

Pursuant to Article 45 paragraph 2 item 7 of the Central Bank of Montenegro Law (OGM 40/10, 46/10, 6/13 and 70/17), and in conjunction with Article 33 paragraph 2 of the Central Bank of Montenegro Statute (OGM 83/17), the Governor of the Central Bank Montenegro passed the following

## **CODE OF ETHICS OF THE CENTRAL BANK OF MONTENEGRO**

(no.0102 - 763/1 as of 22.02.2011, no. 0102- 7800-1/2017 as of 25.09.2017, and no. 0102-3012-1/2018 as of 23.03.2018)

### **1. Subject and objective**

The Code of Ethics of the Central Bank of Montenegro (hereinafter: Code of Ethics) determines the rules of professional conduct that the employees shall adhere to in preserving, affirming and promoting their dignity and reputation and integrity of the Central Bank of Montenegro (hereinafter: the Central Bank).

The aim of the Code of Ethics is to improve the conduct of employees in accordance with the basic moral principles and standards of professional conduct, based on universal ethical principles, international norms in this field and good business practices.

The Code of Ethics affirms, develops and strengthens the values on which the Central Bank is based on as an autonomous and independent organization.

### **2. Enforcement**

In the performance of their duties, employees behave in a way that: ensures compliance with the highest standards of business conduct and political neutrality, ensures commitment to work and loyalty in their performance, avoids the occurrence of conflicts of interest, prevents damages to the reputation of the Central Bank, ensures data protection and obligation of keeping the secret as well as prohibition of disclosing confidential information.

Employees shall act in accordance with the rules established by the Code of Ethics, consistently and in the spirit of the values promoted.

Conduct in line with the established Code of Ethics represents the minimum expectation from the employee in the Central Bank and should encourage employees to achieve the highest standards of professional and ethical conduct in their work.

For individual organizational units, depending on the nature and specificity of the work, a special Code of Ethics may be adopted.

Breaching the code of conduct established by the Code of Ethics is defined as a serious violation of work obligations, which entails disciplinary measures.

### **3. Code of conduct**

#### **3.1. Legality**

In performing their duties, the employees shall act in accordance with the Constitution, the law, ratified international agreements and other regulations that are passed on the basis of the Constitution and laws, including the Central Bank acts as well.

When deciding, an employee who is authorized to make decisions in the Central Bank shall act in accordance with the regulations and within the given authorization, primarily guided by the interests of the Central Bank.

### **3.2. Independence and impartiality**

The employee is independent in the performance of their duties in the Central Bank and they cannot receive, nor seek instructions from state or other bodies and organizations or other persons.

The employee performs duties impartially, objectively and without prejudice or discrimination in relation to race, colour, faith, nationality, age, marital status, gender, welfare and proprietary status, political commitment and any other diversity, respecting and protecting the basic human rights established by the Constitution, the law and the Convention for the Protection of Human Rights and Fundamental Freedoms.

### **3.3. Political neutrality**

In performing the duties, the employees shall adhere to the principles of political neutrality and shall not express their political beliefs in the workplace, nor in any other way doubt their impartiality and neutrality in the performance of their duties.

The employee is prohibited either from carrying and/or posting the features of political parties or taking propaganda material inside the official premises of the Central Bank.

An employee is prohibited to influence the political commitment of other employees in the Central Bank.

Employees can only engage in political activity on their own behalf. The employee is expected to refrain from making public appearances at political meetings, membership in political party bodies, and any other behaviour that may raise doubt on his political neutrality and/or independence of the Central Bank.

### **3.4. Professionalism, commitment and responsibility in doing business**

The employees perform their work duties conscientiously and responsibly, in accordance with the rules of the profession.

The employee is expected to invest all effort and knowledge in order to achieve the best results in the performing the work entrusted to them.

The employee has the right and obligation of continuous professional development and improvement of the acquired knowledge and skills.

The employee should have a full understanding of the importance of the Central Bank as an institution and the expectations of the public in terms of their moral values and, accordingly, should direct their conduct and meeting of its obligations and duties in order to improve public confidence in the Central Bank.

