

Code of Conduct

Code of Conduct for contractors (each a "**Contractor**") of aed – Agency for Economic Cooperation and Development ("**aed**")

PREAMBLE:

- I. aed is the Federal Government's service provider for the implementation of international reform projects and represents Austria's interests in projects financed by the EU and other international institutions.
- II. The business conduct of the Contractor not only directly shapes and influences the standing and reputation of aed, but also indirectly affects the international credibility and trustworthiness of the Republic of Austria.
- III. aed and its Contractors are therefore held to a particularly high standard of compliance with all applicable anti-corruption regulations (in particular Sections 304 et seq., 307 et seq. and 309 of the Austrian Criminal Code (StGB) and, where applicable, the UK Bribery Act and the US Foreign Corrupt Practices Act), with the regulations on combating money laundering and the financing of terrorism, and with the relevant sanctions and embargo provisions of the European Union, the United Nations and the Republic of Austria.
- IV. This Code of Conduct constitutes a binding code of conduct for all Contractors of aed; compliance with it forms part of the Contractor's contractual obligations towards aed.
- V. Compliance with the principles set out below contributes lastingly to avoiding business misconduct and to promoting and safeguarding the quality of aed's project development as well as the international standing of the Republic of Austria.

1. Bribery

- 1.1. The Contractor shall implement all applicable regulations for the prevention and combating of bribery and corruption. This includes, in particular, the provisions of Sections 304 et seq., 307 et seq. and 309 of the Austrian Criminal Code (StGB) and (where applicable in the individual case) comparable foreign legislation, in particular the UK Bribery Act and the US Foreign Corrupt Practices Act.
- 1.2. The Contractor shall not, directly or indirectly, offer, promise, grant, demand, accept a promise of, or accept any improper advantage, gratuity or other benefit of monetary value where these are capable of, or may create the appearance of, improperly influencing business or official decisions or actions. This prohibition applies without restriction in relation to natural and legal persons in both the public and the private sector.
- 1.3. The Contractor is in particular obliged not to make, or have made by third parties, any so-called *facilitation payments* (the payment of small sums of money to public officials) or comparable payments, benefits of monetary value or other gratuities to public officials or other third parties in order to obtain, expedite or otherwise influence official or other decisions, proceedings or services (including where there is in principle a legal entitlement to them).
- 1.4. The Contractor shall ensure, by way of appropriate organisational, personnel-related and contractual measures, that all employees, corporate officers, subcontractors, consultants, intermediaries and agents engaged by it, as well as any other third parties acting in connection with the provision of its services, comply with these obligations without restriction. The Contractor shall select such persons with due care before engaging them, appropriately verify their integrity and continuously monitor their compliance with the above obligations.

2. Fair Competition

- 2.1. The Contractor is committed to fair and honest competition and shall comply with all applicable antitrust and competition law provisions. In particular, the Contractor shall not enter into any agreements or concerted practices restricting competition and shall not participate in any price-fixing, market-allocation, customer-allocation or bid-rigging arrangements, in particular in connection with procurement procedures.

3. Gifts and Invitations

- 3.1. The Contractor shall refrain from accepting, granting or arranging any form of gift, invitation or other advantage where this is capable of, or may create the appearance of, influencing the independence, objectivity or integrity of business or official decisions or the proper performance of contractual obligations.
- 3.2. The acceptance or granting of monetary gifts and of benefits of monetary value, in particular in the form of cash, precious metals, coins, securities, retail, gift or other vouchers or comparable means of payment, is prohibited without exception.

- 3.3. Other gifts or invitations may be accepted or granted only where they are socially customary, appropriate and of low value, serve exclusively to maintain proper business relations, are neither intended to nor give reason to expect any consideration in return, and are not capable, whether individually or taken together, of influencing the decisions or conduct of the persons involved, either in fact or in appearance.
- 3.4. The Contractor shall ensure that all persons acting on its behalf in connection with project development or the provision of services comply with these principles without restriction and that appropriate internal measures are in place to prevent the improper granting and acceptance of advantages.

4. Contributions and Documentation

- 4.1. The Contractor is obliged to apply expenses, donations, charitable contributions, sponsorship activities and other financial or in-kind benefits exclusively for lawful and verifiable purposes appropriate to the respective purpose. All such contributions must be transparent, appropriate, properly documented and in accordance with the applicable legislation.
- 4.2. The Contractor shall ensure that such benefits are not used, directly or indirectly, to circumvent the provisions of this Code of Conduct or any other statutory or contractual obligations. In particular, contributions must not serve to conceal or grant improper advantages, to circumvent prohibitions relating to gifts and invitations or to improper payments to public officials, or to influence political or other decisions improperly.
- 4.3. The Contractor shall take appropriate organisational measures to preclude any improper use of expenses, donations, sponsorship activities or other contributions and shall, at aed's request, provide suitable documentation evidencing their lawfulness, designated purpose and proper use.
- 4.4. The Contractor shall record all business transactions relating to project development or the provision of services, in particular contributions within the meaning of this section 4, completely, accurately, promptly and verifiably in its books and records; such records must comply with the applicable company law and tax law provisions (in particular the Austrian Commercial Code (UGB) and the Austrian Federal Fiscal Code (BAO)). Concealed or unrecorded accounts, fictitious or incorrect entries and the issuance or use of incorrect supporting documents are prohibited. The Contractor shall retain the relevant documents for at least the duration of the statutory retention periods, but in any event for seven years from the end of the calendar year concerned, and shall grant aed access to them in an appropriate form upon request.

