

**New Development Bank**

**Code of Business Conduct and Ethics**

**Owner:** Compliance and Investigations Department

**Version:** 2021 V2

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### Change Log

Revision Date	Paragraph revised	Revision Details
November 20, 2017	Page 22 – Paragraph 4.22	Changes as per note submitted to ARBC
March 1, 2018	(i) Page 4 & 5 Chapter I (ii) Page 12 – Paragraph 4.5	Changes as per note submitted to BHRC
September 23, 2021	(i) Page 8 – Paragraph 3.8 (ii) Page 13 – Paragraph 4.5 (iii) Page 18 – Paragraph 4.11 (iv) Page 21 – Renumbering paragraph from 4.23 to 4.24 (addition of new Paragraph) (v) Page 22 – Amendment of Last Paragraph under 4.24	Changes as per note submitted to ARC
December 14, 2021	Overall review to standardize terms without change in the context of the document	Changes as per note submitted to ARC

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### Abbreviations

<b>AML</b>	Anti-Money laundering
<b>AOA</b>	Articles of Agreement of the New Development Bank
<b>Bank or NDB</b>	New Development Bank
<b>BOD</b>	The Board of Directors
<b>BRICS</b>	The Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa
<b>Code of Conduct or Code</b>	The Code of Business Conduct and Ethics as set forth herein

### Definitions

<b>Senior Management</b>	The President and Vice-Presidents of the Bank
<b>Staff Member</b>	Any person who has countersigned an Offer of Appointment and Employment Contract with the Bank and who is holding full-time regular appointment with the Bank.
<b>Other personnel of the Bank</b>	Consultants, interns, and other personnel engaged by the Bank from time to time from outsourcing agencies or various entities.
<b>Reporting Manager</b>	A person who assigns tasks and responsibilities to a staff member and is holding the position of President / Vice-President / Director General / Chief of the division (as the case may be), as set forth in the staff member's Offer of Appointment with the New Development Bank or any other formal official communication from the bank from time to time.

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### Chapter I Background

The New Development Bank (“Bank” or “NDB”) has been established to mobilize resources for infrastructure and sustainable development projects in BRICS and other developing countries to complement the existing efforts of multilateral and regional financial institutions for global growth and development. A commitment towards highest standards of conduct and ethics by you and others who are associated with the Bank is an essential component to fulfill the purpose for which the Bank has come into being.

As set out in Chapter IV, Article 16 of AOA, the resources and facilities of the Bank shall be used exclusively to implement the purpose and functions set forth. The purpose of the Bank shall be to mobilize resources for infrastructure and sustainable development project in BRICS and other emerging economies and developing countries to complement the existing efforts of multilateral and regional financial institutions for global growth and development.

In addition to the directions contained in the AOA, the guidelines contained and principles outlined in the Bank’s Code of Business Conduct and Ethics (also referred as “Code of Conduct” or “Code”), along with other rules, regulations and internal policies, should be complied with by the President, Vice- Presidents, Staff Members and Other Personnel of the Bank. To deal with the aspects relating to ethics and transaction of official business, which are not covered in the Code of Conduct but have a bearing upon the functioning and reputation of the Bank, you should use your best judgment and conscience in your business and personal conduct.

Even though every possible measure should be taken to ensure the veracity and authenticity of the particulars submitted by any person during regular or temporary engagement with the Bank, if any fresh facts surface involving you or other associates at a later stage, which are detrimental to the reputation of the Bank and violate the basic principles enshrined in the Code of Conduct, it should be brought to the notice of the Compliance and Investigations Department.

Certain guidelines and principles outlined in the Code of Conduct are also applicable to you after termination of employment/engagements/association with the Bank during the cooling-off period of two years. Such guidelines and principles include but are not limited to Section 4.9 Privacy and Confidentiality on non-public information of the Bank.

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### Chapter II Core Values

#### 2.1 Integrity

Absolute integrity is essentially to be maintained for every action by you and every entity associated with the activities of the Bank. The ethical values should be the guiding force for every behavior of Staff Members and Other Personnel of the Bank. The information provided by you should be authentic, accurate and full so that there does not remain any gap at the time of taking administrative decisions. Information relating to subsequent development should also be intimated whenever such an occasion arises.

#### 2.2 Honesty

At the time of official dealings within the Bank and personal conduct outside, honesty is the key consideration. Transaction of business based on honesty would create an environment of mutual trust between the Bank and its shareholders, partners and other stakeholders. Honest personal behavior would create a reputation of honesty internally in the international milieu of the Bank and also among the local public and private authorities which will pave the way for maintaining good reputation.

#### 2.3 Loyalty

You are entrusted with considerable fiduciary responsibilities. As enshrined in Article 13 (f) Chapter III of AOA of the Bank, a commitment of professional loyalty is a prerequisite for you or entity which is engaged in any activity of the Bank. Irrespective of the nationality, you should only act according to the policies and guidelines of the Bank, and no other national, international and intra-national considerations should play a part in your activities which is perceived as harmful to the interest and reputation of the Bank.

