



# *Code of Conduct*

*for the Members of  
the Audit Board*

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# 1 Application of the Code

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This Code of Conduct (hereafter “the Code”) applies to the Members of the Audit Board (hereafter “the Member(s)”) of the European Investment Fund (“EIF” or “the Fund”) upon acceptance of their mandate.

The Code sets out the rules applicable in matters of professional ethics and behaviour.

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# 2 Basic Standard of Conduct

Members of the Audit Board shall:

- Discharge their duties professionally, with due diligence and efficiency and to the best of their abilities, and shall, at all times, maintain an attitude consistent with both the international character of the Fund and the EIB Group, and their duties;
- Observe current laws and regulations, including EIF rules, procedures, policies, and guidelines and other applicable EIB Group policies and guidelines, insofar as the provisions contained therein have a bearing on the Audit Board;
- Be aware that the maintenance of professional competence requires continuing reasonable awareness of developments and best practice in accounting, auditing and internal control, including relevant national and international pronouncements on these matters and on other relevant regulations and statutory requirements.

In discharging their duties to the Fund, Members of the Audit Board shall, in particular:

- Act without allowing themselves to be influenced by personal interests or relationships;
  - Avoid any situation which may give rise to a conflict of interest;
  - Respect the obligation of confidentiality vis-à-vis information received in the course of their duties and continue to be bound by this obligation after termination of their mandate;
  - Refrain from overstepping the powers conferred upon them as determined by the Fund’s Statutes and its Rules of Procedure;
  - Respect the dignity and private lives of their colleagues, members of the other governing bodies of the Fund, EIF staff members and anyone they come in contact with during the discharge of their duties at the Fund;
  - Make use of the Fund’s name and resources only in the interest of the Fund and the EIB Group.
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## 3 Independence

In the course of their duties, the Members of the Audit Board shall act independently and objectively. To that end, they shall, in particular:

- Not seek or accept instructions from any government, authority, organisation or other entity or person;
- Perform their official duties in a manner that preserves and enhances public confidence in their integrity and the integrity of the Fund and the EIB Group;
- Act, in all circumstances, in the exclusive interest of the Fund, without allowing themselves to be influenced by other considerations;
- Not act or express themselves, through whatever medium, in a manner which adversely affects the public perception of their independence and of their integrity;
- Not accept any financial interest in any Fund or EIB Group transaction in any form;
- Refrain from any action incompatible with their duties or the performance of their tasks.

The Members of the Audit Board shall not use their position to be involved in negotiations and implementation of individual Fund operations.

## 4 Conflicts of Interest

For the purposes of this Code, a conflict of interest means a conflict between the official duties of a Member of the Audit Board and their private or professional interests, or interests of their close family members, or close associates, which could improperly influence the performance of the Member's official duties and responsibilities, or could compromise their impartiality, objectivity or independence.

Members of the Audit Board shall avoid all situations that may give rise to an actual, potential or apparent personal conflict of interest to them and the Fund or the EIB Group. If these conflicts of interest cannot be avoided, these situations should be adequately and cautiously mitigated.

Actual, potential and apparent conflicts of interest might arise on a regular basis during the normal course of business. An actual conflict of interest involves a direct and existing conflict of interest. A potential conflict of interest involves a situation where a conflict of interest may materialise under certain specific circumstances. An apparent conflict of interest occurs where a conflict of interest could reasonably be perceived or appears to exist.

Assuming two or more roles in different institutions, bodies or structures may result in a conflict of interest, if, in the discharge of Fund duties, the judgment or decision of a Member of the Audit Board may reasonably and objectively be perceived as being affected.

Members of the Audit Board shall not allow their possible responsibilities or role in different institutions, bodies or structures or membership to conflict with, or to affect, their judgment or decision-making as a Member of the Audit Board.

## 4.1 *Management of Conflicts of Interest*

Where a Member of the Audit Board, after receiving the agenda of a meeting, or otherwise – using his/her best judgment – comes to the conclusion that s/he may be in a position or situation liable to give rise to a conflict of interest with regard to an agenda item, it shall be that Member's duty to declare so forthwith in writing to the Chair of the Audit Board via the Audit Board Secretariat.

The conflicted Member shall not communicate with other Members of the Audit Board about the agenda item concerned and shall excuse himself or herself by withdrawing from attendance and participation in deliberations or decision-making connected with that matter. Any such declaration concerning a decision of the Audit Board shall be included in the minutes of the meeting.

Members of the Audit Board who consider that another Member is in a situation which may result in or be perceived as resulting in a conflict of interest shall immediately report so to the Chair of the Audit Board.

The Audit Board, with the exception of the Member concerned, may decide to temporarily restrict access to information, to exclude the Member concerned from individual agenda items or a full meeting of the Audit Board, or take other appropriate mitigating measures subject to the following paragraph. Any such decision shall be based on an opinion from the EIF Ethics and Compliance Committee ("EIF ECC") and shall be included in the minutes of the meeting.

Ultimately, and only after having received an opinion from the EIF ECC, and in cases where mitigating measures cannot be defined, the Audit Board can raise the matter with the Chair of the General Meeting; the General Meeting may subsequently decide to initiate a process of compulsory retirement of a Member of the Audit Board, in line with Article 20(5) of the Rules of Procedure.

Any Member of the Audit Board may approach the EIF ECC for an opinion. The Audit Board, with the exception of the Member in question, shall review the case based on the EIF ECC opinion and make a final and binding decision, having heard the Member concerned.