5. Conflicts of Interest

- 5.1. The Contractor shall avoid situations in which the personal or economic interests of the Contractor or of the persons engaged by it conflict, or may conflict, with the interests of aed or with the proper development of the project or provision of services. Existing or imminent conflicts of interest, as well as the mere appearance of such a conflict, must be disclosed to aed in writing without delay.

6. Combating Money Laundering and the Financing of Terrorism

- 6.1. The Contractor shall comply without restriction with all applicable regulations for the prevention of money laundering and the financing of terrorism, in particular the relevant Austrian legislation (such as Sections 365m1 to 365z of the Austrian Trade Regulation Act (Gewerbeordnung, GewO)) and the provisions applicable on the basis of international or EU requirements (such as Directive (EU) 2015/849).
- 6.2. The Contractor shall not enter into or support any business relationships, and shall not carry out or support any transactions or other acts, which serve, or may be misused for, the concealment or disguising of the origin of unlawfully obtained assets, money laundering, the financing of terrorism or comparable unlawful purposes.
- 6.3. The Contractor is obliged to apply appropriate risk-based due diligence measures when selecting and reviewing its business partners and when carrying out all payment and financial transactions relating to project development or the provision of services. In particular, the Contractor shall be alert to unusual transactions, to transactions lacking economic plausibility and to non-transparent transactions, and shall take appropriate measures to verify their lawfulness.
- 6.4. If the Contractor becomes aware of facts, or if there are concrete indications, suggesting that a money laundering, terrorist financing or comparable compliance risk may exist in connection with project development or the provision of services, the Contractor shall inform aed thereof in writing without delay and take all reasonable measures to investigate and minimise the risk. At aed's request, the Contractor shall provide suitable evidence of compliance with the above obligations.

7. Data Protection and Confidentiality

- 7.1. The Contractor shall comply with all applicable data protection legislation, in particular the General Data Protection Regulation (Regulation (EU) 2016/679) and the Austrian Data Protection Act, and shall process personal data exclusively within the scope of the respective contractual arrangements. The Contractor shall maintain confidentiality regarding all confidential information that comes to its knowledge in connection with project development or the provision of services; any further-reaching contractual confidentiality obligations remain unaffected.

8. Trade Restrictions and Sanctions

- 8.1. The Contractor shall comply without restriction with all embargo, sanctions, export control and other foreign trade law provisions applicable in connection with project development or the provision of services. This includes, in particular, restrictive measures of the European Union, sanctions adopted or implemented on the basis of resolutions of the United Nations Security Council, and the relevant legislation of the Republic of Austria. These include, for example:
 - (i) sanctions under Art 29 TEU and Art 215 TFEU, including the EU sanctions regulations as applicable from time to time and Regulation (EU) 2021/821;

- (ii) sanctions based on resolutions of the United Nations Security Council under Chapter VII of the Charter of the United Nations, in so far as these are binding on Austria and the European Union as well as on any third countries to which a nexus exists in relation to project development or the provision of services; and
 - (iii) measures under the Austrian Sanctions Act 2024 (SanktG 2024) and the Austrian Foreign Trade Act 2011 (AußWG 2011) and the regulations and implementing provisions issued thereunder.
- 8.2. The Contractor shall ensure that neither it nor the employees, subcontractors, consultants or other third parties engaged by it for project development or the provision of services breach any applicable sanctions, embargo or export control provisions. In particular, the Contractor shall not make available or accessible, directly or indirectly, any goods, services, technology, software, funds or other economic resources to persons, organisations or states where this is prohibited under the applicable legislation or subject to authorisation and the required authorisation has not been obtained.
- 8.3. The Contractor is further obliged to establish appropriate risk-based review and control measures in order to prevent breaches of embargo, sanctions or export control provisions. If the Contractor becomes aware of circumstances which constitute or may constitute a breach of such provisions, or which may impair the proper development of the project or provision of services, the Contractor shall inform and thereof in writing without delay and take all reasonable measures to minimise the risk and to investigate the matter.