#### 2.4 Responsibility and Accountability

At the time of taking policy decisions and transacting other official business by the concerned Senior Management or Reporting Manager on matters under your jurisdiction, the instructions, rules, procedures and commitments made in international agreements should be scrupulously followed and records maintained so that proper accountability of the decision taken can be ensured. Acting on oral instructions of Senior Management or Reporting Manager, where electronic or written communication was not possible, the steps should be properly noted and brought to the notice, by means of official electronic mail or otherwise, of the Senior

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Management or Reporting Manager on whose instruction actions have been taken. Intentionally adopting delaying tactics or habitually failing to complete the assigned tasks within the stipulated timeframe would attract disciplinary action.

### **2.5 Enabling collaboration**

To equip yourself with the wherewithal to face challenges and solve problems of the ever evolving economic and financial situation in the world, collaboration with shareholders, stakeholders, field experts, Staff Members and Other Personnel of the Bank and entities is of vital importance. Through a collaborative approach, where exchange of innovative ideas is held in an atmosphere of openness and trust, valuable time and resources would be saved to solve many imminent problems and the shareholders, stakeholders and other partners of the Bank would be able to cope up with the situation without outside assistance. The Bank would do its best to encourage collaborative approach to gather and disseminate knowledge for mutual benefit.

### **2.6 Empowering to take appropriate risk**

A strong and visionary leadership, through establishment of unhindered communication channel to get valuable feedback and input from the internal branches, imparting training, organizing skill development programs, devoting time and focus can create an environment of empowerment in the Bank. Every possible and innovative step would be taken to create such an environment where you would be motivated to take initiative to willingly take responsibility and complete the task following strict timelines with little guidance. Being an international financial institution and operative in a volatile global financial market, you would be suitably sensitized and advised so that you do not become risk-averse, but take appropriate investment and project financing decisions according to your best judgment, keeping in mind that the objectives and directions as enshrined in the AOA are not ignored or violated. At all decision-making levels, Reporting Managers should make known clearly to every subordinate their responsibilities so that they can draw satisfaction after successful completion of the assigned tasks. If it is found that in order to evade your responsibility, you are seeking further direction from Senior Management where no further clarification is required, you may be officially warned to not to repeat the act of evasion.



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### Chapter III Basic Principles

#### 3.1 Good Faith

You shall strictly abide by the basic principle of good faith, adhere to the basic professional conduct of banking practitioners, act with high standard of professional ethics and protect the confidential information and privacy of the Bank and clients.

#### 3.2 Compliance

You shall make yourself familiar with and abide by the Bank's compliance policies, safeguard financial security, perform legal obligations, protect the confidential information and privacy of the Bank and clients, respect creation, protect intellectual property right and patent, reflect the activities of international financial institutions based on fact, objectively and truthfully and shall not provide false information.

In the event of any activity, which according to the policies and guidelines of the Bank is perceived as wrongdoing, disciplinary proceedings will follow.

#### 3.3 Professional Competency

You shall always strive for excellence in performance of your position duties, and shall also work hard and make efforts to gather business knowledge and information, constantly improve policy awareness and professional qualifications, and improve competence and work efficiency.

#### 3.4 Diligence

You shall have professional commitment and shall diligently and carefully perform position duties to maintain the reputation of the Bank.

#### 3.5 Diversity and inclusion

Diversity and inclusion are at the heart of how the Bank defines organizational and professional excellence. The Bank's effectiveness depends on Staff Members who bring a wide range of perspectives and the competencies to collaborate globally with a diverse array of clients and partners. The Bank continuously searches around the member countries to identify talented personnel with appropriate skills, backgrounds, experiences and perspectives. The Bank's diverse Staff Members represents our commitment to an inclusive work environment where differences are both respected and valued. This inclusive approach enables you to contribute to the mission of the Bank and helps you to achieve your full potential.

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### **3.6 Equal Treatment**

You shall keep in mind the service principle of client first, and provide quality and efficient services to them. Following the Bank's diversity principles, you shall treat each and every client and entity equally and will not discriminate on the grounds of race, gender, ethnicity, sexual orientation, religion, disability and marital or family status.

### **3.7 Anti-Discrimination & Anti-Harassment**

The Bank is composed of individuals drawn from various parts of the world, who belong to different religious and cultural background and its operational activities are also spread all over the world. The Bank prohibits any discrimination in favor of or against any Staff Member, individual or entity on the grounds of, disability, ethnicity, religion, race, gender, marital or family status or sexual orientation. Official position and influence should be used in such a way that there remains no scope of any impression that you have shown favor or discrimination against any person or entity on the above grounds using your official power during the conduct of business of the Bank.

