



Nordic Development Fund

Code of Conduct for the Control Committee

**Adopted by the Control Committee on 29 September
2023**

In force as of 1 October 2023

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Responsible function

General Counsel (following organisational change 1 January 2026)

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This Code of Conduct shall be reviewed at least every three (3) years.

1. Scope and Objective

Nordic Development Fund (“**NDF**”) is an international financial institution established by Denmark, Finland, Iceland, Norway and Sweden. NDF’s purpose is to advance Nordic leadership in addressing climate change and development challenges through financing, knowledge and partnerships.

This Code of Conduct for the Control Committee (“**Code**”) sets out the principles for managing conflicts of interest and for upholding proper conduct of the Chair and other members of NDF’s Control Committee (for the purposes of this Code of Conduct “**Control Committee Members**”).

The Code shall be read in conjunction with the Constituent Documents¹, the Rules of Procedure for the Control Committee and other policies, regulations and rules related to NDF’s governance, and shall apply without prejudice to any other conduct rules applicable to the Control Committee Members.

As agreed between NDF and Nordic Environment Finance Corporation (NEFCO), the Control Committee Members may seek guidance from NEFCO’s Chief Ethics and Compliance Officer with regards to the rules and principles set out in this Code.

2. Core Principles

Control Committee Members are entrusted to carry out their responsibilities and obligations to the best of their ability, in compliance with the Constituent Documents and the Rules of Procedure for the Control Committee and in line with NDF’s objectives and best interest. They shall observe the highest standards of ethical conduct.

Control Committee Members are expected to act in accordance with the principles below:

Integrity. Act with integrity in all NDF related activities, avoid any behaviour that would reflect adversely on themselves or NDF, and strive to avoid even the appearance of improper conduct.

Independence. Act solely and objectively in the interest of NDF. This includes refraining from exercising influence upon the administration of NDF for their own interest, or for that of a third party.

Duty of Care. Act on an informed and prudent basis with respect to NDF activities and operations.

¹ The Constituent Documents consist of the Agreement between Denmark, Finland, Iceland, Norway and Sweden concerning the Nordic Development Fund of 9 November 1998 and the related Statutes, both as (may be) amended from time to time, and the Host Country Agreement between the Government of the Republic of Finland and the Nordic Development Fund of 15 October 2013.

Discretion. Apply the utmost discretion in all matters concerning NDF, both during and after their appointment with NDF.

Respect. Act in a fair, open, and honest manner in all interactions with members of NDF's governing bodies and staff.

3. Respectful Workplace

As NDF is committed to a respectful workplace, Control Committee Members shall ensure that all interactions between its members and with NDF's staff, irrespective of position or seniority, are collaborative, respectful, courteous, and inclusive with everyone being treated fairly.

Control Committee Members are expected to uphold highest standards of conduct in engaging with others and demonstrate fairness and impartiality.

Harassment and discrimination are not tolerated at NDF and are considered Misconduct.²

4. Conflicts of Interest

4.1. General

Control Committee Members shall avoid any situation involving an actual, perceived or potential conflict of interest.

A conflict occurs when the personal interests of a Control Committee Member, or those of their Immediate Family³, or those related to any entity in which they hold a position with decision-making powers, could compromise their judgment, decisions, or actions related to NDF. These situations can undermine NDF's activities and the confidence in a Control Committee Member's ability to perform their duties.

An actual conflict of interest involves a direct and existing conflict of interest. A perceived conflict of interest occurs where a conflict of interest could reasonably be perceived (internally or externally) to exist. A potential conflict of interest involves a situation where a conflict of interest may materialise under specific circumstances.

Control Committee Members may seek advice from the NEFCO Chief Ethics and Compliance Officer with regards to any conflict of interest and shall provide information to help NDF determine if a conflict of interest exists.

² **"Misconduct"** is an individual's conduct which is an intentional or reckless serious violation of the Constituent Documents, this Code, or the Rules of Procedure for the Control Committee.

³ **"Immediate Family"** means a spouse, a domestic partner, dependent child or children, or a person for whom the Control Committee Member is acting as a guardian.

4.2. Recusal

In the case of the existence of a potential or actual conflict of interest, a Control Committee Member shall recuse themselves in accordance with the Rules of Procedure for the Control Committee.

4.3. External Professional Activities

A Control Committee Member shall avoid any External Professional Activity⁴, remunerated or not, that hinders their independence, has a negative impact on their obligations, causes a conflict of interest or damages the reputation of NDF.

Upon joining and during their appointment, Control Committee Members shall discuss any External Professional Activity which may cause a conflict of interest or hinder their independence with the Chair of the Control Committee (“**Chair**”) and the NEFCO Chief Ethics and Compliance Officer to find a mutually agreeable solution. The Control Committee Member may be required to recuse themselves from the consideration, deliberation or decision-making process involving the conflict of interest.

