

---

## CHARTER OF THE MEMBERS OF THE BOARD OF ADMINISTRATION OF PROPARCO AND OF ITS COMMITTEES

---

### **Preamble**

The present Charter states the rights, obligations and principles applicable to each member of the Board of Administrators of PROPARCO and of its committees. The Board of Administration and its committees are hereafter each designated by the generic term “the body”; the members of the Board of Administration of PROPARCO and of each of its committees shall hereafter each be designated by the generic term “member of a body”. Each member of a body, whether a sitting member or replacement, observer or non-voting board member, agrees to adhere to the guidelines stated in the present Charter and to implement them, individually and as a member of a body called to take collective decisions. Certain rules stated in the present document, and particularly the obligation of confidentiality and reserve, also apply to persons invited to sessions of a body.

### **1. Acceptance of function**

At the start of his mandate, each member of a body receives a copy of the bylaws of PROPARCO, a copy of the internal rules of the Board of Administration and those of each of its committees, as well as the present Charter. Acceptance of the functions of a member of a body is automatically deemed as acceptance of the texts regarding establishment of the Company and adherence to the present Charter.

Any update of the Charter approved by the Council shall automatically apply to the members of the bodies on the date of approval by the Council. Updates shall be transmitted to the members of the bodies by any means.

### **2. Awareness of the obligations of a member of a body and duty of training**

A member of a body must make sure that he is, at all times, aware of the general or specific obligations under his responsibility. He must notably maintain a very broad knowledge about the legal or regulatory texts related to his functions and to the activities of PROPARCO (in particular, those of the Monetary and Financial Code, of the decision of 3 November 2014 on internal audit - and any text which completes, modifies or replaces it -, if applicable, of the General Regulations of the Financial Markets Authority), as well as about the bylaws of PROPARCO, the present Charter, and the internal rules of the body, in their most recent version in effect.

At all times, the member of a body must have the knowledge, skills and experience necessary for the performance of his duties. It is up to him to actively maintain his knowledge and skills as necessary for the exercise of his mandate.

To this end, Proparco provides the members of the Board of Directors with a training course in digital format, which they are required to take. Each board member agrees to take this training course.

### **3. Administration and interest of PROPARCO**

The member of a body must, at all times, act in the interest of PROPARCO and, notably, in consideration of missions related to the public interest.

### **4. Duty of attendance and respect of rules regarding non-accumulation of mandates**

A member of a body must dedicate sufficient time to exercising his functions within the body. He must attend and participate in meetings of the body.

If a member of a body is hindered, he is responsible for immediately notifying his replacement (if applicable), as well as the Managing Director of the Company, the President of the body, and the legal secretary of PROPARCO.

At all times, a member of the Board of Administration must respect the rules regarding non-accumulation

of mandates as intended by the Code of Commerce and the Monetary and Financial Code. Each member of the Board of Administration (and each member of a body, at the request of its President) shall provide, once per year, the list of mandates and functions exercised during the year closed on 31 December, and agrees to make the necessary arrangements to be in conformity with the rules on limitation of accumulation of mandates. Furthermore, it is the responsibility of each member of a body to inform the President of the body as quickly as possible about any change in the number of mandates held, as well as about any change in professional responsibilities.

PROPARCO will be able to monitor the attendance of the members of the bodies for meetings of the bodies in question, including during a meeting of the body.

#### **5. Duty of information and vigilance**

A member of a body has an obligation to be informed. For this purpose, he must make sure that he receives, in due time, all information necessary for fulfilling his assignment. He must ask the President of the body, in due time, for information that he deems useful for carrying out his assignment and for addressing the items mentioned in the agenda for a meeting of the body.

Notwithstanding the foregoing, it is pointed out that the President of a body must make sure that the members of the body are properly informed, so that they are able to carry out their assignment.

#### **6. Duty of expression**

A member of a body, except for an observer, has a duty to express his questions and opinions to the body, regarding matters related to his mandate.

He makes sure that his positions or proposals are clearly recorded in the minutes or reports of the meeting.

Guests intervene only at the request of the President of the body (or chairperson of the session).

#### **7. Confidentiality, banking secrecy and duty of reserve**

A member of a body must personally protect the confidentiality of all information received in execution of his mandate, and abstain from disclosing it. Presentation notes submitted to a body, discussions and minutes of sessions are confidential and may not be diffused without the express authorization from the President of the body.

