

CODE OF ETHICS AND RULES OF CONDUCT

MAY 2021

**BELGIAN INVESTMENT COMPANY FOR
DEVELOPING COUNTRIES**

*Approved by the Board of Directors on 25 May
2021*



BIO
Investing
in a Sustainable Future

BIO's Mission

To support sustainable and inclusive economic growth in developing countries by investing in the private sector in these countries, thereby contributing to the realisation of the Sustainable Development Goals.

Through each of its interventions, BIO aims to achieve a positive developmental impact.

BIO is part of the Belgian Development Cooperation and receives public funding from its shareholder, the Belgian State, to finance its activities. Much of BIO's success is measured by the level of confidence that the public places in the integrity of its staff and directors. **BIO being a responsible investor**, high standards of personal conduct must include a strong personal commitment of each person to act with unquestionable honesty, integrity, impartiality, and respect for each individual in all dealings within and outside the organization (BIO's clients, its shareholder, the general public, its partners).

BIO operates in challenging environments and must **lead by example**.

BIO's Core Values

The BIO values form the foundation on which we carry out our mission and underpin the Principles and Rules set out in this Code.



RESPONSIBILITY

compliance, accountability, transparency, loyalty



DETERMINATION

ambition, commitment, reliability, professionalism



OPEN-MINDEDNESS

diversity, non-discrimination, respect



SUSTAINABILITY

long term engagement, environmental and social responsibility

Code of Ethics

Scope

This Code sets out Principles and the Rules of Conduct by which the Principles are implemented, and provides further guidance with regard to what constitutes appropriate behaviour. For illustrative purposes, examples of breaches to the Code are provided.

The Code is complementary to any contractual, legal, and regulatory provisions governing your relationship with BIO.

Application may vary because of applicable local laws, regulations, and business practices. As a rule, the stricter rule will always apply. In case of inconsistency between this Code, and local laws and regulations, compliance with the applicable laws and regulations is required.

You can contact Yumi Charbonneau, CLO, Vincent Lheureux, Senior Internal Auditor or Lucie Stramare, HR Manager for further guidance and advice on the application of the Code.

Application

- To all **persons employed by BIO and BIO's subsidiaries**, in Belgium and abroad.
- To its **directors** and to the persons who work for BIO on a **self-employed** basis.
- To **third parties** contracting with BIO – As a staff member, you must ensure that your service providers have received a copy of (or link to) this Code and know that they are expected to abide by the Principles where relevant to them.

All parties working for BIO **share the responsibility** to adhere to this Code to safeguard BIO's reputation and business.

Adequate training will be provided on a regular basis to ensure the Principles and Rules are well understood and adhered to.

Consequences of non-compliance

Consequences of non-compliance will depend on the severity, and can include disciplinary action, termination of the relationship (if applicable with cause) and possibly referral to the competent authorities.

Raising concerns and reporting breaches

We wish to foster an environment of open communication that encourages our staff members to raise ethics and integrity concerns. **It is your duty to report breaches** of this Code, particularly when the breaches constitute violations of the law or criminal conduct. You can raise such issues with the HR Manager, your line manager, a member of the ExCom, or where appropriate, the Chairperson of the Board of Directors. You may also submit a report in accordance with BIO's Whistleblower Policy if you are hesitant to come forward for fear of retaliation.

Review

To ensure it remains fit for purpose, BIO Management will review this Code of Ethics every two years, or sooner if the circumstances require (change of law, environment,...).

**Person responsible for compliance with this Code:
the CEO**



Principles



RESPONSIBILITY

1. We conduct our activities in compliance with applicable laws and regulations, in Belgium and in any country in which we conduct business. We expect you to act in accordance with the **highest standards of ethical conduct and business integrity**, including in respect of anti-corruption, anti-money laundering and the avoidance of conflicts of interest.
2. We communicate on our activities in a clear, honest and transparent manner, and maintain full, fair, timely and understandable financial business records to ensure **accountability and transparency**.
3. We are committed to the **protection of the personal data** we collect in connection with our activities. We safeguard **confidential information** provided by our clients and business partners, which we handle and use appropriately, except where disclosure is required by law. We respect **third party intellectual property** and refrain from any unauthorised or illegal use thereof.
4. You have the duty to **protect BIO's assets**, and to ensure that BIO's resources are managed in an efficient and prudent manner, in accordance with sound business practices.
5. You have a duty to **protect our reputation and image**, and not to use BIO's name and image for personal initiatives.



