopting, in addition to and fully in line with its Ethics Charter, a Code of Conduct which sets out the good practices expected from employees when they are led to take positions in complex situations.

It is the common reference document for all AFD Group employees. It aims to inform them by giving them practical advice to prevent or address potentially risky situations and thereby, at their level, contribute to the fight against corruption and influence peddling, but also to the fight against fraud, the misappropriation of aid or money laundering in the context of our activities.

We thereby want this Code of Conduct to give you references to guide you in our actions and address the problems you may encounter.

Applying this Code of Conduct is an effective way of implementing our common values of integrity and preventing the reputation risk in our activities.

Should you have any questions concerning this guide or situations encountered, please do not hesitate to consult your line management. The Compliance Department also remains at your disposal to assist you in dealing with any potentially risky situation.

Director of the Compliance Department

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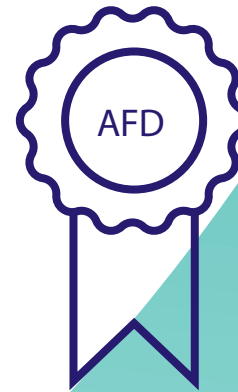
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PRESENTATION OF THE ANTI-CORRUPTION CODE OF CONDUCT

1. Objective of the Code

AFD Group condemns corruption in all its forms and ensures that its employees are involved in ensuring this principle is respected.

Our common objective is to firmly establish a corporate culture with zero tolerance in terms of corruption in all its forms.

The Anti-corruption Code of Conduct (hereinafter the "Code") specifies the rules to be observed for the proper conducting of activities carried out by officers in AFD Group. It complements AFD's General Policy on Preventing and Combating Prohibited Practices and is a guide to be applied on a daily basis to prevent and combat corruption.

It sets out the conduct expected from AFD Group employees (hereinafter "the employees") in order to prevent corruption, influence peddling, fraud and money laundering.

It is implemented in relations with third parties, in particular counterparts and actors in the funded projects, suppliers and the partners of AFD Group.

Group officers are expected to comply with international, national and local regulations

applicable in each country where AFD Group conducts its activity, but also to act in compliance with the principles and obligations of this Code with integrity, loyalty and honesty.

The Anti-corruption Code of Conduct applies to all the Group entities, including abroad, without prejudice to the application of local anti-corruption regulations.

This Anti-corruption Code of Conduct cannot be exhaustive and cannot address all the situations which may occur, or provide information on all applicable laws. It does, however, provide a reference allowing each employee to take action at any time in compliance with the demanding standards for conduct called for by Senior Management in this field.

Procedures have been or will be established and updated by the Group in compliance with applicable local regulations or in order to clarify or give details of certain aspects of the Code, the applicable rules and the conduct to be respected. AFD Group employees concerned by these documents must in the same way strictly apply them.

2. Scope of application of the Code

This Code covers all the activities of AFD Group, including AFD, PROPARCO and their subsidiaries (SOGEFOM, FISEA, Digital Africa).

All AFD Group employees, whatever the activity, country, level of the position held or applicable staff status, are required to comply with this code.

As provided for by the law, this Code is intended to be shared with the third parties

with which AFD Group has undertakings (commercial partners, clients, suppliers, service providers, consultants...) in order to participate in a joint and consistent approach in terms of ethics and integrity.

AFD Group expects all its employees to be familiar with, understand, and strictly comply with the principles and rules set out in this Code.



OUR COMMON OBJECTIVE IS
TO FIRMLY ESTABLISH A
CORPORATE CULTURE WITH ZERO
TOLERANCE FOR CORRUPTION »

WHAT IS CORRUPTION ?

AFD Group is firmly committed to:

- Strictly complying with national and international legislation on the fight against corruption in France and in the countries where it conducts its activities, with reference to international standards on the prevention of corruption;
- Refusing all forms of corruption and promoting integrated and transparent practices;
- Implementing an approach to continuously improve the prevention of risks of corruption, in particular via awareness-raising and training actions;
- Detecting, investigating and sanctioning reprehensible or non-compliant practices.

Each employee must demonstrate integrity and transparency in carrying out their professional activity and act in compliance with the laws and regulations on the prevention of corruption and influence peddling.

1. THE FIGHT AGAINST CORRUPTION AND INFLUENCE PEDDLING

Corruption can manifest itself in two forms:

• The active corruption (the fact of corrupting) and passive corruption (the fact of being corrupted) of public officials (French, foreign or members of international organizations);

• the active and passive corruption of private individuals.

Corruption of a public official means:

• the fact of promising, offering or awarding a public official, directly or indirectly, an undue advantage of any kind, for himself or for another person or entity, for him to carry out or refrain from carrying out an act in the performance of his official duties;

• the fact for a public official of soliciting or accepting, directly or indirectly, an

undue advantage of any kind, for himself or for another person or entity, in order to carry out or refrain from carrying out an act in the performance of his official duties.

Public official means:

• any person who has a legislative, executive, administrative or judicial mandate, whether they have been appointed or elected, whether or not on a permanent basis, whether or not they are remunerated and whatever their hierarchy level;

• any other person who performs a public function, including for a public body or public enterprise, or who provides a public service;

• any other person defined as a Public Official under local law.

Corruption of a private individual means:

• the fact of promising, offering or giving, directly or indirectly, an undue advantage of any kind to any private individual, for himself or for another person or entity, for them to perform or fail to perform an act in breach of their legal, contractual or professional obligations;

• the fact for any private individual of soliciting or accepting, directly or indirectly,

an undue advantage of any kind, for himself or for another person or entity, in order to perform or fail to perform an act in breach of their legal, contractual or professional obligations.

Private individual means any person other than a public official, in particular employees, corporate officers, independent service providers, lawyers...

2. WHAT IS INFLUENCE PEDDLING?

Influence peddling implies that a person takes advantage, with a third-party beneficiary, of his position or real or supposed influence on a person in a position of public authority, entrusted with a public service mission or with an elected public mandate in France or in a foreign country or in an international organization, so that the latter makes a favorable decision for the beneficiary.

Influence peddling is a form of corruption, but which involves a trio of actors:

- the beneficiary of the advantage (decision, contract...) improperly obtained;
- the intermediary who takes advantage of and misuses his real or supposed influence on the person who has the power of decision;
- the "target person", belonging to a public authority or administration in France or abroad, or an international organization which holds the power of decision.

The intermediary who takes advantage of his influence may be:

- a public official himself,
- or an individual person.

The "target person" is in all cases a public authority or administration (French, foreign or international organization).

As with corruption, influence peddling has an active and passive component:

- active influence peddling by the "beneficiary" of the decision or contract who will provide in return to the intermediary gifts or any kind of advantages and this whether the beneficiary is the initiator of the proposal or whether he has yielded to the solicitation of the intermediary;
- passive influence peddling by "the intermediary" (public person or individual) who solicits or accepts any kind of advantage from the beneficiary to abuse his influence with the "target person".

In the event of influence peddling, the three people involved, i.e. the beneficiary, the intermediary and "the target person" whose decision is influenced are liable to sanctions.