Variance in the terms of service methods or fee rate based on contracts between the Bank and its Staff Members shall not constitute discrimination based on transparent grading system, job levels etc.

Bullying and threatening Staff Members or Other Personnel of the Bank, whether colleague, peer, senior or subordinate, pressurizing to act in a particular way or complete the routine task hurriedly, intentionally detaining beyond normal office hours without any valid ground, taunting colleagues and subordinates about inefficient handling of assigned jobs, and intellectual or physical deficiency, etc. would be considered as harassment. You would behave in such a way that your relationship with colleagues remains cordial and mutually respectful. If any of the above incidents happen with you, the same may immediately be brought to the notice of your Reporting Manager or Humans Resources Department or Compliance and Investigations Department. All such formal complaints will be handled through investigations or disciplinary processes instituted by the Bank.

### **3.8 Prevention of Sexual Abuse / Sexual Harassment**

The Bank shall take appropriate measures to ensure the success of its business objectives with a focus on promoting diversity, fostering a diverse work environment built on the pillars of meritocracy, collaboration, result-driven orientation, and

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organizational efficiency.

The Bank's diverse Staff Members represents our commitment to an inclusive and respectful work environment where everyone is valued, respected and treated in a sensitive manner. The Bank has therefore zero tolerance towards sexual abuse / sexual harassment.

Sexual abuse is a crime. It is any unwanted or attempted sexual activity using force or otherwise, making threats or taking advantage for not giving consent. Sexual harassment at workplace includes but is not limited to:

- a) sending sexually colored SMS/e-mail/pornographic photographs;
- b) requesting or demanding sexual favor;
- c) repeated attempt for making physical contacts; and
- d) unwelcome or suggestive physical, verbal or non-verbal conduct of sexual nature.

Sexual harassment further includes any unwelcoming or offensive behavior implying or imposing any condition of sexual connotation in exchange of benefits (such as promotions, satisfactory performance review, extension of contracts, or referrals) thereby resulting in a hostile work environment.

In order to promote an inclusive and respectful work environment free of sexual abuse / sexual harassment, the Compliance and Investigations Department shall:

- a) Organize workshops sensitizing the Bank's Staff Members on the intentional or non-intentional behaviors that could lead to potential/actual issues of sexual abuse/ sexual harassment;
- b) Create informative materials and/or awareness sessions on promoting gender diversity and respecting gender sensitivity;
- c) Advise the Bank's Staff Members on the matters requiring the clarification of Bank's code of conduct and/or procedural guidelines;
- d) On an ongoing basis, benchmark the Bank's practices with the emerging practices in this area at other international organizations.

Despite all the measures adopted by the Bank, if you in good faith believe that you are victim or witness of sexual abuse / sexual harassment committed, you shall report such instance immediately, providing full available information to the Senior Management or to the Compliance and Investigations Department for investigation as may be

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required under the Whistleblower Procedures. This provision covers all individuals with whom the Bank's Staff Members undertakes official business within the Bank premises or outside the Bank premises. Subject to the confidentiality of the identity, it is mandatory to report all such incident of sexual abuse, regardless of who the offender is, or the offender's relationship with the Bank. All such formal complaints will be handled:

- a) Through investigations in accordance with the Whistleblower procedures;
- b) In a diligent manner and preserving the confidentiality of the individuals involved;
- c) By protecting individuals from any risks of retaliation; and
- d) By providing counselling support to the victims, where required and sought out for.

Where necessary, Compliance and Investigations Department shall refer the matters related to sexual abuse to the law enforcement authorities.

The confirmed cases of sexual abuse / sexual harassment, after the due procedures, shall result in disciplinary actions in accordance with the Bank Staff Rules and Regulations.

### 3.9 Managers and Supervisors

You are each responsible for your own conduct. Those in supervisory positions play an additional role in promoting a workplace culture that upholds the Bank's values and standards. As a Reporting Manager of the Bank, you should help set the tone by:

- Serving as models of integrity;
- Encouraging an ongoing dialogue on business conduct issues and providing guidance to Staff Members or any individual under your supervision;
- Ensuring that internal systems, policies and procedures are applied consistently and fairly;
- Supporting Staff Members or any individual under your supervision who raise a business conduct concern and fulfilling the Bank's commitment against retaliation;
- Making decisions based on fair assessments of work and on factual observations, regardless of internal or external pressures.

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You have special responsibilities to treat all your Staff Members or individuals under your supervision fairly and objectively, without any favoritism, explicitly or implicitly. Because a sexual relationship between a subordinate and a direct or indirect Reporting Manager undermines the supervisor's objectivity, it creates a conflict of interest. It also can create morale issues among colleagues. For these reasons, it is the responsibility of the more senior person to promptly resolve the conflict of interest by bringing it to the attention of the next-in-line Senior Management, Human Resources Department head, or the Compliance and Investigations Department.