DETERMINATION

6. You are **committed to BIO's mission**, and carry out your tasks and responsibilities with ambition and with a high degree of professionalism, efficiency and reliability.



OPEN-MINDEDNESS

7. We promote **diversity, gender equality, an open and respectful environment, and the respect of human rights, personal integrity and dignity** within BIO and in connection with our investment activities. We are thereby guided by internationally recognized principles, as set out in the Universal Declaration of Human Rights and the labour standards of the International Labour Organisation.



SUSTAINABILITY

8. We promote **environmental and social responsibility**, including in respect of health and safety, within BIO and in our investment activities.

Rules of Conduct

PRINCIPLE 1:

We conduct our activities in compliance with applicable laws and regulations, in Belgium and in any country in which we conduct business. We expect you to act in accordance with the **highest standards of ethical conduct and business integrity**, including in respect of anti-corruption, anti-money laundering and the avoidance of conflicts of interest.

Compliance with laws

You are expected to understand and comply with applicable laws, regulations, and internal policies in Belgium and/or in any country where we conduct business. BIO Management will provide the necessary information, advice, and training to that effect. You will not encourage any person with whom we do business to breach the law.

BIO Management must be informed of compliance issues as soon as reasonably possible.

Business integrity and ethical conduct

- Anti-corruption**
- Corruption is the act of offering or soliciting, accepting or receiving an undue advantage of any kind, to do something or to abstain from doing something, whether or not such is within the normal duties of the persons whose actions one wishes to influence.
 - Corruption is illegal in most (if not all) jurisdictions and is morally reprehensible.
 - Corruption erodes trust, weakens democracy, hampers economic development, and further exacerbates inequality, poverty, social division and the environmental crisis (Transparency International).
 - Corruption makes people do things for the wrong reasons and harms businesses.

Corruption attempts can occur in many situations, whether by a potential investee, the recipient of a grant or in the context of a procurement procedure.

BIO has a zero tolerance policy with regard to corruption.

Any attempt to bribe a staff member in whatever form shall be reported without delay to their line manager. Likewise, any act of corruption (or attempt) by a staff member is strictly prohibited.

We do not condone facilitation payments, being the payment of smaller amounts paid to lower government officials to execute or expedite routine formalities. You will report any attempts to obtain facilitation payments to your line manager.

With regard to acceptance of gifts, favours, and entertainment from persons having dealings with us, you should consider how the gift/favour can be perceived, and **exercise tact and judgment** to avoid appearance of improper influence.

You should exercise caution with respect to invitations to restaurants and other forms of entertainment. There should be a legitimate business component to the event which should not be disproportionate (i.e. reasonable in value and frequency, and never a condition for something in return).

Ordinary courtesies of international business and diplomacy may be accepted, but gifts, favours, as well as loans and other services, shall not be accepted unless they are of a limited monetary value (less than EUR 50), are totally independent from a business decision, and comply with local laws and customs.

Gifts should never be gifts of cash, cash vouchers, certificates with a set negotiable value, or other cash equivalents.

You will report any offers you may receive in contravention of these rules to your line manager.

You may never seek or request gifts, or personal preferential treatment in any matter from any person or organisation.

When in doubt, you can consult with the HR Manager.

Examples of breaches

- Accepting entertainment organized or paid by a client of excessive value and not business related, for example a leisure trip.
- Receiving money from a client for whatever reason.

Anti-money laundering

You must take necessary measures to avoid that BIO enters into business relationships with parties who engage in illegal or illicit practices such as fraud, tax avoidance or money laundering activities, which could expose BIO to significant reputational harm and legal liability. Compliance with our **KYC Policy and KYC Manual** is an essential requirement in this respect.

Conflicts of interest

A conflict of interest occurs when a person's private (financial, familial, amicable, functional) interests interfere with BIO's interests, or where a person can obtain an improper personal gain from his or her employment with BIO.