“Corruption” in the broad sense, as understood in this code, concerns all AFD Group activities, whether the acts are carried out in France or abroad, directly or indirectly, through a third party.

Acts of corruption may take various forms: donations of money, commissions, transfers to third parties, jobs, gifts, trips, etc.

They may be combined with other breaches of integrity, such as the misappropriation of funds allocated by AFD Group.

Any act of public or private, direct or indirect “Corruption” or complicity in “Corruption”, in France or abroad, is prohibited and exposes its perpetrator, a natural and/or legal person, to severe civil and criminal convictions (fines, imprisonment) in France.

Acts of “Corruption” committed in a country may also lead to civil and criminal proceedings in another country due to the extraterritorial application of certain rules. Acts of “Corruption” are, in addition, extremely prejudicial to AFD Group in financial and reputation terms.

Consequently, an exemplary conduct is expected of AFD Group employees in terms of the fight against corruption. AFD Group employees shall therefore refrain from corrupting third parties, but also from finding themselves in a situation where they could be considered as being corrupt or accomplices to “Corruption”.

In France, this complicity is punishable, whether an employee has been given instructions or means to commit corruption, or whether a line manager informed of the corruption committed by one of his subordinates has failed to prevent it happening.

The conduct expected in certain situations comprising specific risks of corruption is developed in more detail below (gifts and invitations, third parties, facilitation payments, sponsorship and patronage, conflicts of interest).

Under no circumstances, the conviction of acting in the interest of AFD Group or the operations conducted by the latter, may justify, even partly, conduct contrary to the provisions of the applicable laws and Code of Conduct.

Any failure to perform such obligations renders AFD Group employees liable to disciplinary sanctions which may go as far as the termination of the employment contract, as well as civil and criminal proceedings, where appropriate.

Any AFD Group employee who suspects a situation of corruption with one of AFD Group’s partners (counterparties, commercial partners, clients, suppliers...), in the context of Group operations, is also expected to report this situation without delay.



Corruption (...) concerns all AFD Group activities, whether the acts are carried out in France or abroad, directly or indirectly, through a third party »

3. PRESENTS AND INVITATIONS

The appearance of impartiality and neutrality by all employees, whatever their hierarchic level, must constantly be maintained, to ensure that no situation can lead to doubt being cast on the independence and integrity of an employee and AFD Group.

Yet, while offering or receiving a gift or invitation may be legitimate and fall within the respect of usual rules of courtesy and good social or commercial relations, these actions may also place an employee or AFD Group in a situation of vulnerability, create a situation of conflict of interest or expose him to accusations of inappropriate conduct in business relations, or to risks of legal proceedings, notably for corruption or influence peddling.

Indeed, presents and invitations may be offered as a reward for a favor previously granted (bribes) or for a favor to be granted in the future. Offering a gift or entertainment may also create an obligation towards the recipient, who may be encouraged to modify his conduct in a way that is favorable to the author of the gift. Finally, this may give rise to the hope that something will be granted in return.

Gifts may take various forms, such as material goods or perishable goods.

Invitations include trips, stays, meals, shows, receptions, plane tickets or the participation in cultural events and social or sports events.

Gifts and invitations, offered or received, by employees from clients, suppliers, service providers, partners or counterparties (States, administrations, public and private enterprises, Civil Society Organizations...) are not reprehensible in themselves, as long as they comply with the procedures in force, notably:

- That they are subject to a declaration;
- That they comply with the laws and traditions of the country concerned;
- That they are for a reasonable amount;
- That they do not have a repeated or excessive nature;
- And that they may not, under any circumstances, influence or reasonably give the impression of influencing a decision or position of AFD Group or one of its employees.

However, cash donations and the like (cash, transfers, cheques, purchasing vouchers, gift certificates...) are strictly prohibited.

Gifts and invitations, offered or accepted, may not be of a nature, amount or frequency which would raise questions over the regularity of the conduct of the employee or which could influence him illegitimately.

Invitations may not benefit spouses or family members without professional justification. Any invitation of a commercial nature, in particular providing for the payment of travel

and accommodation for oneself and/or a family relation, must be refused.

Courtesy gifts, according to certain local customs and if they respect the conditions listed above, are tolerated.

It is forbidden to offer or accept gifts or invitations during bid invitations, the closing of accounts or sensitive situations for the Group and the staff exposed should be particularly vigilant (e.g. an employee controlling a bid invitation or an employee with sensitive information concerning a counterparty).

Finally, particular vigilance should be given to the status of the people who the gifts or invitations are intended for in order to protect their independence. Indeed, their status may prohibit them from accepting a gift or

invitation, even for an amount for a small value. This vigilance must be reinforced with regard to representatives of the State and/or French or foreign administrations and local authorities, in particular with regard to their status of public official and the duties this involves.

AFD Group has regulated the use or reception of gifts and other benefits. Employees are asked to refer to the procedures dedicated to it.

In case of doubt, please do not hesitate to speak to your line manager and/or the Ethics Advisor.

« The appearance of impartiality and neutrality of all employees (...) must constantly be preserved »



Facilitation payments (...) are strictly prohibited by the Group »



It is not permitted to call on a third party whose probity and integrity have not been verified and documented beforehand »

4. FACILITATION PAYMENTS

Facilitation payments are illegal or unofficial payments (in contrast to legitimate and official duties and taxes) paid to a public official with the aim of obtaining or accelerating the performance of routine administrative formalities which the payer is legitimately entitled to as a person or company (for example, customs clearance, obtaining a visa, work permit, etc.).

Facilitation payments are a form of corruption, incriminated as such in most countries, including France. These payments are strictly prohibited by the Group in accordance with the law.

The extortion of funds, by force, following real or perceived threats to health, safety or liberty is not part of these definitions.

5. THIRD PARTIES

The term "Third Parties" refers, without limitation, to intermediaries (i.e. persons holding a group mandate to act on its behalf or represent its interests), legal or accounting advisors, consultants, lobbyists and service providers. The term "Third Parties" also refers to commercial partners, which include counterparties, contractors, suppliers, partners in companies, funds or projects financed by AFD Group. It is not permitted to call on a third party whose probity and integrity has not been

verified and documented beforehand, or for the performance of operations that do not comply with the Group's ethics rules. In this respect, it is essential to ensure the probity and integrity of any third party in order to make sure that the Group does not participate in or is not involved in unlawful practices.

Employees must be particularly vigilant towards lobbying activities which may be a source of corruption.

Specifically concerning service providers, it is necessary to ensure that they provide a service based on professional expertise, in the context of a written contract, and conduct a regular monitoring of the work actually performed.

Payments to a third party must only be made if they are lawful, in conformity with the

contract and performed against the submission of a valid invoice. They may not be made without evidence of the work conducted on the basis of documentation, or paid in cash.

Third parties must act in compliance with the Code of Conduct and respect its commitments to the fight against corruption.

6. PATRONAGE AND SPONSORSHIP

Group entities may periodically be requested for patronage or sponsorship operations. Patronage is a donation provided without expecting a benefit in return. Sponsorship is allocated in return for a benefit (e.g. publicity) and involves a sharing of common interests.