### **3.10 Political Activities**

You shall not interfere in the political affairs of any member, nor shall you be influenced in your decisions by the political character of the member or members concerned. Only economic considerations shall be relevant to your decisions.

The Senior Management and Staff Members of the Bank, in the discharge of their Bank business, owe their duty entirely to the Bank and to no other authority. Each member of the Bank shall respect the international character of this duty and shall refrain from all attempts to influence any of them in the discharge of their duties.

Therefore, maintaining political neutrality is important. The Staff Members of the Bank are free to exercise their rights during national or provincial elections, but are not allowed to express views or publish comments on any political issue involving political parties in their own country or at the place of Bank headquarters, without explicit approval of the Compliance and Investigations Department.

### **3.11 Government, Private Sector and Civil Society Relationship**

It is critical that you maintain constructive relationships and work to build trust and confidence with the representative government, private sector and civil society. You may not seek or accept instructions concerning the performance of your duty from any external authority. Staff Members needing guidance on how to handle a specific situation should consult their Reporting Manager or Senior Management or the Compliance and Investigations Department.

### **3.12 Confidential Information**

Non-public information should not be disclosed to any unauthorized person or published in any media. You shall keep confidential all client information and may not obtain personal gains.

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### Chapter IV Duties and Requirements

#### 4.1 Compliance Duties

You shall comply with Bank's management policies, detailed operating rules and business process when conducting business. You shall carefully read and comply with the compliance policies. When making decisions on business activities, you shall abide by the decision-making process and principles of the Bank, and avoid making any decisions in violation of policies and procedures of the Bank.

You shall carry out financial activities according to the internal policies and rules of the Bank. No Staff Member may engage in any off-account business activities in any form. You are responsible for the accuracy and completeness of the information, materials, reports and records under your management.

You shall keep business records in sufficient details to reflect all business activities of the Bank.

No Staff Member may provide false financial information, reports or statistics or conceal material facts, and may not destroy any record that may be related to any violations, lawsuits, or investigations carried out by related divisions.

#### 4.2 Appropriate Use of Power

It is important that you use power appropriately when performing work. One way to demonstrate appropriate use of the Bank's authority is in supporting countries in designing development solutions that suit their own circumstances.

Abuse of power can also take various forms, including but not limited to:

- Bullying or harassing behavior;
- Requesting Staff Member or Other Personnel of the Bank to do personal favors or errands;
- Pressuring a Staff Member or Other Personnel of the Bank to distort facts or break Rules;
- Interfering with the ability of a colleague to work effectively (for example, by impeding access to information or resources);
- Using the Bank's letterhead to draw attention to a personal request;
- Dismissing community concerns on a project without due consideration.

#### 4.3 Dress Code and Professional Appearance

The Bank endorses a "business formal" dress style in its work locations, on an "as appropriate" basis. All Staff Members and Other Personnel of the Bank, even those who do not have direct client contact, represent the Bank in the community at large.

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Since it is important to project an image of competence and efficiency upon which the Bank's reputation has been built, grooming and dress is to be neat and professional at all times. Formal or traditional business attire is to be worn when appropriate to business circumstances.

### 4.4 Courteous Services

You shall, during business activities, dress appropriately and conduct with a steady attitude and in a courteous and polite manner. You shall try to meet the reasonable requirements of clients and shall patiently explain the basis of specific decisions.

### 4.5 Conflict of Interests

When you transact any official business, you should always be mindful about the fact that there exists no conflict of interests. Under this Code a situation is considered as having a conflict of interests when your personal interests, or interests of your close relatives<sup>1</sup>, interferes in an impartial decision in exercising your duties with the Bank and its clients, in a manner affecting the financial interests and/or reputation of the Bank.

A conflict of interests can arise in many situations, some of them (non-exhaustive) detailed in this Code of Conduct are Personal Conflicts (Nepotism & Close Relatives), Insider Trading, Acceptance of Gifts, Future Employment, Outside Activities, and Political Activities. Other conflict of interests, including that may arise between various functions / positions / roles at the Bank shall be addressed under the applicable Policies and/or divisional guidelines of the Bank.

Conflict of interests can be actual or potential or perceived. A potential or perceived conflict of interest arises when it could reasonably appear that a personal interest could interfere with the performance of the official duties even if this is not in fact the case. Compliance and Investigations Department shall provide advisory (including case-specific advisory, frequently asked questions and training) on situations that constitute of conflict of interests.

In order to address the conflict of interests:

- a) When you transact any official business on behalf of the Bank:
  - You shall abide by the principles of good faith, fairness and, shall properly balance the financial interests / reputation of the Bank protection of client interests.
  - You shall clearly distinguish between the interests of the Bank and your personal interest and resist favoritism in your decision-making.
- b) If any personal interest impedes or obstructs you from serving the Bank and its

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<sup>1</sup> The term "close relatives" is defined under the Recruitment Policy of the Bank

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clients in an appropriate manner, you shall try to avoid such potential conflicts of interest, or recuse yourself from the process to avoid the impact of conflicts of interest on the Bank. You shall immediately bring the matter to the notice of your reporting manager in writing and act strictly according to the advice given by the reporting manager. Where further attention/clarification is required, you or your reporting manager involved with the knowledge of the facts shall immediately bring the matter to the notice of the Compliance and Investigations Department. All the cases received will be analyzed by the Compliance and Investigations Department in order to provide to the stakeholders the proper recommendation on the appropriate course of action.