In conformity with the provisions of the Monetary and Financial Code, a member of a body is bound by professional secrecy concerning non-public information relative to the operations of PROPARCO and to their beneficiaries, received within the framework of his mandate, under the conditions and subject to the penalties specified in articles 226-13 and 226-14 of the Penal Code.

A member of a body is bound by a duty of reserve with third parties. In this regard, he must make certain to protect the interests of PROPARCO, notably in his statements and written documents.

#### **8. Possession of inside information and declaration of personal transactions**

The member of an authority who, in the course of his mandate, receives inside information<sup>1</sup> in connection with a transaction investigated by PROPARCO, is subject to the following prohibitions, the non-compliance of which is punishable by law:

- Prohibition to disclose privileged information to a third party, without PROPARCO's prior consent;
- Prohibition to incite a third party to enter into, modify or cancel a transaction in connection with the financial instruments to which the inside information relates;

---

<sup>1</sup> Inside information is "information of a precise nature which has not been made public, which concerns, directly or indirectly, one or more issuers, or one or more financial instruments, and which, if made public, would be likely to have a significant influence on the price of the financial instruments concerned or the price of related derivative financial instruments (extract from Article 7 of (EU) Regulation No. 596/2014 of 16 April 2014 on market abuse).

- Prohibition to use inside information to (i) acquire or attempt to acquire the financial instruments to which the inside information relates or (ii) cancel or modify an order placed prior to the receipt of inside information, in connection with the financial instruments concerned.

The member of an authority receiving inside information shall be clearly informed, at the time of its receipt, of the nature of the information. It is also informed as soon as the information ceases to be of a privileged nature.

During the period of possession of insider information, the member of a body is required to declare to Proparco Compliance, as soon as possible, any personal transaction that he makes. This obligation is recalled upon receipt of the insider information.

In addition, the member of a body is required to communicate, at the request of Proparco Compliance, the list of personal transactions carried out by him over a given period of time, not exceeding 24 months at the time of the request.

The scope of the personal transactions that need to be reported and the reporting procedures are specified in Appendix 1 to this Charter.

## **9. Ethical principles and rules of professional ethics - Prevention of corruption and undue influence - Access to the whistleblowing system**

A member of a body demonstrates honesty, integrity and an independent mindset which permits him to evaluate and, if necessary, question the decisions submitted for his approval, as well as to ensure supervision and effective follow-up for these decisions.

A member of a body makes certain, in all circumstances, to preserve his independence of judgment, decision-making and action. He is prevented from being influenced by any element outside the interests of the Company and its assignments related to the public interest.

A member of a body must develop no relationship of any kind which could compromise his freedom of judgment within the body. Otherwise, it is the responsibility of the member of the body to resign.

A member of a body may not draw any advantage from his functions, either direct, indirect, financial or of influence, on his behalf or that of a third party. He may not use the information gathered within the framework of his mandate, directly or indirectly, for personal reasons or for third parties.

Members of a body shall ensure that they comply with the provisions of the AFD Group's Code of Conduct on Fighting Corruption and Undue Influence<sup>2</sup> as they apply to their functions and mandate.

Members of a body have access on equal terms as the AFD's external and occasional staff to the whistleblowing system implemented by AFD in application of Law no. 2016-1691 of December 9<sup>th</sup> 2016 relative to transparency, the fight against corruption and the modernisation of economic life, known as the "Sapin" Law<sup>2</sup>.

## **10. Conflicts of interest and regulated agreements**

A member of a body must avoid any conflict between his/her moral and material interests as a natural person but also the interests of the legal entity that he/she represents and those of PROPARGO.

A member of a body is obligated to inform the President of the body (or the secretary of the body who will notify the President of the body and the Managing Director and/or the Deputy Managing Directors) about any conflicts of interest, including potential ones, in which he could be directly or indirectly involved. In this case, the concerned member abstains from participating in discussions and decision-making on the subjects in question. He may decide, or the President of the body may invite him to be absent from the deliberation.

---

<sup>2</sup> Available on the AFD website: <https://www.afd.fr/fr/ressources/code-de-conduite-anti-corrupcion-du-groupe-afd>

Each member of the Board of Administration of PROPARCO is required to inform its President (or the Secretary of the body) as soon as he is aware of a regulated agreement (as intended under the Code of Commerce) concerning him and must follow the procedure of authorization specified in said code.

