

**CODE OF CONDUCT AND ETHICS**  
**OF**  
**THE PARTNERSHIP FOR TRANSPARENCY FUND**

**Introduction**

The Partnership for Transparency Fund (“**PTF**”) is committed to conducting all aspects of its activities in accordance with applicable laws, rules and regulations, and adhering to the highest standards of business conduct and ethics. PTF’s mission -- advancing innovative citizen-led approaches to improve governance, increase transparency, promote the rule of law and reduce corruption in developing and emerging countries -- especially demands that it carry out its activities in accordance with the core values of integrity and honesty, and that transparency, openness and responsiveness to public concerns are integral to its behavior and the behavior of the organizations with which it partners or which receive funds from PTF.

In recognition of the unique values and mission statement of PTF, its global not-for-profit status, and its responsibilities to its patrons, partners and the general public, PTF has enacted this **Code of Conduct and Ethics** (the “**Code**”) to define the minimum standards of expected behavior, provide guidance in recognizing and addressing ethical issues which may arise, establish mechanisms and procedures for reporting unethical conduct, and promote and maintain a culture of honesty and accountability in all activities. The Code reflects PTF’s ongoing commitment to excellence and to maintaining public trust.

PTF expects every Member, Director, officer, employee and consultant, including all volunteers, to read and understand the Code and abide by its guidelines when performing any activities, duties and functions relating to such person’s responsibilities in acting for or on behalf of PTF. Although the Code sets forth PTF’s basic standards of ethics and conduct, it cannot address every practice or principle related to honest and ethical conduct, or anticipate every problem which may arise. Therefore, any questions or concerns as to the propriety of a particular action or potential violation of the Code not explicitly addressed herein should be submitted in writing to the Chairman of the Audit and Corporate Governance Committee of PTF’s Board of Directors (the “**Committee**”), who will then review the action or potential violation, provide advice and take appropriate measures in accordance with this Code, PTF’s other policies and applicable law.

Those deemed in violation of the standards set forth in this Code will be subject to disciplinary action (including, without limitation, possible termination of the person’s relationship with PTF and, in appropriate cases, civil legal action or referral for criminal prosecution).

**Scope**

All Members, Directors, officers, employees and consultants, including all volunteers, (collectively, “**PTF personnel**”) are subject to this Code.

### **Personal and Professional Integrity**

All PTF personnel are to act with honesty, integrity and openness in their capacity as representatives of PTF. PTF will promote a working environment and foster working relationships which value respect, fairness and integrity.

### **Mission**

PTF's mission, as an international non-governmental organization, is to advance innovative citizen-led approaches to improve governance, increase transparency, promote the rule of law and reduce corruption in developing and emerging countries.

All of PTF's programs and activities are to support this mission, and all who work for or on behalf of PTF are to understand and remain loyal to this mission and purpose.

### **Responsibility to Advance PTF's Best Interests**

All PTF personnel have a duty to PTF to advance its legitimate interests whenever the opportunity to do so arises.

### **Compliance with the Code**

All PTF personnel are responsible for reading and understanding the Code and complying with it in both letter and spirit. All PTF personnel also have the responsibility, in the course of their duties, to act in good faith and with due care, competence and diligence, and to conduct themselves in a manner that meets the highest ethical and legal standards.

All PTF personnel are responsible for reporting any actual or suspected violation of the Code by contacting the Chairman of the Committee. All PTF personnel are also expected to cooperate with any investigation undertaken by the Committee. The report of an actual or suspected violation of the Code to the Committee may be anonymous.

PTF prohibits any retaliatory action against any individual for raising concerns or questions in good faith regarding compliance with this Code or other ethics matters.

### **Compliance with Laws, Rules and Regulations**

All PTF personnel are required to comply with all applicable laws and governmental rules and regulations. If there are any questions regarding either the applicability of, or the conduct required to comply with, any law, rule or regulation, the Chairman of the Committee is to be consulted.

PTF personnel are responsible for reporting any actual or suspected violation of a law, rule or regulation by PTF or any PTF personnel, or any instance of fraud affecting PTF, by contacting the Chairman of the Committee. The report may be anonymous.

### **Openness and Disclosure**

PTF will provide comprehensive and timely information to governmental agencies and regulatory authorities, patrons and other interested parties, the public and the media. PTF will timely respond to reasonable requests for information. All information about PTF will fully and honestly reflect its policies and practices. Basic informational data, such as IRS Form 990 (Tax Returns for Exempt Organizations) and New York State Form CHAR500 (Annual Filing for Charitable Organizations), reviews of PTF programming, reports on projects PTF has undertaken and completed, Board Reports by the President and Secretary, a listing of all Members, Directors and officers, and audited financial statements and audit reports, will be posted on the PTF website or otherwise made available to the public.

Each of the Directors and officers of PTF shall complete annually a Register of Interests, in the form attached as Annex 1 to this Code, which Register will be posted on the PTF website.