- c) Any other matters involving actual or perceived conflicts of interest shall be referred to the Compliance and Investigations Department. The Compliance and Investigations Department reviews the matters and take appropriate steps including but not limited to providing appropriate guidance on the course of action to be adopted, taking the matter for further investigations and/or determining administrative measures, as may be required.
- d) Prior to joining the Bank in any capacity, if you have officially disengaged yourself with outside business activities but remained as an advisor, patron or any of your close relatives are gainfully employed or are engaged in partnership with the firm/company/vendor, etc. which has business dealings with the Bank, then it is your responsibility to immediately report the matter to the Human Resources and the Compliance and Investigations Departments. The Compliance and Investigations Department shall analyze the situation and shall provide recommendation on the appropriate course of action to be adopted. No scope should be given to anyone to feel that there exists a conflict or a perceived conflict of interest because the Bank is associated with an entity through which a close relative(s) of a particular Staff Member and Other Personnel of the Bank operates gainfully.
- e) If it comes to your notice that the Bank is going to establish any business partnership with a person, company or entity where any of your close relatives are employed or associated, the matter should immediately be brought to the notice of the reporting manager, who in turn would refer the same to the Compliance and Investigations Department for necessary action.
- f) If participation in decision-making of an investment activity on behalf of the Bank affects you from making an unbiased decision, you shall avoid making such investment or be excused from the decision-making position.
- g) The Budget, Human Resources and Compensation Committee is responsible to consider requests from, the President or the Vice Presidents for guidance concerning possible actual or potential conflicts of interest or other ethical aspects



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of conduct and provide advice in response.

- h) **Insider Trading:** You are strictly prohibited to indulge in insider trading activities. It implies that you are prohibited from trading in stocks, convertible bonds, options, bonds, subordinated bonds and other stock index derivatives, issued by the Bank as well as its clients<sup>2</sup>, based on insider information (i.e., information that is not available in the public domain). No Bank Staff may disclose, either expressly or implied, insider information to others, or obtain personal gains by abusing insider information, or provide wealth management or investment suggestions to others based upon insider information.

### 4.6 Nepotism and Close Relatives

Because the perception of favoritism or improper influence exists when relatives are employed within the Bank, restrictions apply. To avoid conflicts of interest, close relatives, as defined in the Recruitment Policy of the Bank and subject to approval from the BOD, are not allowed to work for the Bank at all, either as individuals or through firms.

You also cannot use your position to directly or indirectly promote the interests of close relatives.

### 4.7 Know Your Client and Anti-Money Laundering

Money laundering is the process of converting illegal gains into seemingly legal funds and is not limited to cash transactions. Money laundering is illegal. You shall comply with Anti-money Laundering Policy of the Bank, and take measures to avoid participating or assisting in money laundering transaction due to negligence.

You must pay attention to suspicious activities according to anti-money laundering rules, which activities include money laundering, terrorist financing, insider trading, abuse of power, fraud and the embezzlement or misappropriation of funds. You are obligated to promptly report to your divisional head or relevant functional divisions of the Bank for any large-amount transactions according to the Bank's Anti-Money Laundering (AML) Policy, without compromising client confidentiality.

In addition to the directions given in Article 2 & 3 and Article 16 of AOA, the responsible Staff Members, while sanctioning projects in various parts of the world, should satisfy themselves about the authenticity and true motive of the borrowing party so that there does not remain an iota of doubt about the utilization of the funds thus

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<sup>2</sup> You can refer to the list of clients in respect of whose securities the prohibition may apply as maintained by the Compliance and Investigations Department. Compliance and Investigations Department shall make an entry of client into the list upon receipt of information from the Corporate Secretary Department / Operations Departments / Treasury & Portfolio Management Department, as the case may be. Compliance and Investigations Department shall be further advised by the reporting Department / Division regarding the nature of engagement of the Bank with the client and the period for which the client needs to remain in the list.

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provided. The borrowed money should be spent only for the purpose for which it is provided. Suitable measures should be taken to ensure that even a part of the fund is not diverted or channelized to other authorities for funding terrorist, other subversive activities and money laundering. Hence, separate procedural guidelines are issued so that due diligence is carried out by the concerned divisions before exposing financial resources of the Bank to external agencies.

### 4.8 Risk Indication

When recommending products or rendering services to clients, you shall, fully indicate the legal risks, policy risks, market risks and other risks related to the recommended products and services, shall reply to client questions based on the principle of good faith, and may not conceal risks or make false or misleading representations or commitments in order to conclude a deal.