## **11. Insurance**

PROPARCO has subscribed an insurance policy “responsabilité civile des dirigeants” (civil liability of senior managers), which covers, under certain conditions, payment of their expenses for defence as well as financial condemnations pronounced against them within the framework of a complaint involving their civil liability for professional fault committed in exercising their functions of senior management.

A copy of the insurance policy is available upon request.

## **12. Protection of personal data**

### **a) Characteristics of the processing operations**

Proparco collects and processes, in its capacity as data controller, personal data concerning the members of the governance bodies. These processing operations have the following characteristics:

<b>Purpose of processing</b>	<b>Lawful basis of the processing operations</b>	<b>Categories of personal data processed</b>
Company secretariat (running the committees, managing the formalities associated with appointments and renewals of mandates, producing and making available annual management reports)	Legal obligation (formalities) Legitimate interest to supervise and make the process of producing reports, minutes and reports more reliable.	Identification data (identity document) Professional life Personal life Data relating to criminal convictions and offences (extract from the criminal record or equivalent certificate) Voice recordings
Management of conflicts of interest (detection, processing and documentation)	Legitimate interest to prevent and address any conflict of interest in fundraising activities and to be able to provide supporting documents to regulators	Identification data Professional life Personal life
Where applicable, managing declarations on the personal transactions of the members of a body, during periods of possession of privileged information	Legal obligation	Identification data Professional life Personal life Economic and financial data
Dissemination to other members of the same body of each member's personal contact details	Legitimate interest in facilitating exchanges between members of the same decision-making body	Identification data Professional life Personal life
Distribution of a "directors' welcome booklet" with organisational charts of the bodies to the other members of these bodies	Legitimate interest in facilitating the integration of new members into a body by presenting the composition, role and functioning of this body	Identification data Professional life Personal life
Keeping and sending administrative documents relating to the identity of Proparco's managers to clients and financial partners in the context of the fight against money laundering and the financing of terrorism	Legitimate interest in responding favourably to the legitimate requests of customers and partners in the context of the fight against money laundering and the financing of terrorism	Identification data (administrative document relating to identity) Professional life Personal life

## **b) Duration of data retention**

Within the framework of the implementation of the above-mentioned treatments, the retention periods are as follows:

- The records of the exchanges, necessary for the drafting of the minutes and verbatim reports of the proceedings, are kept for a maximum period of 6 months from the date of the proceedings concerned;
- Data collected for the management of formalities are kept for a period of five years from the date of expiry of the mandate;
- Other categories of personal data processed within the framework of legal secretarial activities (reports and minutes) are kept for a maximum of 5 years following termination of PROPARCO's activities;
- Data processed for managing conflicts of interest is kept for a period of five years following the end of the mandate of the data subject;
- Data processed for the personal transaction monitoring system are kept for a period of 5 years from the date of the declaration;
- Data processed for the facilitation of exchanges within the same body and for the LCB-FT due diligence of our customers and partners are kept for the duration of the term of office of the data subject.

## **c) Access to data and transfers outside the European Union**

Proparco communicates personal data only:

- To AFD Group staff who need to access the data in the framework of their missions and who are duly authorised to do so;
- To service providers and subcontractors providing services on behalf of Proparco and therefore participating in implementing one of the above-mentioned processing operations;
- To financial and judicial authorities or government agencies, public bodies upon request and within the limits of what is permitted by the regulations;
- To certain regulated professions such as lawyers and statutory auditors;
- To the Economic and Financial Archives Department.

Insofar as employees carrying out their missions on behalf of Proparco from abroad are likely to have access to these data, there may be a transfer of data, within the meaning of the regulations applicable in all of Proparco's countries of domicile. Measures guaranteeing a level of data protection equivalent to that of a country in the Economic and European Area have been put in place. For more information on these measures, please contact the Data Protection Officer, whose contact details are given below.

With regard to the personal transaction monitoring system, the duly authorised person is Proparco's Compliance Officer..

In the context of sending the administrative identity documents of Proparco's managers to customers and financial partners in the context of the fight against money laundering and terrorist financing, the recipients of these data are Proparco's customers and financial partners, who may be established outside the European Economic Area and who process the data transmitted under their own responsibility.

However, the personal data required will only be transmitted to the extent that the recipient:

- Has duly justified the text in application of which it is obliged to collect this information,
- Shall process the data in accordance with European data protection standards and in particular for a period of time that does not exceed that which is strictly necessary for the intended purpose.