### **Inclusiveness and Diversity**

PTF is committed to respecting and fostering pluralism and diversity, and will promote inclusiveness of all PTF personnel and PTF grantees, so as to reflect diversity and enhance the effectiveness of its programs.

### **Records and Reporting**

All records, data and information owned, maintained and utilized by PTF will be accurate and complete. Each PTF personnel member is personally responsible for the integrity of the information, records and reports under such person's control. Records must be maintained in sufficient detail so as to reflect accurately PTF's transactions and activities. All financial statements must be prepared in accordance with generally accepted accounting principles and fairly represent the financial condition and operations of PTF. All reports filed with a government agency or donor must not contain any misstatement or misleading statement of a material fact or omit to state a material fact necessary to make the statements made not misleading.

### **Responsible Stewardship of Resources**

PTF will manage its funds responsibly and prudently. As a not-for-profit entity, its annual budget will be devoted to programs in pursuit of its stated mission. An adequate amount of its budget will be devoted to administrative expenses and other expenditures critical to professional management, in order to ensure efficient and effective operations, internal controls and competent staff, without accumulating excessive operating costs.

PTF will exercise prudence when drawing from donor funds and making grants from such funds to civil society organizations. Its grant-making decisions will remain

consistent with donor intent and in furtherance of the public purpose of PTF. PTF will ensure that all spending practices and policies are fair, reasonable and appropriate to fulfill the mission of the organization, and reports of its spending will be factually accurate and complete in all material aspects.

### **Fundraising and Grants**

In raising funds from donor institutions, PTF will at all times remain honest in its solicitation materials and activities. PTF respects the policy objectives and administrative procedures of donors and will ensure that all grants will be used for the purposes for which they are given. PTF will disclose important and relevant information to potential donors, namely by informing the donor of the way the resources will be used, accurately describing PTF's own capacity to use donations effectively for their intended purposes, allowing access to PTF's most recent financial reports, timely submitting operational and financial reports required by the donor, and answering any questions from donors relating to the expenditure of the funds promptly and truthfully.

### **Conflicts of Interest**

A conflict of interest occurs when an individual's personal or family interests may interfere in any way with the performance of such person's duties to, or with the best interests of, PTF. A conflicting personal or family interest could result from an expectation of gain now or in the future or from a need to satisfy a prior or current obligation. A conflict situation can also arise when a PTF personnel member takes actions or has interests that may make it difficult to perform such person's work for PTF objectively and effectively. All PTF personnel are expected to be free from influences that conflict with the best interests of PTF. Even the appearance of a conflict of interest where none actually exists can be damaging and must be avoided or terminated unless, after full disclosure of the same to PTF's Directors or the Committee, it is determined that the activity is not harmful to PTF or otherwise improper.

Any PTF personnel member who becomes aware of a transaction or relationship that reasonably could be expected to give rise to a conflict of interest, or has questions regarding a situation that may give rise to a conflict of interest, must report it to, or consult with, the Chairman of the Committee.

If, after consultation with the Committee, a conflict or potential conflict of interest is determined to exist, then the Committee will formulate the appropriate manner of addressing such conflict or potential conflict, depending on the nature and circumstances of the situation. In certain cases, full disclosure of such conflict or potential conflict may be adequate. Other cases may require the recusal of the PTF personnel member from the matter giving rise to the conflict or potential conflict of interest. In other situations, disciplinary action against the PTF personnel member may be appropriate. Any such disciplinary action will be taken by the Board on the recommendation of the Committee.

The following relate to certain common situations where potential conflicts of interest may arise:

#### **A. Gifts and Entertainment**

Personal gifts and entertainment offered by persons doing business with PTF, including potential and actual grantees, donors and service providers, may be accepted when offered in the ordinary and normal course of the business relationship. However, the cost

and frequency of acceptance of such gifts must not interfere with a PTF personnel member's ability to exercise judgment on behalf of PTF, nor should it influence how the personnel member engages in or conducts relations with a particular party.

**B. Financial Interests in Other Organizations**

The determination of whether any PTF personnel member's outside investments, financial arrangements or other interests in another organization is improper depends on the facts and circumstances of each case. Ownership of an interest in another organization may be inappropriate if the other organization has a material business relationship or association with PTF and the personnel member's financial interest is of such a size that such member's ability to exercise independent judgment on behalf of PTF is or may appear to be compromised.

**C. Positions held within Donor or Grantee Organizations**

Similarly, a PTF personnel member who concurrently holds a position of responsibility within a donor or grantee organization must disclose it to the Committee, which will then decide the appropriate measures to address any actual or potential conflict of interest. Furthermore, it is the responsibility of all PTF personnel to ensure that they remain in full compliance with any Code of Conduct or Conflict of Interest policy applicable to donor or grantee organizations by which they are employed or in which they otherwise hold positions of responsibility.