These commitments made on behalf of the Group must comply with the laws, regulations and instructions in force in the Group and are subject to internal authorization.

Contributions to political parties, political party leaders and candidates are prohibited.

No contribution or patronage may be made with an intention of corruption, or if it aims to bring about or reward abnormal conduct. There is a need for specific vigilance when payments are requested using unusual methods. Cash payments are prohibited.



There is a need to show particular vigilance when payments are requested using unusual methods »

WARNING SIGNS

There is a need to be particularly vigilant to the following warning signs (non-exhaustive list):

- Sponsorship or patronage has been requested by a French or foreign public official (or someone close to him), whereas he is in business relations with the Group (e.g.: a French mayor or foreign minister requests, alongside the funded project, that the Group sponsors a sports association managed by his son).

- The sponsorship or patronage has been requested by an employee (or someone close to him) of an entity with which the Group is in business relations.

- The sponsorship or patronage has been requested in the form of cash or a transfer to a personal account or offshore account.



Any situation that may give rise to a reasonable doubt on the impartiality, objectivity and independence of a professional, albeit wrongly, exposes the latter to being accused of a conflict of interest »

CONFLICTS OF INTEREST

7. WHAT IS A CONFLICT OF INTEREST?

A conflict of interest is a de facto situation. It is traditionally defined as the fact, for a person conducting a professional activity, of being placed or placing themselves in a situation raising a doubt over the motives for his decisions.

Any situation that may raise a reasonable doubt over the impartiality, objectivity and independence of a professional, albeit wrongly, exposes the latter to being accused of a conflict of interest.

A distinction should be made between “structural” conflicts of interest, which come about through the existence of diverging interests between the various entities of AFD Group, which need to be arbitrated, and “personal” conflicts of interest, which come about through the existence of diverging interests between the personal situation of the employee and the exercise of his duties for the Group.

• The structural conflict of interest may arise

A situation of conflict of interest occurs when the personal interests of an employee are likely to interfere in a decision or position to take (or not take) and call into question his impartiality, his independence or his neutrality, both in his way of handling the operations entrusted to him and in his relations with his colleagues or his

collaborators. when the interests of various AFD Group entities may diverge or find themselves in competition (for example: in the event of competition between financing between FISEA and PROPARCO for the same beneficiary). They may also occur when functions and mandates held by an employee on behalf of AFD Group (e.g.: represent AFD or PROPARCO on the Board of Directors of a company due to an equity investment and allocate a loan to this same entity via PROPARCO or FISEA).

Structural conflicts of interest must be analyzed in the context of project presentation notes and duly supervised.

• Personal conflicts of interest come about through a situation in which an employee holds, in a personal capacity, interests which could influence or appear to influence the way in which he carries out the functions and responsibilities entrusted to him by AFD Group.

The notion of personal interests needs to be understood in a broad sense. The interest may be direct or indirect, financial or moral, concern the person himself, people close to him, people or organizations with which the employee has, has had, or intends to have business or professional relations.

A situation of conflict of interest occurs when the personal interests of an employee are likely to interfere in a decision or position to take (or not take) and call into question his impartiality, his independence or his neutrality, both in his way of handling the operations entrusted to him and in his relations with his colleagues or his collaborators.

Each AFD employee with the obligation to act in good faith and with loyalty for the exclusive benefit of the interests of AFD Group must, as far as possible, avoid finding himself, or putting another employee, in such a situation.

When the conflict cannot be avoided, the employee must declare this conflict of interest, according to the prevailing procedures, whether the conflict is real or even apparent.

“Real conflict of interest” means a situation in which it is found that a personal interest is

influencing or will influence the conduct of an employee in the performance of his duties.

“Apparent conflict of interest” means the situation in which the configuration of facts shows that the personal interests of the employee could have an influence on the performance of his duties, whether or not this perception is real.

Conflicts of interest are likely to call into question the credibility of the Group’s action and its reputation. In certain circumstances, they are also likely to incur the legal responsibility of the employee and legal/or disciplinary sanctions, in particular for the illegal acquisition of interest.

AFD Group has regulated situations of conflict of interest. Employees are invited to refer to the procedures dedicated to this.

WARNING SIGNS

In order to prevent situations of conflict of interest, the employee must be attentive to situations in which the objectivity of his professional decisions may be impaired or appear to be impaired.

In case of any doubt, the employee may be guided by the following questions:

Do my personal interests, whether for an external activity, a relation or financial interests:

- Infringe upon the activities conducted by AFD Group?
- Affect AFD Group’s relations with third

parties?

- Possibly give the impression that AFD Group’s decisions are biased?
- Involves resources (material, time, financial) belonging to AFD Group?
- Involve using or disclosing confidential information held by AFD Group?
- Involve AFD’s commercial partners (existing or potential)?
- Have a lucrative nature (remunerations, holdings, gifts, invitations)?
- Possibly compromise AFD Group’s reputation?

In any case, each situation of conflict of interest must be reported without delay and

in writing to his superior, in accordance with the existing procedures using the specific form. The line manager must give details in writing of the procedures for managing this conflict of interest in the form mentioned above.

Examples of situations likely to create a conflict of interest and, where appropriate, lead to the legal liability, including criminal liability, of the employee (non-exhaustive list):

- ◆ Financially commit the Group when the employee, directly or indirectly, has an economic, financial, moral or other personal interest.
 - For example: an employee holds a financial interest (including through an intermediary) in a company in which the Group has business relations through the employee in question;
 - For example: an employee has a position, in a private capacity, in the administrative or management bodies of a foundation or association and should be responsible for the appraisal by AFD or PROPARGO of financing for these entities;

- For example: an employee is “face-to-face” with a spouse or family member, employed in an organization in relations with the Group, whether this link is legal (supplier, client or beneficiary relations – current or potential – for financing, from the public or private sector, or partnership relations).

- ◆ Work (or have worked) himself or one of his family members, in any form whatsoever, for a Group client, counterparty, supplier or service provider.

- For example: an employee who has just joined the Group decides to financially commit it to a service provider for which he was previously an employee, or is in a position to award the contract to this service provider who is his former employer;
- For example: a Group employee responsible for managing a project is poached to immediately work on the same project for the tendering enterprise.



Conflicts of interest are likely to call into question the credibility of the Group’s action and its reputation »

8. EXTERNAL ACTIVITIES

Employees may not hold another job, or do paid work outside AFD Group, without the authorization of the Human Resources Department.

Similarly, employees may not, without the express authorization of the Human Resources Department, exercise any functions of board member, manager or director in any company other than the function which is requested from him by the Group.

In any case, the simultaneous exercise of another activity, directly or indirectly, in whatever form whatsoever, remunerated or not, in a company or organization which has

commercial relations with the Group is prohibited, except by previous written authorization.

This rule does not apply to the production of scientific, literary or artistic works, nor to the participation in charitable, civic, religious, educational, public, political or social organizations whose activities do not present conflicts of interest with the Group.