Employees will develop the ability to work independently and solve business problems, with an active approach to managing the work process, expressing the initiative and creativity in doing business, in order to constantly improve and innovate the way of work.

### **3.5. Loyalty**

The employee is expected to:

- be dedicated and loyal to the institution and identified in full with the main objectives and mission of the Central Bank;
- affirm the basic values and manners of conduct by personal and professional activities, as part of the corporate culture of the Central Bank;
- inform their superior in the event of an offer for a potential new employment, in the spirit of loyalty.

#### **4. Relations with others**

##### **4.1. Affirming the Central Bank reputation**

The employees will protect the reputation of the Central Bank on all occasions, especially in the situations in which they appear as the representative.

Employees should behave in a manner that does not disturb confidence in the impartial and efficient work of the Central Bank and continuously work on its preservation and improvement.

After working hours, employees will refrain from behaviour that may have a negative impact on the reputation of the Central Bank or cause suspicion of its independence and autonomy.

Employees will not behave in a manner that violates the reputation of the institution, be it an inadequate behaviour or behaviour that can lead to a criminal or other punitive action and/or condemnation which will make them unworthy to work in the Central Bank.

##### **4.2. Treatment of parties**

In the performance of the duties, in relation to the parties, the employee shall:

- act in a fair, polite and decent manner, and base their attitude on objectivity and impartiality,
- act conscientiously, professionally and constructively, showing interest and patience, especially towards the unlearned parties,
- provide timely, correct and accurate information and information for which they are authorized in accordance with the law and other regulations,
- teach, provide assistance and information on the competent authorities for acting upon requests,
- respect the principle of equality, without giving privileges based on political attitudes, racial, national, ethnic or social origin, or other personal characteristics and properties,
- respect the personality and dignity of the person.

##### **4.3. Conflict of interest**

Conflict of interest arises in cases where an employee has a personal interest that is such that it affects, may affect or appears to affect the impartial and objective performance of the business.

An employee must not allow his personal interest to affect the lawful, objective and impartial performance of his duties.

An employee must not use the favourableness of the work they perform to achieve their personal interests and shall avoid any possible or real conflict of interest.

The employee's personal interest implies the acquisition of material or other benefits, for themselves, their family, close relatives, friends or other legal or natural persons with whom they has private, business or political contact and cooperation.

In order to avoid conflicts of interest in the performance of work, employees should:

- be aware of possible or real conflict of interest,
- take necessary actions to avoid conflict of interest,
- inform the superior about a possible or actual conflict of interest and state the nature, characteristics and extent of conflict of interest in writing,
- require that they be exempted from performing the work from which a conflict of interest may arise, as well as responsibility, if they are not exempted from performing such duties,
- act upon a decision exempting them from the performance of duties from which a conflict of interest may arise.

#### **4.4. Gifts and benefits**

The employee is prohibited from:

- requesting or receiving, directly or indirectly, gifts, privileges or benefits in any form, in particular in the area of banking services, from legal and/or physical persons the Central Bank is in any way affiliated with business;
- receiving, as a gift, a credit or other card or gift in the form of cash, check or payment to the account in any amount;
- arranging or receiving a gift from the bidder in the public procurement procedure.

An employee can receive a convenient or commemorative gift with a value not exceeding EUR 100, of which they shall inform the superior. The nature of the gift should be clearly seen to be not given in order to influence the employee or that its refusal might adversely affect the business relationship.

A convenient or commemorative gift with a value exceeding EUR 100 shall be the property of the Central Bank. Exceptionally, if an employee receives a gift of a personal nature worth more than EUR 100, not exceeding EUR 200, an employee may retain a gift once they receive opinion of the Directorate for Human Resources.

Notwithstanding paragraphs 2 and 3 of this Article, if the employee is a public official, they shall act in accordance with the provisions of the Law on prevention of corruption, which prescribes the value of the gift.

The employee shall inform the superior of any gift that a member of their immediate family receives from the legal and/or physical person with whom the employee is business related.

It is forbidden to accept gifts from the same legal and/or physical person frequently, regardless of the value.