### 4.9 Privacy and Confidentiality

You shall avoid disclosing any country data, trade secrets of the Bank and confidential information of clients acquired and known to you during the term of your relationship with the Bank.

During the term of your relationship with the Bank and after termination thereof, you shall keep confidential any non-public information obtained or created in the process of conducting business activities for the Bank. You shall avoid disclosing any proprietary or confidential information pertaining to the Bank or its Staff Members or any confidential information related to clients without authorization. Proprietary and confidential information and materials include:

- non-public information related to the operations, performance, strategies and forecasts of the Bank;
- non-public information about the business plan, business procedures and client relationships of the Bank;
- non-public information of individual Staff Member;
- non-public information related to the clients acquired by the Staff Members during the term of the relationship with the Bank; and
- non-public information about the technology, system and proprietary products of the Bank.

No information should be divulged by unauthorized officials to any person or entity to facilitate gainful financial advantage thereby jeopardizing the interest of the Bank. Confidential data and documents containing valuable information regarding member countries, future investment proposals, details of Board meetings, project appraisal, etc. should not be shared with any internal or external authority or agency which is not authorized to have access to them. The circulation of documents, unless categorically directed by Reporting Manager or Senior Management to do otherwise,

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should be done in such a way that their movement/access is restricted to the Staff Members as per guidelines and classification issued from time to time. The key programs of the Bank shall be protected by password, limit of authorization and security administrator.

No Staff Member or Other Personnel of the Bank may discuss any sensitive topic pertaining to the operations of the Bank at public places such as elevators, corridors, restaurants and public transports.

Ensuring the security and proper use of client information is one top priority of the Bank. You must keep the confidentiality of the details of identity and other confidential information disclosed by the clients. Additionally, you must make sure that the client information shall be used only for the designed purposes, unless further use is permitted or authorized by the clients.

Unless otherwise provided by the internal policies of the Bank, you are entitled to refuse the requests to inquire into clients' information by any entity or individual.

The non-public information of clients shall be managed in different categories and updated periodically. The originals of important documents must be taken back after being photocopied, faxed or scanned to prevent inadvertent disclosure. Client information may not be provided to a third party for commercial purpose without notifying or authorization by the clients.

Notwithstanding the multi-national and multi-cultural milieu in which the Bank operates, the Bank acknowledges and protects the privacy and confidentiality of the identity information, compensation information, and Human Resources records of all Staff Members. Certain aspects, e.g. your particular medical condition, which is private to you and does not have any bearing upon the interest and reputation of this international institution, should be guarded and protected by the Human Resources Department so that you do not suffer any psychological complexity and a feeling of humiliation comes to your mind, which may lead to reduced productivity during your engagement with the Bank. Except authorized by you or disclosed in pursuit of relevant laws or orders of the authorities, such information may not be published or discussed either within or outside the Bank. You shall at all times observe decency and respect the privacy of colleagues.

The President of the Bank is empowered to interact with the Press and electronic media. If the President so desires, he may authorize any of the Vice-Presidents and other officers to speak to the media and share information with them on any particular subject. Press releases and Press statements, with the approval of the President, would be issued as and when the concerned division of the Bank considers it is demanded in the situation.

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### 4.10 Fighting Fraud, Corruption and Bribery

The Bank establishes and maintains high standard of business ethics and request all employees to conduct business ethically and legally. You shall strictly abide by member countries' relevant provisions and the Bank's Anti-Corruption, Anti-Fraud and Anti-Money Laundering Policy.

The Bank enforces a Zero-Tolerance Policy against corruption and bribery. You should not indulge in any activity for obtaining personal gain by misusing official authority and power. In the event of any complaint lodged or it comes to the notice of the Bank that an act of giving/receiving kickback, bribe, graft, committing fraud, embezzlement of fund, abuse of laws for monetary gains, indulging in delaying tactics to sanction contract, etc. by any Staff Member or Other Personnel of the Bank or entity associated with the Bank exists, due procedure, as detailed in the Anti-Corruption, Anti-Fraud and Anti-Money Laundering Policy would be followed.

### 4.11 Gifts, Advantages & Entertainment

As a matter of principle, you should desist from accepting and giving gifts<sup>3</sup> (greater than US\$ 100.00) from/to organizations or their officials or members of the public with whom you are in contact through your employment with the Bank. Exchange of gifts of negligible monetary value of up to US\$ 100.00 as souvenir/memorabilia/memento with the visiting dignitaries, or when the President, Vice- Presidents and departmental/divisional heads visit other countries/organization is allowed. If, for any reason, you receive a valuable gift (greater than US\$ 100.00) from any existing or prospective client, contractor, vendor or job seeker for transacting any administrative or financial business, the same should immediately be dealt with as follows:

- a) Submit the gift (other than consumable or perishable food items) to the Compliance and Investigations Department, with an accompanying memorandum setting out the circumstances in which the gift was received.
- b) Consumable or perishable food items may be distributed amongst the staff of the Bank.
- c) You may purchase the gift by paying the Bank an amount equivalent to the value of the gift assessed by the Compliance and Investigations Department. If you do not wish to purchase the gift, the Bank may either sell it and donate the proceeds to charity, or retain it for display on the premises or dispose it in an appropriate manner as provided in the guidelines to be notified to the staff from time to time.

