



CODE OF ETHICS

EXECUTIVE PRESIDENCY

Labor Integrity Committee

This English version is a translation of the original in Spanish

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I. PURPOSE

The purpose of the Code of Ethics is to establish the values that govern the operation of Corporación Andina de Fomento (CAF), as well as the rules of conduct with which the Obligated Parties must comply.

II. SCOPE

CAF officers, fixed-term employees not designated as officials, interns, and exchange personnel (hereinafter the “Obligated Parties”), regardless of their location, are required to comply with this Code of Ethics.

CAF will ask anyone who participates in or is related to its activities, such as customers, suppliers, consultants, among others, to behave in a manner consistent with this Code, and to adopt the standards of the Code as a minimum level of commitment.

III. DEVELOPMENT

It is the responsibility of the Head of the Executive Vice-President’s Office (VPE), after approval of the Labor Integrity Committee (CIL), to issue the necessary provisions for the correct implementation and application of this Code of Ethics.

III.1. General provisions

- CAF will require the acceptance and compliance with this Code as a condition of having a contractual relationship with it. Failure to comply may result in warnings or penalties of varying severity, including the termination of the contractual relationship.
- CAF will endeavor to avoid engaging with individuals whose past behaviors or reputation are inconsistent with the purposes and values pursued by this Code.
- The Obligated Parties must adhere to the principles and rules of conduct of this Code, both on and off CAF premises, in order to avoid affecting the reputation or image of the Corporation.
- The content and scope of this Code will be disseminated by CAF to all The Obligated Parties, their clients, suppliers, and consultants, as well as to the general public.
- The Ethics, Integrity, and Compliance Office (OEIC) will be responsible for channeling breaches of this Code, through the mechanisms established by CAF, as well as the interpretation of its content, for which reason it will resolve any doubts about its application.

III.2. General Ethical Principles

The following General Ethical Principles govern the actions of CAF:

- **Transparency**
We communicate our information in an understandable, relevant, and open manner, except for accurate and justified exceptions.
- **Integrity**
We act honestly, avoiding conflicts of interest and influences, and in accordance with standards, importing the way we achieve objectives, thus creating an atmosphere of trust.
- **Equity**
We recognize and respect the diversity of people and promote a multicultural environment, which integrates and complements us, fosters equal opportunity, free from arbitrary decisions and without discrimination, in accordance with the established standards.
- **Responsibility**
We act responsibly for the well-being of people, society, and the care of the environment, being consistent with our commitments and duties, while putting corporate interests before any other.
- **Respect**
We value people and are respectful of their views, while acting and speaking judiciously and with tact before them, being prudent and empathetic.

III.3. Behavior Guidelines

III.3.1. Environment Free of Discrimination and Violence

The Obligated Parties must refrain from engaging in, accepting, or tolerating abusive conduct of authority or harassment, discrimination, or violence in any form.

The Obligated Parties must support, encourage, and value the inclusion and diversity of staff, therefore, they must ensure respect and an inclusive work environment, free of violence. In particular, they must ensure that no one is discriminated against for any reason, especially gender, sexual orientation or identity, disability, ethnic-racial diversity, religion, political tendency, age, or any other characteristic.

III.3.2. Equal Opportunity

The Obligated Parties must ensure that all processes of onboarding, hiring, promotion, compensation, or assignment of duties under their competence are carried out with fair and impartial treatment for all, applying the standards consistently and fairly, based on performance and with the sole objective of identifying those with the highest profile and skills for the post or position to be filled, promoting equal opportunities at all times.

III.3.3. Social, Environmental, and Human Rights Responsibility

The Obligated Parties must follow the measures that CAF communicates and implements in relation to sustainable development, and those that incorporate corporate sustainability and environmental and social management in their operations, and will boost new initiatives for the transformation of productive models towards carbon neutrality and climate resilience, as well as for the restoration and enhancement of biodiversity. They must also respect human rights and refuse any activity involving the use of forced or child labor, as well as human trafficking and smuggling.

III.3.4. Personal Safety and Health

The Obligated Parties must follow the safety and health measures communicated and implemented by CAF, in order to maintain a safe and healthy work environment.

III.3.5. Compliance

The Obligated Parties must comply with the Articles of Incorporation, the General Regulations, the Headquarters Agreement, the policies, regulations, and other rules in force within CAF. Likewise, The Obligated Parties must comply with the legal and financial obligations corresponding to the country where they are located, without prejudice to the privileges and immunities that the member countries grant them for the performance of their functions.

The Obligated Parties must comply with the provisions of this Code of Ethics. If there are differences between the local practices or customs where they are working and what is established in the guidelines of this Code, the Obligated Parties must choose to comply with the Code, unless local practices lead to a higher standard, or if the conduct required by the Code is illegal in that place.

III.3.6. Compliance with Approvals and Instructions

The Obligated Parties must act in compliance with internal decisions, as well as with the guidelines and instructions issued by the corresponding bodies or units. The Obligated Parties may express divergent personal or professional opinions internally for their assessment.

When internal decisions contravene this Code of Ethics or the applicable regulations, the Obligated Parties must report it to the competent internal bodies. In special situations, the official may request their supervisor to excuse them from carrying out activities that directly contravene their personal beliefs.

III.3.7. International Nature of the Obligated Parties

In the performance of their duties, the Obligated Parties shall not seek or receive instructions from any external source, whether it is a government, other international body, or authority outside the Corporation. When CAF decides to assign an employee to an external entity, the latter may accept the instructions issued by said entity so long as they are consistent with the provisions of this Code. It is prohibited to carry out political activities and/or demonstrations on behalf of CAF, or while carrying any badge of the institution.