The Group has established regulations for the modalities of a remunerated external activity. Employees are invited to refer to the procedures dedicated to it.



Employees may not hold another job (...) without the authorization of the Human Resources Department »

FIGHT AGAINST FRAUD

9. WHAT IS FRAUD?

Fraud means any disloyal maneuver (action or omission) intended to deliberately mislead others, intentionally conceal elements from them, deceitfully obtain their consent, circumvent legal or regulatory obligations and/or violate internal rules (his or those of a third party) in order to obtain an illegitimate benefit.

Fraud mainly aims to misappropriate funds and is conducted, for example, by falsifying bank transfers or statements, making false accounting entries, falsifying electronic correspondence, etc.

Fraud is not an offence as such under French law. However, this generic term refers to numerous offences, such as scams, theft,

forgery and falsification, breach of trust, the misuse of public funds, identity theft, etc.

Fraud also targets deficient conduct which is not punished as a criminal offence, but which constitutes a violation of professional obligations.

It may be internal or external to the establishment.

Any suspicion of fraud must be subject to a report on the incident or an alert, in accordance with the procedures in force.

In the event of a doubt over a situation of fraud, do not hesitate to refer to your superior and to the Head of Compliance.

10. MISUSE OF FINANCING

The Group operates in complex environments where risks of the misuse of the financing allocated for other purposes may not be excluded.

For this reason, the Group has adopted procedures for controls and the justification of expenditure which must be respected in order to ensure the proper use of funds. Group employees must alert without delay

their line management and the Head of Compliance of any suspicion of the improper use of financing which has come to their knowledge on the basis of their observations of the existence of anomalies or inconsistencies, or allegations of this nature which would come to their attention from third parties (bidders, employees of companies awarded a contract, competitors, target company, press).



Any suspicion of fraud must be subject to a reporting of the incident and a referral to the Compliance Division for treatment, in accordance with the procedures in force. »

WARNING SIGNS

The following warning signs are likely to reveal a fraudulent situation or generate suspicion of non-compliant use of the financing allocated (non-exhaustive list):

- ◆ Conduct of correspondents: correspondents insistent, demanding confidentiality, claiming they have exceptional authorization from the hierarchy, an urgent demand, an exceptional demand during leave periods, an employee seeking to dissimulate information or escape control procedures...
- ◆ Derogation from payment methods: payment which is required to be made on an account or in a country different from the planned one (modification of banking details), request for advance payment, payments disproportionate to the service provided...
- ◆ Non-compliance with the decision-making process: Bypassing controls and delegations; unexpected or irrational decisions;

no or virtually no reports on meetings or decision records;

- ◆ Overbilling/billing methods: billing that would not appear to accurately reflect the services for which the payment is requested (for example: invoices mentioning expenses that are not described or “miscellaneous expenses”); excessive quantity of urgent orders or variations in past contracts; several invoices for the same work or invoices not provided for in the contract;

- ◆ Quality of documentary evidence: invoices adjusted, manipulated or not meeting the requirements of the Group (for example: backdated invoices, duplicate of invoices on paper without letterhead) or on which there are questionable entries; invoices from third parties without a purchase order or evidence that the service has been rendered or the product delivered; falsified bank statements.

11. FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

Money laundering is a process which involves dissimulating the origin of funds from illegal activities (terrorism, drug trafficking, corruption) to reinject it into a legal monetary circuit. AFD Group is subject to banking regulations related to the fight against money laundering and terrorist financing.

Indeed, AFD Group may, without its knowledge, act as an intermediary in the money laundering process by providing its assistance, without knowing it, to a money laundering scheme.

The Group consequently requests all its employees to contribute to transparency in business practices by fighting against money laundering and terrorist financing, in particular by applying with vigilance the in-house Know Your Customer (KYC) procedures provided for this purpose and, in the event of suspicion, referring the matter without delay to the Head of Compliance.



Money laundering is a process which involves dissimulating the origin of funds from illegal activities (...) to reinject it into a legal monetary circuit »

12. PROTECTION OF GROUP ASSETS

It is the responsibility of everyone to ensure that the Group's tangible and intangible assets are protected and, in this respect, ensure that none of these assets are deteriorated, degraded, stolen, misused, used or destroyed in an inappropriate manner.

Examples of assets belonging to the Group: goods and equipment, products, intellectual property rights, financial resources, IT systems and software.

Each employee must use Group assets in the context of their functions, in compliance with their professional purpose and in accordance with the laws, regulations, charters and procedures in force in the Group. These assets may not be used for personal purposes without explicit prior authorization given in the context of the established procedures.



Each employee must use Group assets in the context of their functions, in compliance with their professional purpose and in accordance with the laws, regulations, charters and procedures in force in the Group »

CONFIDENTIALITY OF INFORMATION

13. PROTECTION OF CONFIDENTIAL OR SENSITIVE INFORMATION AND PERSONAL DATA

AFD Group and its employees are subject, in the context of the Monetary and Financial Code, to the observance of professional and banking secrecy, in particular covering information containing non-public specific elements or figures entrusted to AFD Group by the client or a third party for the performance of its activity.

More generally, any non-public confidential or sensitive, financial, technical, commercial information or information of any kind and on any support whatsoever must be protected, even if there is no formal obligation of confidentiality or secrecy, whether it involves information relating to the Group, its operations and its activities, its directors, its employees or third parties (particularly partners, clients, suppliers, service providers, counterparties financed).

Examples of sensitive information: information of a financial, accounting and technical nature, or relating to the strategy, prices, projects, employees, directors, ongoing litigation...

The dissemination, unintentional or accidental, of confidential or sensitive information is likely to prejudice the Group as it can affect the legitimacy of its operations, its competitiveness, but also lead to malicious acts on the part of third-parties.

It may also constitute a violation of confidentiality commitments made by the Group with regard to third parties or create a situation of insider trading.

It may also render the Group or its employees liable under banking secrecy legislation.

Consequently, every precaution needs to be taken to ensure the protection of confidential or sensitive information, as well as its preservation.

In the same way, employees must ensure that personal data is protected.

Personal data is understood as information of all kinds that allows a natural person to be identified directly or indirectly (in particular: name, date and place of birth, address, social security number, personal telephone number, e-mail address, banking details...).

The protection of personal data guarantees the person in question the individual right of control over the collection, processing, use, dissemination and storage of data concerning him.

This data must be used in a fair manner for a specific, explicit and legitimate purpose and only be conserved for the duration required for the purpose of the processing.

Each employee is therefore required to respect the rules on the protection and use of these personal data.

An employee who is aware of the inappropriate disclosure, inappropriate processing or

loss of personal data, confidential information or sensitive data must immediately inform his hierarchy and/or the Head of Compliance. In the event that personal data is compromised, the employee alerts the Data Protection Officer (DPO)

14. INSIDER TRADING AND MARKET INTEGRITY

Employees must respect the national and international rules related to the fight against market abuse and exercise permanent vigilance in order to protect the integrity of markets.

Any suspicion of a situation generating a risk of market abuse must be reported to the Head of Compliance.