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<sup>3</sup> For the purpose of this section, the term "gifts" includes – *advantages* such as free / discounted services / favors, *entertainment* including hospitality (meals or accommodations) expenses. Further guidance on various instances of gifts / advantage / entertainment shall be covered under the guidelines issued by the Compliance and Investigations Department from time to time.

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Similarly, accepting award/titles given by governmental authorities is permitted subject to the condition that prior approval of the competent in the Bank has been obtained. Competent authority for this purpose is:

- a) President – In case of staff up to the level of the Director General of the Bank; and
- b) Board – In case of the Vice-Presidents and the President.

### 4.12 Outside Activities

Each staff member brings unique knowledge and experience to the institution, often built on and cultivated through outside activities. The Bank recognizes and supports the important roles that you may have outside the Bank. The Bank policy does not have any restriction on participation in outside activities and engagements subject to the conditions that it should not result in moonlighting or double employment for a salary or remuneration or benefits except for honorary activities and should not pose any conflict of interest as mentioned in section 4.5 of this Code. Any such incidents should be declared to the Compliance and Investigations Department.

### 4.13 Future employment

You may apply for any position in any outside organization. The Staff Members should not take up any employment in any organization with which they have dealt in official capacity of the Bank within two years of separation/retirement from the Bank services.

### 4.14 Accuracy of Book Records and Reporting

Detailed policies enumerating procedural guidelines for maintenance, categorization, classification, retention and archiving of records as per international standards are formulated and implemented by the Bank.

### 4.15 Taking Good Care of Assets and Properties

You shall properly protect and use the assets and properties of the Bank. You shall abide by the safety measures at workplace, protect the assets and properties of the Bank, properly and effectively use the assets and properties of the Bank. You may not use the assets and properties of the Bank for personal gain, or damage, waste, encroach, misappropriate and abuse the assets and properties of the Bank in any way.

Considering the fact that the Bank would be operating in the volatile financial market of the world, every precautionary safeguards would be put in place so that its financial assets are based on strong footing. The concerned authorities would always remain alert and regular review of the financial health of the Bank would be conducted, and all decisions relating to investment and exposure of financial resources would be made on the basis of sound economic fundamentals and principles.

Under no circumstances the assets and properties of the Bank would be allowed to use for personal gain. Caution should be maintained that the official vehicles and other

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facilities provided by the Bank to you for conduct of official business are used for the designated purpose only. You shall clearly distinct corporate and individual interests, and may not seek personal gains and damage corporate interest in the following ways:

- misappropriate banks funds, and embezzle Bank assets;
- deposit Bank funds in an account opened under the name of employee or other individual;
- extend loans or provide guarantees with Bank assets without proper authorization;
- provide guarantee for a third party by usurping the name of the Bank without proper authorization;
- seek business opportunities for individual Staff Members or any other person by taking advantage of your position with the Bank;
- obtain commissions from a third party's transactions with the Bank or take bribes or other illegal gains by taking advantage of your position with the Bank; or
- disclose bank secrets without authorization.

Proceeds obtained by you from the above activities shall belong to the Bank.

### 4.16 Private Telephone Calls, Correspondence and use of the Bank's Facilities

The Bank relies a good deal on telephone communications and it is important that the system is kept free for the conduct of business. Non-essential private telephone calls are therefore discouraged, but necessary and brief private telephone calls are permitted from the office telephones. This concession must be exercised in such a way that there is no more than a minor disruption of your work if and when making a private telephone call. However, the Bank reserve the right to withdraw this facility, if reasonably believed, that it is working unsatisfactorily, or is being abused. Similarly, you are requested not to make private use of the Bank's photocopier, fax or postal (including franking) facilities.

Private correspondence must not be sent to the Bank's address, nor should correspondence relating to work be sent to a private address. The Bank accepts no liability for any private letters which may arrive at the Bank's premises and can give no guarantee that they will not be opened. The Bank's stationery must not be used for personal correspondence. Overall, you must not use the Bank's time, resources or materials for private purposes, and must avoid any conduct which may be prejudicial to the efficiency or reputation of the Bank. Failure to observe these rules will be a disciplinary offence and will thus be subject to disciplinary action that may lead to dismissal without notice.

### 4.17 E-mail and MSN Messenger Service

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The Staff Members and Other Personnel of the Bank should strictly follow the Bank's IT policy guidelines issued from time to time.