A Control Committee Member’s appointment to a position in a governing body in another international financial institution is not considered a conflict of interest. Control Committee Members are expected to manage these roles in line with their obligations to the respective institutions.

4.4. Gifts and other benefits

A Control Committee Member, when representing NDF, should not give, solicit or accept gifts or other gratuities, remuneration or benefits beyond common business hospitality as it may imply a duty to return a favor.

When assessing whether a gift or other benefit is within common business hospitality, Control Committee Members shall consider the following:

- NDF regards common business hospitality as being a gift with a value of less than EUR 100 and any other entertainment, such as a dinner, with a value of less than EUR 150 per person; and
- the frequency of such invitations from the party in question is not excessive considering the nature and extent of the relationship with NDF.

A Control Committee Member may seek advice from the NEFCO Chief Ethics and Compliance Officer in relation to gifts and other benefits.

NDF acknowledges that in certain situations, the refusal of a gift, hospitality or other benefit may not be possible or may create unwanted embarrassment. Any gift, hospitality or benefit accepted for such reasons shall be reported and any gift handed over to the NEFCO

⁴ “**External Professional Activity**” means any employment or appointment undertaken by a Control Committee Member other than their role with NEFCO, NIB or NDF.

Chief Ethics and Compliance Officer. The NEFCO Chief Ethics and Compliance Officer is responsible for handling and disposing of the gifts accepted by the Control Committee Members and shall in this respect liaise with the Secretary of the Committee.

4.5. Activities after the end of appointment at NDF

Control Committee Members have the duty to act with integrity and discretion in situations that may give rise to an actual, potential or perceived conflict of interest after the end of their appointment with NDF. In some cases, this may entail recusing themselves from involvement in matters relating to NDF for one year after the end of their appointment with NDF.

A Control Committee Member may not be employed as staff, consultant or expert or the Managing Director of NDF for one year after the end of their appointment with NDF. The Board of Directors may, in a particular case, decide to make an exception to this provision.

5. Investments And Inside Information

Control Committee Members shall adhere to the general principles set out in NEFCO's Rules on Handling Inside Information if the Members at any point will be provided access to Inside Information, as defined in said Rules.

It is recommended that a Control Committee Member do not buy or sell financial instruments of an entity to which NDF has provided financing to, or considers to provide financing to if the Control Committee Member is or should be aware of this, as this may be perceived as, or constitute, a conflict of interest. It is further recommended that a Control Committee Member do not engage in buying and selling of financial instruments issued by the Nordic Investment Bank.

6. Confidentiality

6.1. General

Control Committee Members shall observe any confidentiality obligations applicable to the information obtained during their appointment and safeguard the information accordingly.

Control Committee Members shall take into account NDF's immunities and privileges before disclosing NDF's information. In particular, the confidentiality and inviolability of official communication and information shall be observed as set out in the Constituent Documents.

All confidentiality obligations shall continue after the appointment with NDF has ended.

6.2. Information to Member countries

A Control Committee Member may disclose non-public information concerning NDF's activities and operations to Member countries' ministers and officials representing the interests of NDF's owners, if necessary to address policy-related questions.

A Control Committee Member may disclose non-public information to an advisor, a counsel, or other relevant official in the consideration of an NDF matter, provided that such persons are subject to an equivalent confidentiality obligation.

For the avoidance of doubt, Control Committee Members shall maintain the inviolability of NDF's information and documents. Any decision to share information with a national regulatory or enforcement authority, other than in the above situations, shall be taken by NDF's Board of Directors in accordance with Article 14 of the Agreement concerning NDF.

6.3. Public statements on behalf of NDF

A Control Committee Member shall only make public statements on behalf of NDF that have been coordinated with the Chair and the Managing Director.

A Control Committee Member may use information concerning NDF that has already been published by NDF or otherwise exists in the public domain.

7. Use of NDF's Resources and Intellectual Property

A Control Committee Member shall use services, equipment, assets, resources or facilities of NDF for official use only.

Intellectual property pertaining to NDF may not be used for personal benefit or for the benefit of others. This obligation continues after the end of the appointment with NDF.

8. Non-Compliance

The responsibility for correct implementation of this Code shall remain with the individual Control Committee Members. The Chair, with support of the NEFCO Chief Ethics and Compliance Officer as needed, shall monitor adherence to this Code. Control Committee Members shall report suspected Misconduct, Prohibited Practices and non-compliance with NDF's policies⁵ to the NEFCO Chief Ethics and Compliance Officer, who in the case of Prohibited Practices, shall liaise with the Chair of NDF's Anticorruption Committee.

⁵ As defined in NDF's Anticorruption and Integrity Policy.