III.3.8. Use of Immunities, Exemptions, and Privileges

Immunities, exemptions, and privileges, or other rights or benefits that are granted to the official through the Articles of Incorporation and the Headquarters Agreements, as well as any other regulations applicable for the exercise of their functions, must be used in strict adherence to said provisions, without this being interpreted as a justification for the breach of private obligations or the violation of laws and regulations by the official in the receiving State.

III.3.9. Protection of CAF property

The Obligated Parties must take care of and make good use of CAF's tangible and intangible goods and assets, including the CAF brand and its reputation, intended solely for the performance of the functions entrusted to them.

III.3.10. Intellectual and Industrial Property

The Obligated Parties must respect the intellectual and industrial property rights of CAF and third parties, and must not make use of them personally or improperly. This includes the institutional image or any partial or final, abstract or tangible results developed by CAF personnel as a result of performing tasks or fulfilling their functions at CAF.

III.3.11. Information Privacy and Security

The Obligated Parties, even after their relationship with CAF has ended, must respect the applicable rules regarding privacy and information security, maintaining the confidentiality of the data, decisions, or internal deliberations, as well as the information they possess as a result of their activity within the Corporation.

The foregoing may be exempted when so required by judicial resolution or when there are reasons based on public safety, the Corporation's defense, or health reasons.

III.3.12. Responsible Artificial Intelligence

CAF, as well as the Obligated Parties, shall promote, use, or develop artificial intelligence so long as it is consistent with internationally recognized ethical principles and standards, respecting human rights and copyright, dignity, equity and equal opportunity, privacy and confidentiality, sustainability, inclusion, transparency and accountability, as well as improvement in the quality of life of people.

III.3.13. Media Interaction and Public Appearances

Unless it is part of the functions expressly conferred, or those that are required to comply with CAF's activities, the Obligated Parties must refrain from commenting or publishing, officially or unofficially, on CAF's affairs. Therefore, they must refrain from providing material for publication, media interaction, or maintaining any link with the media, written or audiovisual, on CAF's affairs.

III.3.14. Use of Social Media

The Obligated Parties must ensure the tangible and intangible assets, reputation, and information of CAF. The Obligated Parties may make use of social networks, in which case they must do so using good judgment, guided by CAF's recommendations, and preventing them from being interpreted as CAF's position. It is prohibited to carry out political proselytism or express political preferences as CAF, or to use the position they occupy within the institution, through social media.

III.3.15. Effective Task Development

The Obligated Parties must perform their tasks to the fullest of their abilities, so they must not carry them out while intoxicated or under the influence of any psychotropic or narcotic substance that prevents maintaining an adequate level of performance, guaranteeing their safety and the preservation of health.

III.3.16. Conflicts of Interest

The Obligated Parties must prevent conflicts of interest, so whoever is in a situation of possible conflict of interest, whether by their own perception or that of a third party, must inform their supervisor immediately. When the conflict of interest cannot be resolved at the higher level, the OEIC will provide the necessary advice and may resolve the issue.

The Obligated Parties shall refrain from receiving any type of gift and entertainment, in accordance with the parameters established by CAF in its internal regulations.

In addition, the Obligated Parties must prevent the personal interest of a political group or party from interfering with their decisions to fulfill their duties or obligations towards CAF.

III.3.17. Prohibited Practices

The Obligated Parties must refrain from engaging in any Prohibited Practices, including direct or indirect corruption, fraud, coercion, collusive or obstructive practices, and misuse of funds.

III.3.18. Preventing Money Laundering and the Financing of Terrorism

The Obligated Parties must implement the measures and procedures established by CAF in order to prevent and combat money laundering and the financing of terrorism. If applicable, they must communicate to the corresponding instance the red flags that cannot be dismissed.

III.4. Reporting Guidelines

III.4.1. Reporting

The Obligated Parties who witness, become aware of, or suspect an irregularity, including, but not limited to, the violation of any of the conduct guidelines established in this Code of Ethics, are obliged to report it to the corresponding authority.

III.4.2. Protection of the Whistleblower and the Reputation of the Accused

CAF will promote that reports received through its instances are reported in good faith and will ensure that there is no retaliation against the persons who have made reports or those who participate in the process of handling reports.

The Obligated Parties who report or cooperate with the management of the complaint and believe that any person has retaliated against them must report it in a timely manner to the agency in charge at CAF.

In the corresponding liability procedures, CAF will presume that every person is innocent, except after a determination has been made otherwise. Therefore, everyone should be treated with respect without damaging their reputation.

III.4.3. Willful Blindness

The Obligated Parties shall incur in willful blindness when, having become aware of an irregularity or a red flag, they ignore the obligation to notify it before the corresponding instance.

Likewise, it will be considered willful blindness when a supervisor who has been notified of an irregularity by a CAF staff member fails to notify the corresponding instance.

IV. GLOSSARY

Term	Concept/Description
Obligated Parties	Refers to CAF officers, non-official time-sensitive employees, interns, and exchange personnel, regardless of their location.
General Ethical Principles	Refers to the principles that govern the actions of CAF: Transparency, Integrity, Equity, Accountability, and Respect.
CAF	Corporación Andina de Fomento
CIL	Labor Integrity Committee
OEIC	Ethics, Integrity, and Compliance Office
PE	Executive Presidency
VPE	Executive Vice-Presidency