Furthermore, the information is transmitted using a secure operating mode, including the encryption of

this information.

**d) What are your rights and how do you exercise them?**

In accordance with the French law “Informatique et Libertés” no.78-17 of 6 January 1978 as amended and with European Regulation 2016/679 of 27 April 2016 (GDPR), the members of bodies concerned by such processing may, under the conditions defined by the applicable regulations, access data concerning them or request their rectification. They also have a right to object, a right to erasure, a right to limit the processing of their data and a right to data portability. To exercise these rights or if you have any questions about the processing of their data, please contact the AFD Group's Data Protection Officer (DPO):

- **E-mail address: [informatique.libertes@afd.fr](mailto:informatique.libertes@afd.fr)**
- **Postal address: Agence française de Développement - Délégué à la protection des données, 5, rue Roland Barthes – 75598 Paris Cedex 12| France.**

**13. End of mandate**

If a member of a body, of his own volition or for another reason, ceases to be able to exercise his mandate in conformity with the present Charter, he must inform the President of the body of this without delay.

If the President of a body observes that a member of the body is not in a position to exercise his mandate in conformity with the present Charter, he informs him of this.

In the cases mentioned in the two paragraphs above, the member of the body must immediately submit his resignation to the President of the body.

**14. Residual obligation after the end of the mandate**

A member of a body shall remain bound by his obligations of confidentiality, banking secrecy, reserve and discretion and of declaration of his personal transactions stated in the terms of the present Charter after the end of his mandate.

*On .....*

*Last name and first name  
of the member of the body:*

*(signature)*

## Appendix 1 – Scope of Personal Transactions to be Reported and Reporting Requirements

### 1. The notion of personal transaction

- Personal transactions are considered as transactions done on accounts, of any kind, held in the records of account holders established in France or abroad, on which financial instruments may be recorded (e.g., securities accounts and stock savings plans) that satisfy at least one of the 3 criteria listed below:

- 1. The operation is carried out by a member of the body for his own account;**
- 2. The operation is carried out by any member on behalf of a member of the body;**
- 3. The operation is carried out by a member of the body on behalf of a close person, i.e., a person:**
  - (i) with whom he has family ties, a close bond or a significant interest in the result of the operation<sup>3</sup> (hereafter “Close Person”); and**
  - (ii) on a securities account for which the member of the body is able to perform operations (co-holder, power of attorney, mandate...).**

Family ties refer to the following people:

- Spouse, partner or equivalent;
- Child, daughter-in-law, son-in-law of the member of the body;
- Any other relative of the member of the body who has been in the same household for at least one year on the date of the transaction.

The situation in which a person has close ties with a member of the body is a situation in which these persons are connected, notably, by:

- investment, notably holding, directly or through ties of control, at least 20% of the voting rights or capital of a company;
- relationships of control<sup>4</sup>, notably the circumstance (i) of holding the majority of the voting rights in the general assemblies of a company or (ii) of de facto control, through voting rights, of decisions in the general assemblies of a company or (iii) of holding power to designate or dismiss members of the bodies of administration, management or supervision of a company

When several legal entities or natural persons are linked with the same company by a relationship of control, these persons/entities are considered as having close ties between them.

- With the exception:
  - of transactions done within the framework of a service to manage a discretionary portfolio for which there has been no prior communication concerning the transaction between the portfolio manager and the member of the body or other person on whose behalf the transaction is done;
  - of transactions involving UCITS or FIA which are subject to monitoring by virtue of the law of a Member State imposing an equivalent level of risk allocation for their assets, provided that the member of the body does not participate in management of the UCITS or FIA.

### 2. The procedures for declaring personal transactions

---

<sup>3</sup> Other than expenses or commissions for execution of them

<sup>4</sup> As defined by article L. 233-3 of the Code of Commerce

The member of the body informs Proparco Compliance of the personal transactions carried out by him during the period of possession of insider information through (alternative terms, at the choice of the member of the body):

- (i) A form, which details the nature of the transaction done, the model of which is attached to the information email about the holding of privileged information;
- (ii) Transaction notifications relative to the operations performed.

The form and notices are sent to Proparco Compliance by email ([rcsi@proparco.fr](mailto:rcsi@proparco.fr)) or postal mail (Proparco Compliance, 151 rue Sainte Honoré, 75001 Paris).