



Institut Luxembourgeois
des Administrateurs

Code of Conduct for members who act as Directors

ILA, Institut Luxembourgeois des Administrateurs
Association sans but lucratif

Introduction

The aim of this Code of Conduct is to provide ILA members with guidance on the professional conduct that ILA, the Luxembourg Institute of Directors (the “Institute”), expects from its members when acting as a director (“Director”) in an organization (the “Entity”), whatever the legal form and status of this organization.

This Code of Conduct does not and is not intended to create any legal or other obligation in relation to the relevant Director, which are additional to his legal and regulatory duties towards the entities for which he acts as director or towards their respective stakeholders.

In the light of the relevant circumstances, a member who does not respect the Code of Conduct may see his certification withdrawn and be expelled from the Institute.

All references to the masculine gender include the feminine.

ARTICLE 1 A DIRECTOR SHOULD ACT IN THE BEST INTERESTS OF THE ENTITY

A Director should always act in the best corporate interests of the Entity.

He should endeavour to ensure that the Board fulfils its key purposes of safeguarding the interests of the Entity and reaching its objectives.

He should understand the Entity's strategic aims and ensure, with the other members of the Board, that the necessary financial and human resources, together with appropriate procedures, are in place in order for the Entity to meet its objectives.

ARTICLE 2 A DIRECTOR SHOULD ACT WITH COMMITMENT

A Director should devote the time and attention needed to fulfil his mandate properly. He should limit his other professional commitments to the extent necessary for him to discharge his responsibilities efficiently.

A Director should duly prepare his involvement in any decision to be taken by the Board by requesting accurate, timely and clear information about the decision to be taken, together with any supporting documentation. He should take the time to analyse and discuss such documentation with the relevant parties, where applicable.

A Director should in principal attend all Board meetings.

ARTICLE 3 A DIRECTOR SHOULD HAVE THE NECESSARY SKILLS AND KNOWLEDGE TO PERFORM HIS DUTIES

A Director should have the necessary skills to perform his duties. If he lacks some skills, he should be prepared to follow the necessary training to acquire these skills as soon as possible.

He should have or acquire a broad knowledge of the business of the Entity and the applicable statutory and regulatory requirements.

ARTICLE 4 A DIRECTOR SHOULD COMMIT TO KEEPING HIS KNOWLEDGE UP TO DATE

A Director should continually update his technical knowledge and expertise, as well as his knowledge of the Entity, taking into account the scope and the complexity of his duties, with the view to fulfilling his duties with the necessary care.

A certified Director shall comply with his additional obligation to complete a continuous professional development program and to apply annually for the renewal of his certification.

ARTICLE 5 A DIRECTOR SHOULD ACT WITH HONESTY AND INTEGRITY IN THE EXERCISE OF HIS DUTIES

A Director should always act with honesty, integrity and transparency in the exercise of his duties. He should make sure that Board decisions are properly minuted and implemented.

A Director should take time for and value interaction with top management, shareholders and other stakeholders.

A Director should not seek any undue personal advantage from his position.

ARTICLE 6 A DIRECTOR SHOULD SHOW SOUND AND INDEPENDENT JUDGMENT IN HIS DECISION-MAKING

A Director should act with complete independence of mind and thought when taking decisions or expressing an opinion.

He should refrain from acting if he does not have in his possession all the information and documents which would allow him to make a considered and independent judgment concerning the decisions to be taken by the Board.

When in doubt concerning a Board decision, he should try to clarify the issue and, if required, ask for professional advice.

In the case of material disagreement with a decision of the Board, a Director should make sure that his arguments and participation in any vote on the matter are recorded in the minutes of the Board meeting.

ARTICLE 7 A DIRECTOR SHOULD COMPLY WITH LAWS AND TAKE APPROPRIATE ACTIONS IN THE CASE OF INFRINGEMENT OF THE LAW BY THE ENTITY

A Director should, in the exercise of his mandate, comply with the relevant laws, regulations and codes of conduct, and should abstain from illegal or fraudulent practices.

A Director, who notices that the Entity is not fulfilling its legal or regulatory requirements, should in the first instance inform the Board, so that measures can be taken in order to correct such infringement.

ARTICLE 8 A DIRECTOR SHOULD TAKE APPROPRIATE ACTIONS IN THE CASE OF CONFLICTS OF INTEREST

A Director should use his best efforts to avoid any potential conflict of interest with the Entity or an entity controlled by it.

If such a potential conflict of interest arises, the Director should inform the Board in a complete and timely manner. He should refrain from participating in the deliberations of the Board and from voting on the relevant matters, and in case of continuing material conflict of interests should consider resigning from the Board.

Where appropriate, the Director should ensure with the other members of the Board that the Board defines and implements a conflict of interest policy adapted to the Entity.

ARTICLE 9 A DIRECTOR SHOULD RESPECT CONFIDENTIALITY

A Director is bound to keep confidential any non-publicly available information he acquires directly or indirectly in his capacity as director and should not use it for any purpose other than in the proper exercise of his duties.

ARTICLE 10 A DIRECTOR SHOULD ACT PROFESSIONALLY

A Director should act professionally and should abstain from any action likely to harm the Entity's reputation and interests.



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Code of Conduct

Acknowledgement form

I hereby acknowledge that I have received a copy of the ILA Code of Conduct.

I have read the Code of Conduct and understand its contents.

I commit to apply the principles of the Code of Conduct to their best extent **when acting as a Director**.

Name :

Entity :

Function :

Signature :

Date :