9. Human Rights and Labour Standards

- 9.1. The Contractor shall respect internationally recognised human rights and avoid violations of those rights within its own business operations and along its supply and service chain. In particular, the Contractor shall comply with the core labour standards of the International Labour Organization (ILO); any form of child labour, forced or compulsory labour and human trafficking is prohibited. The Contractor shall ensure compliance with the applicable labour and social legislation and shall not tolerate any discrimination or harassment on the grounds of gender, origin, religion or belief, age, disability or sexual orientation.
- 9.2. The Contractor shall pass on the principles set out in this Code of Conduct along its supply and service chain and shall, to an appropriate extent, work towards compliance with them by its subcontractors and suppliers. The Contractor shall select and review its subcontractors and suppliers using a risk-based approach and shall, where it becomes aware of breaches, take appropriate remedial measures and inform and in writing without delay.

10. Conduct of Engaged Third Parties

- 10.1. The Contractor bears full responsibility for ensuring that all employees, corporate officers, subcontractors, consultants and intermediaries, as well as all other vicarious agents and persons entrusted with tasks by it in connection with project development or the provision of services, comply with the provisions of this Code of Conduct without restriction.

- 10.2. The Contractor is obliged to select such persons appropriately before engaging them, to inform them demonstrably of the obligations relevant to them, to ensure their compliance by way of appropriate organisational measures and to monitor their conduct to an appropriate extent. The Contractor shall stop any breach without delay, take appropriate remedial measures and inform aed thereof in writing without delay.
- 10.3. The conduct of the persons and third parties engaged by the Contractor is attributed to the Contractor without restriction. The Contractor may not invoke, as against aed, either a lack of knowledge or the misconduct of individual persons or third parties. The engagement or involvement of third parties does not release the Contractor from its contractual obligations or from its liability towards aed. aed is entitled, upon prior notice, to review compliance with this Code of Conduct by the Contractor to an appropriate extent, either itself or through third parties instructed by it; the Contractor shall cooperate appropriately and provide relevant information.

11. Compliance Organisation and Training

- 11.1. The Contractor shall maintain a compliance organisation appropriate to its size, structure and risk exposure which ensures compliance with the principles set out in this Code of Conduct. This includes, in particular, clear allocation of responsibilities, appropriate internal controls and suitable procedures for identifying and remedying breaches.
- 11.2. The Contractor shall train its employees and the third parties engaged by it, to an appropriate extent and at recurring intervals, on the requirements of this Code of Conduct, in particular on the topics of anti-corruption, money laundering, sanctions and conflicts of interest, and shall document the delivery of such training. At aed's request, the Contractor shall submit corresponding evidence.

12. Environmental Protection

- 12.1. The Contractor shall comply with all applicable environmental legislation and shall, in the course of project development and the provision of services, have regard to the economical and careful use of natural resources and to the avoidance of unnecessary environmental impacts.

13. Reporting and Whistleblower Protection

- 13.1. aed maintains a reporting channel through which reports of breaches of this Code of Conduct and of other unlawful conduct in connection with project development or the provision of services may be submitted. The Contractor shall inform its employees and the third parties engaged by it of the possibility of reporting to aed and shall give them access to this reporting channel.
- 13.2. The Contractor shall ensure that persons who submit a report in good faith suffer no detriment, retaliation or other adverse consequences. A breach of this prohibition of retaliation constitutes a breach of this Code of Conduct. The confidentiality of the identity of reporting persons shall be safeguarded to the extent permitted by law; the provisions of the Austrian Whistleblower Protection Act (HinweisgeberInnenschutzgesetz, HSchG) remain unaffected.

14. Breaches and Legal Consequences

- 14.1. The Contractor shall inform aed in writing without delay of any breach of this Code of Conduct and of any concrete indications of such a breach. Breaches of this Code of Conduct constitute a material breach of contract. In such a case aed is entitled, without prejudice to any further statutory or contractual claims, in particular for damages, to terminate the respective contractual relationship for good cause with immediate effect, after having unsuccessfully requested in writing that the breach be remedied within a reasonable period; in the case of serious breaches, no prior request is required.

15. Publication

- 15.1. This Code of Conduct is brought to the attention of all Contractors of aed and is published on aed's website at <https://www.aed.or.at/en/documents/code-of-conduct.pdf>. aed reserves the right to update this Code of Conduct as required; the version published there from time to time shall be authoritative.

16. Acknowledgement

- 16.1. The Contractor confirms that it has received, read and understood this Code of Conduct and undertakes to comply with it without restriction. Acknowledgement takes place upon conclusion of the respective contract with aed or, where required by aed, by way of a separate written declaration.
- 16.2. At aed's request, the Contractor shall submit a corresponding confirmation as well as evidence that this Code of Conduct has been passed on to the persons and third parties engaged by it (section 10).

This Code of Conduct is drawn up in the German language and translated into English for convenience only. In the event of any difficulties in interpretation or inconsistencies between the language versions, the original German version shall take precedence and shall be the sole legally binding version.