It is strictly prohibited, in particular, to infringe the rules related to insider trading, disclose unlawfully insider information, disseminate information sending false or misleading signals to markets, or manipulate prices. Inside information is information unknown to the public, relating either to a company or a market, the content of which is sufficiently accurate and the likelihood of realization sufficiently high for its disclosure to substantially influence the price of a security.

Employees are forbidden to conduct, for their personal benefit, operations on market securities, in France or abroad, or financial

transactions on the basis of confidential information obtained in the performance of their professional activities or in the course of them.

Similarly, they are prohibited from using this information to advise third parties or advise them against operations on these securities or markets.

Directly or indirectly conducting operations on market securities using inside information, on one's own behalf or on behalf of third parties, is not only contrary to the Group's rules of conduct and procedures, but is illegal and constitutes, particularly in France, insider trading, which is a heavily sanctioned criminal offence (fine/imprisonment), whether or not the operation has been conducted during working hours and/or whether or not using technical or computerized means belonging to the Group.



An employee who is aware of the inappropriate disclosure, inappropriate processing or loss of personal data, confidential information or sensitive data must immediately inform his hierarchy and/or the Head of Compliance »

15. WHO TO CONTACT IN THE EVENT OF A QUESTION ABOUT THE APPLICATION OR INTERPRETATION OF THE PROVISIONS OF THE CODE OF CONDUCT?

As it is not always easy to provide an exact answer to a complex or risky situation, all employees are strongly encouraged to communicate openly and express their questions or their concerns to their hierarchy or to the Head of Compliance.

Any question or concern may be submitted in a confidential manner, with no fear of reprisal.

BREACH OF THE CODE OF CONDUCT AND PROFESSIONAL WHISTLEBLOWING MECHANISM

16. WHAT SANCTIONS ARE FACED BY A BREACH OF THE CODE OF CONDUCT?

An employee who does not respect the provisions defined in this Code of Conduct personally faces legal and/or disciplinary sanctions. Disciplinary sanctions may go as far as the termination of the employment contract, in accordance with the legislation and regulations in force, as well as the staff regulations and/or, where appropriate, the applicable local documents.

employees to breach the Code, if he dissimulates a known breach, if he decides not to cooperate with an investigation related to a potential breach of the Code or if he obstructs the said enquiry, if he falsely or intentionally accuses another employee of a breach or if he retaliates against a person who reports or suspects a breach.

An employee may also be subject to disciplinary measures if he encourages other

Consequently, it is your responsibility to read, fully understand and respect all the rules and guidelines set out in this Code.

17. HOW TO REPORT A BREACH OF THE CODE OF CONDUCT?

An employee who has knowledge of a conduct or situation in violation of this Code of Conduct must report it without delay to his line manager and to the Head of Compliance. Depending on the case, they will provide guidance to him, advise him or handle the report.

If the situation is not handled, the employee has the possibility of using the professional whistleblowing mechanism, in accordance with the procedures in force. This mechanism is managed by AFD Group's Ethics Advisor.

People who have reported, without direct financial compensation and in good faith, violations to the Code of Conduct, may not be subject to sanctions or disciplinary or discriminatory measures.

As soon as the employee's report has been received, he will be protected by the status of whistleblower, as provided for by the law, when he meets the following cumulative criteria:

- He issues the report as a natural person (a company, association, professional trade union, etc. may not be considered as whistleblowers);
- He has knowledge of the facts he is reporting in the course of his usual professional activities;
- He is acting without direct financial compensation;

- He is acting in good faith (the facts are plausible and presented without malice);
- He does not disclose information covered by national defence secrecy, medical secrecy, secrecy of judicial deliberations, secrecy of judicial investigations or the professional secrecy of the lawyer.

However, an employee who knowingly or by gross negligence, makes accusations or communicates information which he knows is not accurate, in bad faith or in a self-serving manner, may be subject to a disciplinary sanction, which may result in dismissal and be subject to, where appropriate, prosecution for slander.

An employee who impedes the declaration of a report via the professional whistleblowing mechanism is liable to disciplinary and legal sanctions.

Any report must, as far as possible, be clear and detailed and must provide precise and relevant information concerning, among other things, the dates, places, offenders, witnesses, amounts, etc., in order to allow an in-depth enquiry to be conducted.

18. ARE THE REPORTS CONFIDENTIAL?

All reports to the professional whistleblowing mechanism are managed as confidential information by the entity in charge of collecting these alerts, in particular the identity of the whistleblower, the facts concerning the report and the people concerned by the report.

The identity of the whistleblower is not given to either the people who handle the report or the defendants of the report. The anonymity of the whistleblower vis-à-vis these persons is guaranteed by the entity which receives the alert. It is only disclosed, where appropriate, to the legal authority at its request. It may be

disclosed to internal entities of AFD Group responsible for handling the alert if the whistleblower has given his formal agreement to the entity in charge of collecting these alerts for his identity to be disclosed to them.

Subject to exceptions, the defendants of a report are informed of the facts which they are accused of as soon as the report is recorded. The person responsible for handling the alert may decide to take precautionary measures, in particular to prevent the destruction of evidence, before informing the persons concerned.



People who have reported, without direct financial compensation and in good faith, violations to the Code of Conduct, may not be subject to sanctions or disciplinary or discriminatory measures »

19. IS THE WHISTLEBLOWER PROTECTED?

No retaliatory measure, particularly disciplinary or discriminatory measure, may be taken against an employee for having reported, in good faith and without direct financial compensation, irregularities or wrongdoings and/or for having communicated accurate information and acted in good faith in the context of an internal or external enquiry, an audition, a legal procedure or a request for information of a legal, administrative or regulatory nature concerning potential irregularities or wrongdoings.

Unless it involves judicial authorities, the elements which allow the whistleblower to be identified may only be disclosed with his consent.

The identity of the whistleblower must under no circumstances be communicated to the defendants of the report, and even if these persons request to be provided with it.

20. ARE THE DEFENDANTS OF AN ALERT PROTECTED?

No retaliatory measure may be taken against an employee for the sole reason that he has been subject to a report. He is presumed innocent until the justified nature of the alert is established.

The defendants of a report are informed of the acts of which they are accused when the report is registered. When precautionary measures are necessary, in particular to prevent the destruction of evidence related to the alert, these people are informed after the adoption of these measures. In all cases, the defendant is informed of the way in which the alert has been handled and its termination.

Unless it involves judicial authorities, the elements which allow the defendant to be identified may only be disclosed once the justified nature of the alert has been established.

Special attention will be paid to informing the people solicited, for the purpose of handling the alert, in order to avoid the persistence of suspicions. The latter will be informed, as well as the whistleblower and the defendant, of the termination of the alert and the reason for this.

