



Code of Conduct

1. Preamble

The code of conduct of the Centro de Estudios Monetarios y Financieros (CEMFI) identifies integrity, excellence, accountability, and respect as core ethical values. It commits everyone who has a relationship with CEMFI (hereafter referred to as "members of the CEMFI community") to the highest ethical standards in achieving CEMFI's mission of higher education and research.

The achievement of these objectives requires an individual and shared commitment to the institution's core values and an ethical, legal, and professional behavior in the development of all its activities, as well as in the relation with other CEMFI members and third parties.

2. Scope

This code of conduct applies to all members of the CEMFI community, including faculty and administrative staff, associated and visiting professors, and students, without prejudice to the specific characteristics or qualifications contained herein. It is the duty of all persons covered by this code to familiarize themselves with its rules and to consult with the Internal Compliance Unit in case they have questions about its scope or application.

3. Rules of conduct

1. General principles

CEMFI is committed to free inquiry, free expression, and the discussion and debate upon which the advancement of its mission depends. All members of the CEMFI community are expected to respect the rights of others regardless of their differences or points of view.

Members of the CEMFI community should discharge their responsibilities with integrity and use the institution's resources prudently and for the designated purposes. They must avoid activities, pursuits or interests that limit their ability to perform their duties or affect their independence and objectivity of judgment. They should be able to identify potential conflicts of interest, whether of a financial, personal or professional nature, and act in accordance with the institution's values. They may not use positions of authority to secure private or personal advantage or gain.

II. Standards of behavior

1. Fair dealing. Members of the CEMFI community are expected to conduct themselves ethically, honestly and with integrity in all dealings. This means that the principles of fairness, good faith and respect in accordance with laws, regulations and CEMFI's policies must govern their conduct with others, both within and outside the community. Each situation needs to be examined in accordance with the code of conduct. No unlawful practice or a practice at odds with this code can be justified on the basis of customary practice, expediency, or achieving an alleged higher purpose.

2. Individual responsibility and accountability. Members of the CEMFI community are expected to exercise responsibility appropriate to their position and delegated authority. They are responsible to each other and to CEMFI both for their actions and their decisions not to act. Each individual is expected to conduct the business of CEMFI in accordance with the core values and the code of conduct, exercising sound judgment and serving the best interests of the institution and the community as a whole.

3. Respect for others. CEMFI is committed to the principle of treating each community member with respect and dignity. It prohibits all forms of discrimination, harassment, and abuse, and provides equal opportunities for all community members and applicants regardless of age, gender, race, national origin, religion, sexual orientation, disability, health condition, marital and parental status, personal connections, or political opinions. Romantic or sexual relationships between faculty and their students are prohibited.

4. Compliance with applicable laws and regulations. Members of the CEMFI community are expected to become familiar with the laws and regulations bearing on their areas of responsibility, as non-compliance may have serious consequences for CEMFI and the members of its community.

5. Compliance with policies, procedures and other guidelines. CEMFI's policies, procedures and other guidelines are designed to inform everyday responsibilities, to set minimum standards and to give CEMFI community members notice of expectations. They should conduct all activities in conformance with such policies, procedures and guidelines, and accordingly have an obligation to become familiar with those that bear on their areas of responsibility.

Members of the CEMFI community should seek clarification from the Internal Compliance Unit on any policies or guidelines that they consider to be unclear, outdated or at odds with CEMFI's objectives and values. It is not acceptable to ignore or disobey policies with which one disagrees, or to avoid compliance by deliberately seeking loopholes.

In some cases, CEMFI community members are also governed by ethical codes or standards of their professions or disciplines. It is expected that those employees will comply with these professional standards as well as with the laws and regulations applicable to the institution.

6. *Conflicts of interest.* CEMFI employees must be professionally loyal to the institution and its mission of higher education and research. Conflicts may arise when employees have personal or private interests that may influence or affect the objective and impartial pursuit of their professional duties. Personal or private interests include any potential gain of a professional or patrimonial nature for themselves, their relatives or other persons known to them.

Outside professional activities, personal financial interests or acceptance of benefits from third parties can create actual or perceived conflicts with CEMFI's mission. Members of the CEMFI community with professional interests outside the institution must declare them in writing to the Internal Compliance Unit. In case of doubt, they should consult the Unit for potential conflicts of interest. When the Internal Compliance Unit determines that an activity creates a relevant conflict of interest, the person concerned must refrain from carrying it out.