#### **4.5. Performing public procurement procedures**

An employee who participates in the public procurement procedure on behalf of the Central Bank shall abide all rules of conduct related particularly to the avoidance of conflict of interest, informing the superior thereof, receiving gifts and keeping a secret.

Employees will only communicate officially with bidders in the public procurement procedure and avoid oral communication with bidders.

#### **4.6. Doing other jobs**

An employee is prohibited from working outside working hours in another legal entity controlled by the Central Bank or contrary to the interests of the Central Bank, including the provision of advisory and consulting activities.

An employee is allowed to work with another employer outside working hours if additional jobs and activities do not create a conflict of interest and affect the professional and impartial work performance in the Central Bank, with the written consent of the Governor.

An employee may, as a member of a professional association, participate in the research, hold lectures in educational institutions, write professional articles or books, or engage in other similar activities in the areas that are related to his scope of work in the Central Bank, provided that they receive written consent for these activities from the Governor. After receiving the consent, the employees clearly state their views, which must not be contrary to the views of the Central Bank.

The employee is allowed to perform unpaid off-duty activities in the field of culture, sport and humanitarian work as well as other similar activities, unless they have a negative impact on the reputation of the Central Bank and do not affect the quality of performing duties and tasks.

The employee is expected to perform other tasks in a way that will not damage his personal dignity and integrity, nor the reputation of the Central Bank.

#### **4.7. Access to information**

The employee shall, in accordance with the law and other acts provide accurate and complete information on the issues under their authorization, taking care not to disclose the information or content of the document with restricted access.

In conducting tasks, employees will not require access to information they do not need, and the information that is available to them shall be used in the prescribed manner.

#### **4.8. Data confidentiality**

The employee is expected to keep information that they find confidential by the superiors, clients or other persons with whom they are related or otherwise in the performance of his duties, in accordance with the law and the acts of the Central Bank.

The employee is also expected to keep all other information and data about the operations of the Central Bank and its clients they come across in the performance of their activities, which communication or publication could damage the reputation and interests of the Central Bank, during and after termination of employment in the Central Bank.

Employees will not, without authorization, communicate information and/or information on decisions and/or measures that will be made or pronounced, or have been made or pronounced in the ongoing proceedings before the Central Bank.

#### **4.9. Public appearance**

The employee shall obtain authorization in accordance with the Central Bank Statute for public appearance in which they represent the Central Bank, and behave in a manner that is affirmative for the Central Bank.

The employee shall, at the invitation of the media, refrain from interviewing, giving and/or confirming information that is not, as official, publicly announced. Employee shall not, on their own initiative and without authorization, give interviews, confirm, deny and/or provide information related to the operations and activities of the Central Bank.

During private or informal meetings with representatives of the media, employee will be strictly discreet and abstained about all issues related to operations and activities of the Central Bank, taking care of the Central Bank views.

## **5. Relations within the Central Bank**

### **5.1. Relation to other employees**

The mutual relations of employees in the Central Bank are based on mutual respect, trust, cooperation, decency and patience.

Employees will not obstruct other employees in the performance of their duties, nor will they restrict the provision of information or documents to other employees participating in the execution of a particular task or information and documents that may be of importance for the performance of their duties, and in particular for the purpose of achieving personal benefit or causing damage to others.

Employees exchange opinions and information on certain professional issues, taking into account the protection of confidential information.

### **5.2. Reporting suspicious activities**

It is the duty of any employee who has knowledge or suspicion of fraud, malpractice, theft or other similar activity against the interest of the Central Bank to report the discovery or suspicion without delay to their superior, who shall inform the Directorate for Human Resources or the Governor thereof.

An employee shall, if they have knowledge or suspicion of endangering the public interest indicating to corruption, submit a report to the responsible person appointed by the Governor's decision for reception and treatment of the whistle-blower reports in the Central Bank. The report shall be submitted in writing or as a transcript of a verbal statement, by mail or by electronic means to the following e-mail: [zastita.integriteta@cbcg.me](mailto:zastita.integriteta@cbcg.me).