EXAMPLES AND SIMULATIONS

1. THE FIGHT AGAINST CORRUPTION AND INFLUENCE PEDDLING

EXAMPLES

◆ Examples of corruption of a public official:

- A customs officer demands a bribe from the Director of PROPARCO's office or the Director of AFD's agency to swiftly handle the customs clearance of vehicles of AFD or PROPARCO staff.
- A public official with the counterparty demands from a company the payment of a bribe to speed up the process for the payment of invoices to this company awarded a contract financed by AFD Group.
- In order to be awarded a contract financed by AFD Group, a bidding company accepts to pay fictitious services to a consultancy firm whose beneficial owner is an elected official with a seat on the bid committee.
- A bidder accepts to recruit the son of a public official with a seat on the bid committee, in return for being awarded the contract financed by AFD Group.
- A competitor of a funded company offers an AFD or PROPARCO employee a luxurious gift to obtain confidential information on this company.

◆ Examples of corruption of a private official:

- The corruption of a buyer of AFD Group or a company A by a sales representative from a company B, seeking to obtain a contract through luxury gifts and the payment of the personal expenses of the buyer;
- The corruption of an engineer of the technical assistance teams by a bidding company to obtain a better rating in the bid analysis report;
- The corruption, via the recruitment of a family member, of a computer engineer from a company A by an external company B seeking to irregularly benefit from access rights to the computer system;
- Corruption by the payment of money to an accounting officer of the company, by another employee, seeking to alter the registration of certain accounting operations to dissimulate a misuse of funds.

SIMULATIONS

◆ Potential situations of corruption:

• **Situation:** The representative of the counterparty is worried about the time required to obtain a "no-objection". He considers that the project, for reasons related to the local context, cannot wait and offers me a reward if I accept to speed up the process. Can I accept?

• **Answer:** By offering money to obtain an action or decision resulting from your functions at the local agency of AFD Group, the representative of the counterparty is soliciting you fraudulently and is seeking to corrupt you.

• **Situation:** During the analysis of documents submitted to justify the release of a payment by tranche, I observe inconsistencies. I make them known to my contact with the counterparty, who reassures me over them and I accept to overlook them. He thanks me by offering me a case of wine. Can I accept?

• **Answer:** This gift to thank me for one of my decisions gives rise to a risk of corruption. It must be refused, the incident must be reported to your line manager and to the Head of Compliance and the inconsistencies duly cleared.

• **Situation:** In the context of AFD directly being the contracting authority, I am approached by a consultant representing a French bidding company. He reminds me that in our previous functions we had worked for the same employer and offers me, as a former colleague, to recruit my son for his end-of-studies internship. Can I accept?

• **Answer:** This recruitment can place me in a situation of conflict of interest and call into question the objectivity of the decisions I will be required to take. It could also constitute corruption. This offer must be refused and this incident must be reported to your line manager and to the Head of Compliance.

2. WHAT IS INFLUENCE PEDDLING?

EXAMPLE

◆ Examples of influence peddling:

• The bidding company recruits as a consultant a former senior official who, in return for a percentage of the amount of the contract, will be responsible for presenting the application form to his former colleagues and obtain, through his influence, a better rating for the bid.

CORRUPTION AND INFLUENCE PEDDLING

« Zero tolerance towards corruption »

SIMULATIONS

◆ Potential situations of influence peddling:

• **Situation:** In the context of the procurement of a contract for infrastructure works, I am approached by a representative of a French bidding company. He wants to explain to me the content of his bid so that I can let the representative of the contracting authority know the extent to which this bid is suited to the project. To be able to explain his arguments in detail to me, he wants to invite me to a hotel for the weekend. Can I accept?

• **Answer:** This invitation to obtain my intervention with the contracting authority to benefit a company leads to a risk of influence peddling. It must be refused and this incident must be reported to your line manager and to the Head of Compliance.

• **Situation:** A senior executive from the Ministry of Equipment has just informed me of the existence of a new project to be financed. He is offering me, in return for the recruitment of a close relation in the agency, to contact the Ministry so that the Group is selected as the donor rather than the World Bank. Can I accept?

• **Answer:** This intervention with an administration, in return for the recruitment of a close relation, leads to a risk of influence peddling. This proposal must therefore be refused and the incident reported to your line manager and the Head of Compliance.

WHAT YOU MUST DO

- ✓ Clearly state the principle of Zero Tolerance towards corruption, with the Group or its employees being unable to offer, pay, accept or solicit any payment, gift or favor intended to unduly influence a choice;
- ✓ Follow the procedures applicable in terms of procurement and ensure the principles of transparency and equality of treatment between candidates in public procurement;
- ✓ Immediately report any incident likely to constitute a violation of the Code of Conduct to your hierarchy and to the Head of Compliance.

WHAT YOU MUST NOT DO

- ✗ Accept or solicit any form of advantage in return for an act within the scope of your functions;
- ✗ Seek to benefit from a commercial advantage (or accept to benefit from such an advantage) in return for a donation, a gift, a service rendered, or any other form of advantage;
- ✗ Consent to or solicit an unlawful advantage, likely to give the impression of being made to influence a decision;
- ✗ Under no circumstances, the conviction of acting in the interest of the Group may justify, even partly, conduct in contradiction with the provisions of applicable laws and the Code of Conduct.

3. GIFTS AND INVITATIONS

SIMULATIONS

• **Question:** During the signing of a contract, a representative of a counterpart wished, to celebrate the event, to offer me a present of significant value. I wonder what conduct I should adopt in such a situation.

• **Answer:** You should courteously refuse this type of gift explaining the Group's policy in this respect.

• **Question:** I am the paying authority on my own budget to use service providers. A consulting firm, with which I regularly work, offers me a weekend for two in a European capital, including the flight and hotel, to thank me for the contracts awarded. Can I accept?

• **Answer:** With this type of gift or invitation, you should refer to the procedures in force and contact your hierarchy and/or the Ethics Advisor. In this particular case, it is an invitation for a leisure activity also intended for the spouse, without any professional justification, comprising both the travel and accommodation, which must therefore be declined.

• **Question:** As an Agency Director, Office Director or Head of Division, at the end of the year I receive a food basket from one of the Group's counterparties, the value of which remains within the limits of the authorized thresholds. Must I accept and, in this case, what do I do with it?

• **Answer:** I make this basket available to my entire team after having informed the counterparty who gave the gift.



Gifts must be offered in an open and transparent manner, within the limit of the authorized thresholds »

WHAT YOU MUST DO

- ✓ Inform your line manager in accordance with the procedures in force, of the gifts or entertainment received or offered;
- ✓ Refuse any proposal of cash donations and inform your line manager of this, in accordance with the procedures in force;
- ✓ Gifts and entertainment must be offered in an open and transparent manner, within the limit of the authorized thresholds;
- ✓ Before accepting a gift or invitation, you should question the intention of its author;
- ✓ Before accepting a gift or invitation, you should question how it will be perceived by the public, should it be informed of this;
- ✓ Invitations and entertainment must be made in the presence of a representative of the entity which is offering them and the entity which is receiving them;
- ✓ In the event of doubt over the appropriate nature of a gift or invitation, received or offered, contact the Ethics Advisor.