**D. Outside Business Activities**

The determination of whether any position held outside of PTF is improper will depend upon the facts and circumstances of each case. Involvement in trade associations, professional societies, and charitable and similar organizations will not normally be viewed as improper. However, if those activities are likely to take substantial time from or otherwise conflict with duties and responsibilities to PTF, the PTF personnel member should obtain prior approval from a Director or the Committee. Involvement in other outside associations or activities are likely to be viewed as improper only if they would interfere with the personnel member's ability to devote proper time and attention to such member's responsibilities to PTF. Employment or affiliation with a company with which PTF does business should be fully disclosed to and approved by the Committee, which may refer the matter to the Board of Directors for approval.

**E. Use of PTF's Resources or Information; Outside Opportunities**

Any use of PTF's property, information, or even a PTF personnel member's position within PTF, must not be used for personal gain. No corporate or other opportunity arising from a PTF personnel member's activities for the organization should be pursued without prior and full disclosure to the Committee. Although certain kinds of transactions or relationships may raise issues, they may not necessarily be improper or adverse to PTF's best interests. However, the impropriety of such opportunities and their potential conflicts with PTF's best interests is not always apparent. Therefore, all such opportunities should be reported to the Committee before acceptance; the Committee will then make a determination whether the opportunity or activity is inappropriate, based upon the standards set forth in this Code and applicable laws, rules and regulations.

**F. Fair Dealing**

All dealings with PTF's donors, grantees and other PTF personnel should be fair and honest. No PTF personnel member should take unfair advantage of anyone through

manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other practice of unfair dealing.

### **Confidentiality**

PTF's activities are conducted pursuant to a policy that encourages public disclosure of all relevant information. PTF has a full disclosure policy applicable to donor sources and grantees. Nonetheless, in the course of its activities, PTF personnel will deal with non-public, confidential information.

Confidentiality of all such information (whether or not relating to PTF) entrusted to any personnel member by PTF or by persons with whom PTF has relationships must be maintained at all times, except when disclosure is expressly authorized or legally mandated. Confidential information includes, without limitation, all non-public information relating to PTF's business and operations, the business and operations of our donors and grantees, and any non-public information regarding the nature, operations, and plans of such parties.

### **Program Evaluation**

PTF will periodically review program effectiveness and will incorporate lessons learned into future programs. PTF is committed to improving program and organizational effectiveness and will develop mechanisms to promote learning from its activities and the field. PTF is committed to remaining responsive to changes in its field of activity and to the needs of its grantees, the public and society at large.

### **Compliance Assistance and Contact Information**

The members of the Committee have the responsibility to oversee the implementation and enforcement of this Code and other legal compliance programs of PTF. Their contact information is as follows:

#### **Jeff Kass - Chairman**

Tel: +1-202-965-1956

E-mail: [jkass@ptfund.org](mailto:jkass@ptfund.org)

#### **John Clark**

Tel: +44-129-169-0671

E-mail: [jclark@ptfund.org](mailto:jclark@ptfund.org)

#### **Jean-Louis Sarbib**

Tel: +1-202-701-8987

E-mail: [jlsarbib@ptfund.org](mailto:jlsarbib@ptfund.org)

#### **Roger Sullivan**

Tel: +1-202-203-8749

E-mail: [rsullivan@ptfund.org](mailto:rsullivan@ptfund.org)

#### **Tjaarda Storm van Leeuwen**

Tel: +1-571-338-6562

E-mail: [tpstorm@ptfund.org](mailto:tpstorm@ptfund.org)

[Contact information updated May 3, 2018]

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**Acknowledgement**

*All personnel of The Partnership for Transparency Fund are required to sign this Acknowledgement Form, confirming that they have read, understand, and agree to abide by the Code, at the time of their initial affiliation with PTF (or, if later, upon adoption of the Code by PTF) and to re-execute this Acknowledgement every two years thereafter.*

This Code describes important information regarding values and ethical behavior at PTF, and I understand that I should consult a member of the Audit and Corporate Governance Committee regarding any questions not answered in the Code.

Since the information described here is necessarily subject to change, I acknowledge that revisions to this Code may occur. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate the existing Code.

I have received this Code and I understand that it is my responsibility to read and comply with the principles contained in this Code and any revisions made to it. I understand that by signing below, I am acknowledging that I have read the Code and any violations of this Code could be subject to disciplinary action up to and including suspension or dismissal from further work with PTF.

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[Name]

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[Date]

ANNEX 1

Register of Interests

to be completed by PTF Directors and Officers

Name	Position with PTF
Date on which initial statement lodged	Date of current statement
Remunerated affiliations	
Non-remunerated affiliations	
Significant (>5%) ownership or controlling positions	
Any companies, organizations or government in which the person has more than 5% of such person's total assets	
Public Offices	
Others	