If the Chair of the Audit Board is concerned personally, the second longest serving Member of the Audit Board shall perform the tasks of the Chair as described above.

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## 5 Outside Appointments

Members of the Audit Board shall be duly bound to conduct themselves honestly and sensitively with respect to the acceptance of certain functions, perquisites or assignments which could conflict with the knowledge acquired by them in the performance of their duties as Members of the Audit Board. They shall continue to be bound by this obligation after termination of their mandate.

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Holding a position in a public-service capacity in a Member State shall not in itself constitute a conflict of interest. Similarly, employment with any decision-making body of European Union institutions, or (an)other international organisation(s), or multilateral/bilateral financial institution(s) shall not in itself constitute a conflict of interest. Members of the Audit Board 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.

## 6 Confidentiality

Members of the Audit Board shall not divulge any information or data coming to their knowledge during the performance of their duties to persons or bodies outside the Fund, save as otherwise provided in relevant rules and regulations<sup>1</sup>.

Members of the Audit Board are bound by the obligation of confidentiality in respect of information received in the course of their duties, in accordance with the relevant EIF rules, policies, guidelines and other relevant EIB Group policies and guidelines (e.g. the EIB Group Market Abuse Policy)<sup>2</sup>. They shall continue to be bound by this obligation after termination of their mandate.

## 7 Data Protection

Members of the Audit Board have the obligation to protect the personal data entrusted to their care, which includes information on customers and suppliers and personal information on all active and former Members of the Audit Board or staff, regardless of whether it was collected or generated by the Fund.

When entrusted with duties related to the processing of personal data, Members of the Audit Board shall, at all times, protect and secure them and ensure careful and appropriate use, access, storage, disclosure, transfer and deletion of these data, including online data, by following the instructions of the responsible controller. They may request advice from the Fund's Data Protection Officer, as applicable, on any data protection issue.

The Fund takes appropriate technical measures to protect personal data from unlawful destruction or accidental loss, alteration, unauthorised disclosure or access.

<sup>1</sup> Art. 19(4) of the EIF Rules of Procedure: "...save for any information transmitted by the Audit Board, for the purpose of exchanges required with members of the Fund and their corporate bodies. The Audit Board shall in particular cooperate closely with the Bank's Audit Committee for the purposes of the consolidation of the annual accounts and of the verification of the conformity with applicable sound banking principles or other sound commercial principles and practices".

<sup>2</sup> Policies, Guidelines and Rules referring to the EIB Group are applicable together or individually, as relevant, to the European Investment Bank (EIB) and the European Investment Fund (EIF).

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## 8 Acceptance of Gifts and Other Advantages

Members of the Audit Board shall not apply for, receive or accept from any source any advantage, direct or indirect, which is in any way connected with their mandate in the Fund.

The Members of the Audit Board are therefore advised to discourage *a priori* the offer of any gift having more than a token value.

However, should it be impossible to refuse, notably because such refusal could prove embarrassing to the donor, the gift is to be passed over to the Fund through the Audit Board Secretariat.

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## 9 Expenses

Travel expenses incurred by Members of the Audit Board in the execution of their duties are normally paid by the Fund, based on the decisions made by the General Meeting in this respect. Unnecessary expenses, or expenses not in line with, or justified by, the results which could eventually be derived or obtained from such expenses, shall be avoided. Where persons or organisations offer to pay or pay on their own initiative the travel, hotel and/or any miscellaneous expenses of a Member of the Audit Board, this must be declared on each statement of expenses and should preferably be avoided.

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## 10 Use of EIF Property

The Members of the Audit Board shall make appropriate use of the EIF facilities made available to them for the performance of their duties

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## 11 Relations with EIF staff and members of the Fund's governing bodies

In their dealings with EIF staff, or with Members of the Fund's governing bodies, Members of the Audit Board shall refrain from any form of discrimination prohibited by the EU Treaties and the Charter of Fundamental Rights of the European Union.

They shall also refrain from exerting any pressure which might result in infringement of regulations or deviation from procedures, for example in management of the Fund's assets, award of contracts, management of human resources or financial transactions. They have an obligation to inform the EIF Chief Executive and the Chief People Officer if they become aware of cases of discrimination, harassment or bullying.

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## 12 Privileges and immunities

The privileges and immunities enjoyed by the Members of the Audit Board under the "Protocol on the Privileges and Immunities of the European Union" are accorded solely in the performance of their duty. These privileges and immunities shall in no way exempt Members of the Audit Board from fulfilling their private obligations or complying with the laws and police regulations in force.

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## 13 Cooperation with investigation bodies

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Should the need arise, the Members of the Audit Board shall cooperate fully with persons charged with conducting any criminal or administrative investigation in accordance with applicable rules or regulations.

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## 14 Other rules

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The rules set out above are not intended to be exhaustive. Should the application of the rules of the present Code not allow a decision with respect to a specific matter be made, then the Member of the Audit Board should address the matter to the Chair of the Audit Board. Where the matters of the Chair are concerned, supervision shall be exercised by the Chair of the General Meeting.

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## 15 Administration of the Code

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The General Meeting shall approve the Code of Conduct of the Audit Board and any amendments thereof. The Chair of the Audit Board shall supervise adherence to the Code. Where the conduct or interests of the Chair are concerned, supervision shall be exercised by the Chair of the General Meeting.

In the event of any breach of the aforementioned rules of confidentiality, neutrality, discretion and probity, it shall fall to the Chair of the Audit Board or, as the case may be, the Chair of the General Meeting, to consider any appropriate measure, in keeping with the Fund's Statutes and its Rules of Procedure.