WHAT YOU MUST NOT DO

- ✗ Use your position in the Group to obtain a personal advantage;
- ✗ Receive or offer expensive gifts or invitations;
- ✗ Receive or offer gifts or invitations on a regular basis from/to the same person or from/to their family members;
- ✗ Accept any gift which may be difficult to justify to colleagues or the media, or for which the reciprocity may not be ensured;
- ✗ Accept any advantage or gift which, due to its nature and/or its amount could lead to action not being taken in the best interest of the Group, or to the risk of putting the Group in an embarrassing situation, or of it feeling accountable (e.g.: luxury goods, gifts contrary to dignity, payment of private expenditure, services offered in a personal capacity, gifts or services at the personal residence of the employee);
- ✗ Accept any sum of money (donation or loan) from a third party.

4. FACILITATION PAYMENTS

SIMULATIONS

• **Question:** Posted in an agency abroad, I want to get customs clearance for a new vehicle. There are delays with the formalities and the customs officer offers me to speed up the process in return for a small fee. Can I accept?

• **Answer:** You should courteously refuse this type of proposal explaining the Group's zero tolerance policy in this respect.

WHAT YOU MUST DO

- ✓ Familiarize yourself with the applicable local regulations and in particular for customs;
- ✓ Politely refuse any request for facilitation payment; always treat your contact with courtesy, never lose your temper;
- ✓ If the person requesting a facilitation payment persists, inform him of the Group's zero tolerance policy and the international and local laws against corruption: demand the requests for facilitation payments to be made in writing; keep a detailed file of the events and have witnesses if possible; do not put yourself in danger;
- ✓ Immediately report the incident to your hierarchy and the Head of Compliance.

WHAT YOU MUST NOT DO

- ✗ Pay a facilitation payment;
- ✗ Consider that they are small amounts;
- ✗ Consider that it is impossible to act otherwise.

5. THIRD PARTIES

SIMULATIONS

• **Question:** I am preparing to recruit a consultant to conduct a feasibility study with a view to financing a future project. Following the due diligence of reputation conducted on this consultant, I discover that he has previously been involved in a case of corruption. What must I do?

• **Answer:** I report this information to the Head of Compliance, in order to obtain an opinion from this department on the nature of the allegations reported and on the consequences which must be drawn from this in the context of this bid invitation.

WHAT YOU MUST DO

- ✓ Proceed with the due diligence prescribed in order to choose third parties to ensure they share the Group's values and ethical commitments;
- ✓ Precisely define the expected services and the remuneration they give a right to, ensure that the service has actually been performed;
- ✓ Be particularly vigilant regarding situations of potential conflicts of interest.

WHAT YOU MUST NOT DO

- ✗ Enter into undertakings with a third party that does not comply with anti-corruption policies or procedures;
- ✗ Conclure avec une tierce partie qui se trouve en situation de conflit d'intérêts ou dont la famille ou les relations pourraient influencer une décision ;
- ✗ Utiliser une tierce partie « fortement » recommandée, imposée par, ou en lien avec un agent officiel ou un partenaire commercial influent.

6. PATRONAGE AND SPONSORSHIP

SIMULATIONS

- **Question:** As an employee, I am appraising an equity investment project in a company. At the signing, the director of this company asks the Group to sponsor a local sports club for the purchase of new shirts with AFD Group's logo on them. How must I react?
- **Answer:** This request should not be granted unless it is part of AFD Group's sponsorship policy. In this respect, you should contact CMN and the Head of Compliance who will need to validate this sponsorship.
- **Question:** Outside the internal comitology at AFD, I am requested by a colleague for AFD Group to give a grant to an NGO of which he is a member of the office in a personal capacity. How must I react?
- **Answer:** This request should not be approved, unless it is part of AFD Group's patronage policy. In this respect, you should contact CMN which will or not give its authorization.

WHAT YOU MUST DO

- ✓ Verify the reality of the activity of the charity organization;
- ✓ In the event of a request for patronage actions for CSOs, refer to the applicable procedures and contact CMN;
- ✓ If sponsorship for a low amount is considered for an entity, contact CMN to receive its authorization.

WHAT YOU MUST NOT DO

- ✗ Accept to enter into patronage or sponsorship when it is requested by a public official or employee of an entity with which the Group is in business relations, in return for a decision or another advantage;
- ✗ Accept to conduct patronage or sponsorship which could be considered by third parties as calling into question the independence of a decision;
- ✗ Accept to conduct patronage or sponsorship for which it will be difficult to justify the modalities with the public, media, your colleagues; Accept any cash payment, transfer to a third-party account or an offshore account.

CONFLICTS OF INTEREST

7. WHAT IS A CONFLICT OF INTEREST?

SIMULATIONS

• **Question:** As a former project manager in a consulting firm, I want to call on my former colleagues as consultants, whose quality of work I know. Can I do this without my decision being likely to give rise to doubt?

• **Answer:** Your connections with your former employer, especially if they are recent (< 3 years), can interfere with your current functions and place you in a situation of conflict of interest. You must inform your hierarchy and proceed with the declaration required under the terms of our procedures. Your superior must supervise this situation of conflict of interest.

• **Question:** My spouse/brother is a member of the Board of Directors of an NGO and has informed me of a project which would be interesting to finance. Can I work as project manager or facilitator in the financing of this project?

• **Answer:** Your personal connections with the management of this NGO place you in a conflict of interest and notwithstanding the quality of the project to be financed, you cannot intervene in this process, either as project manager or facilitator. In addition, this situation could, where appropriate, be classified as being of a criminal nature in

relation to the illegal acquisition of interests due to the moral interest that the employee may have in making the activity of his spouse/brother prosper.

• **Question:** The representative of a private company offers me to take part in financing his file and to have a stake in the results of his company by allocating me shares. Can I accept?

• **Answer:** This proposal must be rejected, not only because it constitutes corruption, but also because the fact of having financial interests in a company in which the Group would participate in financing could place me in a situation of criminally punishable illegal acquisitions of interest.

• **Question:** My spouse/my sister works in a company likely to be interested in a bid invitation which AFD is planning to launch. What must I do?

• **Answer:** Not give my spouse/my sister any non-public information about the bid. If their company submits a bid, declare a conflict of interest and ensure that I am completely kept away from the bid.

WHAT YOU MUST DO

- ✓ In the event of a potential conflict of interest, ask yourself whether your personal interests could interfere with those of the Group and if this could be perceived as such by any person internal or external to the Group;
- ✓ You are obliged to inform your hierarchy of any project for an operation or business relation likely to create a conflict of interest;
- ✓ Withdraw from decision-making which may be perceived as calling into question its impartiality;
- ✓ In the event of doubt over the existence of a conflict of interest, refer this to your hierarchy and/or the Ethics Advisor.

WHAT YOU MUST NOT DO

- ✗ Use your function in the Group to promote your personal situation or that of your family members;
- ✗ Dissimulate your moral, personal or financial ties with commercial partners;
- ✗ Accept any business proposals, commissions or other financial arrangements from a client, a supplier, a service provider, a counterparty;
- ✗ Accept any gift or invitation in the context of an external activity which could not be accepted in the context of your activities conducted in AFD Group;
- ✗ Develop militant or political activities which may give rise to a conflict of interest with the functions held in AFD Group.