7. *Ethical conduct in research.* All members of the CEMFI community engaged in research are expected to conduct their research at all times with respect, integrity, and intellectual honesty. All research involving human subjects is to be reviewed by CEMFI's research Ethics Committee. Research misconduct is prohibited. Researchers are not to fabricate data or results, change or knowingly omit data to misrepresent results, nor intentionally misappropriate the ideas, writings, research, or findings of others. All those engaged in research are expected to pursue the advancement of knowledge in accordance with the highest principles of honesty, accuracy, and objectivity. They are also expected to be accountable to the Director of CEMFI for the use of research funds and comply with the specific terms and conditions of contracts and grants.

4. Internal relations

1. *Loyalty and cooperation.* Loyalty implies assistance, cooperation, and transparency in all relationships with other members of the CEMFI community. It is considered contrary to expected loyalty to withhold or conceal information that may affect the performance of other community members' duties, to provide inappropriate, false or exaggerated information, not to cooperate with other members or any other obstructive conduct.

2. *Use of resources and facilities.* Members of the CEMFI community must respect and protect CEMFI's premises, facilities, means, and working instruments, and not allow outsiders to use its services or facilities, unless expressly allowed.

CEMFI resources can only be used for the institution's own activities. They may not be used for private gain or personal purposes except in limited circumstances permitted by internal policies where incidental personal use is reasonable (e.g. telephones). All members of the CEMFI community are expected to treat CEMFI's property with care and adhere to laws, policies, and procedures for the acquisition, use, maintenance, record-keeping, and disposal of such property.

For purposes of applying this policy, CEMFI resources are defined to include but not limited to the following: cash and other assets whether tangible or intangible; real or personal property; receivables and other rights or claims against third parties;

intellectual property rights; the effort of CEMFI staff and of any non-CEMFI entity billing CEMFI for effort; the facilities and the rights to use CEMFI facilities; CEMFI's name; CEMFI's records, including student records; and CEMFI's information technology infrastructure.

3. *Reporting violations.* Members of the CEMFI community are strongly encouraged to report all known or suspected improper activities to the Internal Compliance Unit. Managers and persons in supervisory roles are required to report to the Internal Compliance Unit any allegations reported to them and any suspected activities that come to their attention in the ordinary course of performing their supervisory duties. Reporting parties, including managers and supervisors, will be protected from retaliation that may result from such reports.

5. Rules on the use of available information

1. *Records: Confidentiality, privacy, and access.* CEMFI is the custodian of many types of information, including confidential, proprietary, and private. Individuals who have access to such information are expected to be familiar and to comply with applicable laws, as well as CEMFI's policies, procedures, and guidelines pertaining to access, use, protection, and disclosure of such information. Computer security and privacy are also subject to applicable laws and CEMFI's internal policies.

2. *Financial reports.* All CEMFI accounting and financial records, tax returns, expense reports, time sheets, and other documents, including those submitted to government agencies, must be accurate, clear, and complete. All published financial reports will make full, fair, accurate, timely, and understandable disclosures as required by generally accepted accounting principles. Employees with responsibility in the preparation of financial statements and disclosures, or elements thereof, may be required by the Internal Compliance Unit to confirm adherence to this code.

6. Monitoring compliance

1. *Internal controls.* Internal controls are the processes used to ensure that CEMFI's activities are carried out in accordance with this code, CEMFI's policies and procedures, and applicable laws and regulations. All members of the CEMFI community are responsible for these controls.

Each unit is responsible for ensuring that the relevant internal controls are established, properly documented, and maintained for all activities within its area of responsibility. Any member of the CEMFI community entrusted with funds, including principal investigators, is responsible for ensuring that adequate internal controls exist over the use and accountability of such funds.

2. *Internal Compliance Unit.* The Director of CEMFI will appoint the members of the Internal Compliance Unit for a period of three years. The Internal Compliance Unit shall be responsible for monitoring the standards in this code of conduct. In particular, it will carry out the following functions:

- a) Provide advice and guidance on the interpretation of the rules of the code of conduct.
- b) Develop dissemination programs on the content of the code of conduct.
- c) Verify compliance with the rules of the code of conduct by the persons subject to it, and request any necessary information from them to this end.
- d) Follow up on the cases of non-compliance detected and, where appropriate, inform the Director in order to carry out, if applicable, the corresponding disciplinary actions.
- e) Receive and safeguard the documentation relating to compliance with the obligations set out in the code of conduct.
- f) Draw up reports or statistics on compliance with the obligations established in the code of conduct.

3. *Violation of the rules of conduct.* Respect for the standards contained in this code is considered to be part of the obligations assumed by the members of the CEMFI community. In the case of employees, their infringement may be sanctioned in accordance with the procedures in the Workers' Statute, and in the case of students, it may lead to their separation from the program they are pursuing, without prejudice to the administrative and criminal responsibilities that may arise from such non-compliance. Decisions shall be made by the Director, following a report from the Internal Compliance Unit.