### **5.3. Relation towards property**

An employee shall take care of the property entrusted or given to use, including information, data, intellectual property, technical and other equipment belonging to the Central Bank.

An employee should, as a good host, take care of the effective and economical management and use of the material and financial resources entrusted to them in the performance of their duties and prevent their unlawful disposal.

An employee shall ensure the safety of information and data as well as prevent their unauthorized use, including information and data contained in the computer. To this end, the employee shall regularly back up data, their keeping and archiving.

An employee shall immediately report loss or damage arising on property and, before termination of employment:

- return the equipment they were entrusted with in performing regular work activities (office furniture, computer equipment, IT equipment, technical devices and other devices, arts, landline phones, fax machines, etc.);
- return the professional literature, documentation and work articles;
- return the equipment they were personally entrusted with (notebook, USB disk, seals, mobile phones etc.).

An employee is prohibited from using the assets of the Central Bank of any kind, including official documents and data, against the purpose and/or for personal use, or preventing its use for the purpose of personal benefit or causing damage to the other.

#### **5.4. Proper dress code**

An employee is expected to come to work neatly and properly dressed and is prohibited from wearing attire that are not in line with the business appearance and the significance of the institution they are employed in.

An employee will adapt their appearance to the norms of business appearance, taking into account the requirements of the work position, as well as specific business activities (meetings, reception of foreign delegations, congresses, conferences, seminars, etc.).

#### **6. Special provisions**

Persons with special authorizations and responsibilities (hereinafter: designated persons) as the bearers of key activities in the Central Bank will apply the Code of Ethics provisions in accordance with the highest moral and business standards and give an example of the proper ethical behaviour to other employees by their personal behaviour.

Designated persons should indicate to the employee the omissions in adhering to the Code of Ethics and initiate measures in relation to actions that are not in accordance with the provisions of the Code of Ethics.

Designated persons should take necessary measures to prevent corruption or other forms of unauthorized conduct.

In accordance with the above, the designated persons are particularly expected to:

- treat employees as associates and partners, appreciating and respecting their individuality,
- communicate to employee the objectives and policies of the Central Bank,
- timely inform employees of all changes, giving adequate explanation,
- create and stimulate positive working environment among employees and respect impartial views and opinions;
- provide protection against threats, attacks and other procedures that hurt the integrity of employees;
- ensure privacy;
- pay constant attention to professional education and development, promotion, culture work and
- ensure the conduct of employees in accordance with the standards and rules of the Code of Ethics.

#### **7. Reporting the Code of Ethics violations**

Employees and designated persons shall comply with the Code of Ethics and report to their seniors any situation in which the Code of Ethics could have been or is violated.

In case of uncertainty or dilemma regarding the implementation of certain provisions of the Code of Ethics, the employee will contact the Directorate for Human Resources, for receiving opinion and instructions for dealing with the particular situation.

#### **8. Transparency of the Code of Ethics**

The Directorate for Human Resources shall introduce new employees with the provisions and method of implementation of the Code of Ethics.

#### **9. Certification Statement**

By signing the declaration of compliance with the Code of Ethics, which is printed as enclosure to the Code of Ethics and makes integral part thereof, the employees will confirm that they have personally acquainted themselves with its provisions and will take responsibility for its non-compliance.

#### **10. Final Provisions**

The Code of Ethics of the Central Bank of Montenegro (0101-323 of 18 November 2008) shall be repealed as of the day of the entry into force of this Code of Ethics,.

The Code of Ethics shall enter into force on the eighth day following that of its publication.

No.0102-763/1  
Podgorica, 22 February 2011

**GOVERNOR,**  
**Radoje Žugić, MSc, m.p.**





## DECLARATION OF COMPLIANCE

I hereby confirm that I have become acquainted with the content of the Code of Ethics of the Central bank of Montenegro no. 0102 - 763/1 as of 22.02.2011 and no. 0102- 7800-1/2017 as of 25.09.2017 and I hereby accept the rules of conduct specified therein and the responsibility for the disregard thereof.

In Podgorica,

Date: \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
(Employee)

\_\_\_\_\_  
(position/function)

\_\_\_\_\_  
(signature)