Examples of conflicts of interest are:

- entering into a contract where you or a person related to you has a financial interest;
- if you manage the recruitment process of a close friend or family member;
- pursuing a personal business opportunity discovered through your employment with BIO;
- using your position in the company, either directly or indirectly, for private gain. This includes using your title or position to endorse products, services, or enterprises other than BIO's.

You must not let your personal interests interfere with your professional activities.

You must organize your affairs to avoid situations that cause conflict of interest, or give the appearance of conflict, to the extent possible.

If you find yourself in a potential conflict of interest situation, you will proactively disclose such conflict to your line manager and recuse yourself from participating in the relevant process.

Unless otherwise agreed with BIO, you will not engage in any activity which is in direct competition with any activity engaged in by BIO.

BIO shall be the beneficiary of all compensation and fees, of whatever kind, you are entitled to by virtue of any function (directorship, advisory board membership, etc) exercised in a portfolio company or otherwise by virtue of your occupation within BIO. Such compensation or fee shall be paid directly to BIO or, if not possible, shall be promptly handed over by you to BIO.

Examples of breaches

- **Receiving compensation directly from a client, unless expressly agreed by BIO.**
 - **Negotiating potential employment with a party while working on a transaction with such party.**
-

PRINCIPLE 2:

We communicate on our activities in a clear, honest and transparent manner, and maintain full, fair, timely and understandable financial business records to ensure **accountability and transparency**.

Communication We receive public funds to finance our activities. In order to allow accountability, we will communicate to our stakeholders, including the general public, in a clear, honest and transparent manner, in accordance with the principles described in our **Disclosure Policy**.

Financial reporting and company records Integrity in maintaining our accounting practices is of the utmost importance to maintain public trust in the institution. Our financial transactions, invoices, contracts, payroll records, and any other essential company information must be accurately recorded following the appropriate accounting practices, and reported when applicable. No false or misleading entry should be made in any report or record.

Company records should only be altered or destroyed in accordance with the **Archiving Policy** and the applicable law.

All staff members are expected to fully cooperate with auditors, both internal and external.

Examples of breaches

- Intentionally making misleading statements regarding BIO and its activities.
- Knowingly giving the auditors incorrect information.

PRINCIPLE 3:

We are committed to the **protection of the personal data** we collect in connection with our activities. We safeguard **confidential information** provided by our clients and business partners, which we handle and use appropriately, except where disclosure is required by law. We respect **third party intellectual property** and refrain from any unauthorised or illegal use thereof.

Personal data

Many countries have laws to protect personally identifiable information, including the EU General Data Protection Regulation and the Belgian law of 30 July 2018 on the protection of natural persons with regard to the processing of personal data. These laws are intended to protect people who provide personal information by requiring the recipients of such information to provide a full description of how it will be used and to protect the data from misuse.

When collecting and processing personal data, you must comply with BIO's **Personal Data Processing Policy**.

Confidential information

Much of the information we receive concerns confidential information relating to our clients and their activities. The trust our clients have in our ability to safeguard their confidential information is essential for doing business. Certain information can be privileged or the disclosure thereof can be strictly regulated. We must ensure we comply with any contractual or legal confidentiality obligations we may be subject to, and with any legal disclosure requirements that may apply.

You must thereby comply with the following principles, as set out in our **Confidentiality Policy**:

- confidential information is only shared on a need to know basis within the company;

- confidential information is not shared with unauthorised recipients and only shared with authorised recipients provided that they are bound by a legally binding confidentiality obligation;
- measures (clean desk, labelling, access restriction, careful printer usage, destruction of documents) are taken to minimise risks of unauthorised disclosure;
- information obtained in connection with our activities shall only be used for the purposes for which it has been provided.

Public announcements or disclosures are made when duly authorised and generally in consultation with our clients, in accordance with our **Disclosure Policy**.

A breach of confidentiality can result in legal liability for BIO and significant reputational damage.

Intellectual property rights

We respect third-party intellectual property and use it only after having properly secured rights to its use. You should not copy, use, or store electronically or in hard copy, documents and materials that are copyrighted, when it is not permitted.