### **4.18 Protection of Intellectual Property Rights**

The copy right for the work the Staff Members and Other Personnel of the Bank produced in their official capacity belongs to the Bank. The Staff Members and Other Personnel of the Bank should respect the intellectual property rights of others and should not cause embarrassment to the Bank.

### **4.19 Smoke-Free Workplace**

The Bank's aim is to provide healthy working conditions for all Staff Members. The Bank is a smoke free work place. Violation of this by Staff Members, Other Personnel of the Bank, and visitors will attract appropriate penalties.

### **4.20 Alcohol and Drugs**

Staff Members and Other Personnel of the Bank cannot work under the influence of alcohol and drugs and doing so will have disciplinary consequences. In events organized by the Bank, within the office premises, social drinking may be allowed which would generally be after normal office hours.

### **4.21 Betting and Gambling**

Betting and gambling within the premises of the Bank is prohibited.

### **4.22 Raising and registering issues/complaints/concerns relating to misconduct and consequences thereof**

Suitable mechanism is in place so that fear and apprehension of retaliation do not deter Staff Members or Other Personnel of the Bank to bring any information regarding any misconduct to the notice of the Compliance and Investigation Department. Secrecy and confidentiality would be maintained so that the identity of the complainant does not get disclosed and appropriate measures will be taken to protect the person. The Bank has zero toleration on retaliation.

If need arises, the Compliance and Investigations Department would not hesitate to take help of local law enforcing agencies to unearth the wrongdoings and suitably punish the guilty.

The Staff Member, Other Personnel of the Bank, and members of the Management whose employment / connection with the Bank has been terminated due to reasons of misconduct or violation of the Code shall not be eligible for any subsequent appointment or have any future connection with the Bank in any capacity.

### **4.23 Using Social Media**

Social media is an interactive online communication in which users can generate and

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share content through technological platforms that enable social interaction. It helps our Staff Members and Other Personnel of the Bank stay informed and network with their colleagues, professionals, families and friends. It also serves as an important role to promote branding and reputation for the Bank and contributes its business and operation.

While interacting on the social media, you also have the obligation to guard against the potential risks which can bring to the confidential information, brand and reputation and compliance of the bank. You should use good judgement in your social media communications and ensure the posting or comments are made in public domain such a way that they protect the confidentiality of the information and the reputation of the Bank, Staff Members, clients and our stakeholders. Offensive languages, discrimination and harassment for example, in comments, communications and postings are strictly discouraged.

Any commentary on the activities of the Bank should be shared on the social media only to the extent authorized / disclosed by the departments / divisions responsible to manage the public information disclosures at the Bank.

### 4.24 Workplace responsibilities

The Code of Conduct provides general guidance and complements the Bank's rules and policies. While the Bank would provide everything within its means to create a safe working environment, it is expected that you would follow the Code of Conduct and the brief guidelines enumerated below. Failure to do so can cause serious consequences for the Bank and may result in disciplinary actions.

- maintain punctuality and never fall asleep on the Bank premises;
- follow official decorum and etiquette, dress code;
- maintain absolute integrity;
- maintain loyalty;
- do nothing which is reflected poorly on the reputation of the Bank;
- commit to uphold the supreme interest of the Bank and its values;
- defend and uphold decency and morality;
- maintain high ethical standards and honesty;
- maintain political neutrality;
- promote the principles of merit, fairness and impartiality in discharging official business;
- maintain accountability and transparency;
- maintain responsiveness to the clients;



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- maintain courtesy and good behavior with colleagues and clients;
- take decisions solely in the interest of the Bank and use or cause to use Bank resources efficiently, effectively and economically;
- declare any private interests relating to the Bank business and take steps to resolve any conflicts in a way that protects the interest of the Bank;
- avoid all financial or other obligations to any individual or entity so that it does not influence performing business dealings of the Bank;
- do not misuse position and immunities & privileges as officer/employee of the Bank and do not take decisions in order to derive financial or material benefits for self, family or friends;
- consider merit alone as the basis for making choices, taking decisions and making recommendations;
- do not discriminate against anyone and act with fairness and impartiality;
- refrain from doing anything which is or may be perceived as contrary to any law, rules, procedures, regulations and established practices of the Bank;
- maintain discipline in conducting official business and be liable to implement the lawful directions/orders duly communicated;
- maintain confidentiality in the performance of official functions, particularly with regard to information, disclosure of which may prejudicially affect the interest of the Bank or lead to incitement of a wrongdoing or illegal or unlawful gain to any person; and
- perform and discharge responsibilities with the highest degree of professionalism and dedication to the best of abilities.

For implementation of the Code of Conduct, procedural guidelines, advisory (in the form of, inter alia, training, frequently asked questions, periodic communication etc.), office orders setting up committees to deal with specific issues, etc., wherever necessary, would be issued from time to time by the Compliance and Investigations Department.