FIGHT AGAINST FRAUD

9 AND 10. FRAUD AND MISUSE OF FINANCING

SIMULATIONS

• **Question:** During the documentary analysis to release the disbursement of a tranche of financing, I observe an inconsistency in the references (of order, delivery forms, banking details). Must I ask my correspondent to regularize them?

• **Answer:** In view of the risk of the misuse of financing, you must pay particular attention to the documents which are submitted to you to justify the releases of disbursement tranches. In the event of doubt, you must not hesitate to report the information to your line manager and to the Head of Compliance, which could lead to a control of the reality of the services.

• **Question:** Posted in an agency, I see that one of the members of the agency has had his spouse recruited under a local contract in the agency. Yet this spouse does not appear to conduct any actual work. What must I do?

• **Answer:** The line manager and Head of Compliance must be alerted to this situation, as the remuneration of a job, if it proves to be fictitious, would lead to the exposure of a risk of a misuse of funds allocated to this agency.

11. FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

SIMULATIONS

• **Question:** A funded counterpart has decided to proceed with the repayment of a maturity of an allocated loan through a bank account held in the name of a third party, who is not the one initially planned in the agreement. Despite my requests, the explanations provided for this change of debtor are not clear. Can I accept?

• **Answer:** I must report this situation to my correspondent in the Compliance Division to ensure that the documentary evidence provided is sufficiently conclusive and that the transfer can be accepted.

• **Question:** In the context of the performance of a project, I am informed that one of the bidding companies appears to be using intermediaries to pay bribes to armed groups in order to ensure the security of the construction site. How must I react?

• **Answer:** I must report this situation without delay to my correspondent in the Compliance Division so that the latter can refute or confirm this allegation and to my line management.

WHAT YOU MUST DO

- ✓ Act in a transparent manner;
- ✓ Justify and document the decisions;
- ✓ Verify the reality of the services and ensure compliance with the financing agreements;
- ✓ Remain vigilant over the use of the funds throughout the project life;
- ✓ Ensure that control procedures are respected.

WHAT YOU MUST NOT DO

- ✗ Accept to derogate from internal procedures and contractual provisions to satisfy your correspondent (counterparty, service provider, etc.);
- ✗ Dissimulate information.

12. PROTECTION OF ASSETS

SIMULATIONS

• **Question:** One of my friends, who has just set up his company, has asked me to print his posters as he does not have a printer for the time being. Is it possible to help him by using the office printer outside my working hours?

• **Answer:** The equipment and resources made available to employees are exclusively intended for personal use to serve the interests of the Group. Whether it is for your own needs or to help a family member or a friend, this equipment may therefore under no circumstances be used on a personal basis, even outside your working hours.

• **Question:** I need to have refurbishment works conducted in an agency. I find the service provider has conducted good quality work and also ask him to conduct works at my personal residence. He offers to put all the services conducted on a single invoice to be charged to AFD Group.

• **Answer:** The Group's financial resources may under no circumstances be used for personal purposes. Accepting personal work to be paid for by the Group would place the employee in a situation of internal fraud which would lead to disciplinary and legal sanctions.

• **Question:** I must leave my position in an agency and render my professional domicile. I like the decoration and want to keep some of the furniture for my personal residence.

• **Answer:** The furniture, in the same way as the equipment or beverages acquired under subsistence costs, are assets owned by the Group which cannot be diverted for personal purposes.

WHAT YOU MUST DO

- ✓ Comply with the policies in force, in particular concerning the uses of certain goods for personal and professional purposes (mobile phones, laptops, vehicle at your disposal...);
- ✓ Take all necessary measures to ensure that the Group's assets are used in an effective and legitimate manner;
- ✓ Contact your hierarchy or the Head of Compliance in the event of doubt over the use of a Group asset or suspicion of fraud or theft.

WHAT YOU MUST NOT DO

- ✗ Alter in a significant manner, remove or destroy Group assets;
- ✗ Use Group assets for your personal benefit or for the benefit of a person external to the Group;
- ✗ Use your personal computer for illegal or unethical activities, or activities contrary to public morals or the IT Charter in force.

CONFIDENTIALITY OF INFORMATION

13. PROTECTION OF CONFIDENTIAL AND SENSITIVE INFORMATION AND PERSONAL DATA

SIMULATIONS

- **Question:** During a dinner in a hotel, one of my colleagues mentions the quality of the bid of a bidder, is it not imprudent of him?
call in a public place. The confidential information of the Group must always be protected and we all need to avoid any disclosure, whether inadvertent or not, which may be prejudicial to the Group.
- **Answer:** Yes, it is. It is essential to always use discretion and caution when we mention confidential subjects in a public place (station, airport, restaurant, hotel...). It is forbidden to hold a meeting or conference

WHAT YOU MUST DO

- ✓ Comply with the rules related to the protection and use of personal data, the dissemination, conservation, reproduction, and destruction of documents and/or of any other information medium, IT security and the IT Charter;
- ✓ Strictly limit to the professional context exchanges on confidential or sensitive information;
- ✓ Limit to what is strictly necessary any conversation in a public place and/or in any place where a third-party not concerned is likely to hear you and ensure, where appropriate, that you do not communicate confidential or sensitive information;
- ✓ Ensure that you only consult or access confidential or sensitive information on your laptop in a private and isolated place, and make sure that you avoid unintentionally communicating confidential or sensitive information.

WHAT YOU MUST NOT DO

- ✗ Disclose confidential or sensitive information to third parties external to the Group, including after your departure from the Group, for any reason whatsoever;
- ✗ Leave documents (on any medium whatsoever, paper, electronic...) containing confidential or sensitive information in a public place or in a place where this information could be read or discovered;
- ✗ Communicate or use confidential or sensitive information to obtain a personal benefit or advantage, or for other purposes than in the context of your functions in the Group.

14. INSIDER TRADING AND MARKET INTEGRITY

SIMULATIONS

• **Question:** I have heard that a major infrastructure project will soon be awarded to a company. Can I use this information to acquire shares in this company as of now, which I could sell for a profit after the publication of the information?

• **Answer:** No, having this insider information makes you an insider and consequently prohibits you from proceeding with operations on these securities as long as the information has not been made public.

• **Question:** When financing was allocated to a foreign private company, I learned about

new products which it intends to market and the prospects for the development of its market. I think that its activity is particularly interesting and am considering acquiring shares in this company via the local stock market. Does this pose a problem?

• **Answer:** Here again, if your wish to invest is guided by confidential information, obtained thanks to your functions, you are prohibited from making this investment.

WHAT YOU MUST DO

✓ Maintain the strictest confidentiality over insider information as long as it has not been made public and refrain from communicating it to any third parties, including your colleagues, friends and family members.

WHAT YOU MUST NOT DO

✗ Enter into any stock market transaction, directly or indirectly, on your behalf or on behalf of another party, concerning the shares or securities of a company, as long as the insider information has not been made public;

✗ Encourage or recommend to any person to conduct such a stock market transaction.

✗ Disseminate false or misleading information about the prospects for the development of a security or share.



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