Examples of breaches

- **Throwing away confidential documents in a public bin.**
- **Misusing personal data for personal purposes.**
- **Using confidential information for a purpose other than that for which it was provided, e.g. to pursue another investment opportunity.**

PRINCIPLE 4:

You have the duty to **protect BIO's assets**, and to ensure that BIO's resources are managed in an efficient and prudent manner, in accordance with sound business practices.

Use of company property

Company property (including equipment, supplies, e-mail, internet, computers, telephone system) shall be used reasonably and with the required degree of care so as to prevent damage, misuse or loss.

You are expected to exercise good judgment in your utilization of company property. Occasional personal use of company assets must be kept to a minimum and always in compliance with the relevant guidelines issued by the company (IT policy, mobile phone policy). Such personal use shall not interfere with your duties to the company and should never be for unauthorised, unprofessional, illegal or unethical purposes.

Company's assets shall not be used for any outside personal business activities without BIO's consent.

Use of company resources

Company resources are managed in a cost-efficient manner, in accordance with sound business practices, and applicable internal policies and procedures.

Procurement is conducted based on principles of fair treatment and broad competition, in accordance with applicable public procurement laws and our **Procurement Manual**. Suppliers to the company are chosen for their expertise, the quality of their products and other objective reasons, and not on the basis of a personal relationship.

Expenses incurred on behalf of the company shall only be for proper business purposes, and shall be duly authorized and documented, in compliance with internal policies and guidelines.

Examples of breaches

- **Damaging company property by negligent or reckless behaviour.**
 - **Incurring personal expenses with the company credit card.**
-

PRINCIPLE 5:

You have a duty to **protect our reputation and image**, and not to use BIO's name and image for personal initiatives.

Representing BIO

If you have been appointed to represent BIO whether in Belgium or abroad, you must act professionally and in such a way as to ensure consistency of expression and representation of our image, values and strategy.

You must obtain prior authorisation before speaking and writing publicly on behalf of BIO.

Social networks

When using BIO's name in social networks, you must act reasonably and carefully, and exercise good judgment and common sense.

BIO's name should not be used on such forums to support individual initiatives.

You will refrain from associating BIO in any way with actions or declarations that could be considered insulting or disrespectful and, generally, doing anything that could damage BIO's image.

Outside activities

You must ensure that BIO is not associated with your outside activities in a way that could harm BIO's reputation or adversely affect BIO's affairs.

You should further ensure that such activities do not adversely affect the performance of your duties for the company.

Political activities

When participating in political activities, you may not use BIO's image or your function within BIO to support your involvement.

BIO upholds freedom of association but is at the same time politically independent. You must refrain from any action that may contribute to the appearance of BIO taking part in or sponsoring any political activity, and must engage in such activities only on your own time, using your own funds.

Examples of breaches

- Using BIO's name or image for personal political purposes.
 - Disparaging BIO on social networks.
-

PRINCIPLE 6:

You are **committed to BIO's mission**, and carry out your tasks and responsibilities with ambition and with a high degree of professionalism, efficiency and reliability.

Staff members are aware of the importance of their duties and missions, and are expected to always carry them out diligently, efficiently and to the best of their abilities, and to contribute to an efficient administration of the company.

As a staff member, you are expected at all times to act in a responsible and professional manner, and observe a respectful attitude and conduct within BIO and vis-à-vis external parties, including our clients, suppliers, shareholder and other stakeholders.

When travelling abroad, you act as BIO's ambassador and must lead by example and display irreproachable behaviour. You will refrain from any action that could be a cause of embarrassment to, or discredit BIO in any way. You will do your best to familiarise yourself with local laws and customs, to act respectfully with their counterparts, and avoid cultural insensitivity.

Our clients are treated fairly and under no circumstances should a potential client be given preferential treatment of any kind with regard to the investment process or any other favoured attention that is beyond that given to any other client for whatever reason. You must maintain appropriate and professional relationships with our clients. You must communicate clearly with our clients and adequately manage their expectations.

BIO is a reliable business partner and we use best efforts to adequately manage our (potential) clients' expectations throughout the investment process.

Any improper use of alcohol, drugs, or other such substances by any staff member while carrying out company business is strictly prohibited.

Examples of breaches

- not adequately managing (potential) client expectations by making inappropriate promises with regard to the possible outcome of the investment process;
 - working while under the influence of alcohol or any illegal substance.
-

PRINCIPLE 7:

We promote **diversity, gender equality, an open and respectful environment, and the respect of human rights, personal integrity and dignity** within BIO and in connection with our investment activities. We are thereby guided by internationally recognized principles, as set out in the Universal Declaration of Human Rights and the labour standards of the International Labour Organisation.

Non-discrimination

Diversity is an asset.

We will not tolerate any form of discrimination from our staff members, whether vis-à-vis other staff members, our clients or any other person, and particularly any discrimination based on race, nationality, gender, age, physical disability, sexual preference, marital status, political opinions, philosophical views, or religious beliefs.

Gender equality

BIO is committed to gender equality.

The principle of non-discrimination applies to both women and men, and roles and needs specific to women, such as those related to pregnancy may not be used to undermine, cut, or in any way diminish their equal rights to men when it comes to any aspect of the employment relationship.

Respect

Any form of violence, undue pressure, moral or sexual harassment in the workplace is unacceptable and strictly prohibited.

Sexual harassment, including unwelcome sexual advances, unwanted hugs and touches, suggestive or lewd remarks, requests for sexual favours, or the display of indecent, derogatory or pornographic pictures, posters, drawings or videos, is prohibited. This applies in the workplace, or in any facilities related to the workplace, including field trips or missions abroad.

If you feel discriminated against or harassed, you should raise such issues with the external prevention counsellor (Securex), the HR Manager, your line manager or a member of the ExCom, or where appropriate the Chairperson of the Board of Directors, or report such discrimination or harassment in accordance with our **Whistleblower Policy**, and will be protected from retaliation.

BIO shall not tolerate any acts, whether in Belgium or when on missions abroad, that could undermine any person's dignity, or physical or mental integrity.

Prohibition of sexual exploitation or abuse

BIO shall not tolerate any form of sexual exploitation or abuse. It is strictly prohibited to have any sexual activity with anyone under the age of 18 years (regardless of the age of majority or age of consent locally or in your home country). Mistaken belief as to the age of the person is no excuse.

When conducting business on behalf of BIO and/or when on missions abroad for BIO, it is strictly prohibited to have sex with anyone in exchange for money, employment, preferential treatment, goods or services, whether or not prostitution is legal in the relevant country.

It is strictly prohibited to engage in any other form of sexually humiliating, degrading or exploitative behaviour.

Where reasonably possible you should take reasonable steps to stop any exploitation or abuse you would witness when conducting business on behalf of BIO and shall immediately inform your line manager thereof.

Examples of breaches

- making or sending discriminatory, derogatory or hurtful comments, jokes or images;
- making sexual advances towards or unwelcome physical contact with an individual in the workplace or in a work-related environment.

PRINCIPLE 8:

We promote **environmental and social responsibility**, including in respect of health and safety, within BIO and in our investment activities.

Promotion of sustainable ESG practices

Sustainability is an integral part of our business, and the commitment to high standards of environmental and social protection is a top priority within our organisation.

Through our **ESG Policy**, we seek to improve environmental, social and governance practices, and compliance with applicable standards throughout our entire portfolio.

We will use our best efforts to minimize environmental impacts from our activities by using processes, materials and products that help avoid, reduce or control pollution.

You are encouraged to promote greater environmental responsibility and to help develop the implementation of environmental-friendly initiatives.

Health and safety

The safety, health and well-being of the men and women working for us is a top priority, and we develop initiatives to promote the physical and mental well-being of our staff members over the long term and to provide for a healthy working environment.

BIO Management shall provide relevant health and safety trainings, as required by law and our activities.

You must adhere to health and safety policies and guidelines, and where relevant take preventive and precautionary healthcare and safety measures (e.g. in connection with travel in certain zones).

If you travel, you must comply with health and safety measures applicable in the clients' (or other relevant parties') premises.

Examples of breaches

- not complying with BIO's or a client's Covid restrictions and guidelines;
- not taking the necessary precautionary health measures when travelling in risk zones.