

13 October 2020  
**Administrative Order No. 2.02**

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## **CODE OF CONDUCT**

### **1. PURPOSE**

1.1. This Administrative Order (AO) sets out the obligations of Staff and other persons, where applicable, relating to their conduct and behavior, and is referred to as the “Code of Conduct.”

1.2. ADB is committed to fostering and maintaining a professional work environment characterized by the Staff Values set out in paragraph 2.19. All Staff have a shared responsibility to contribute to a positive environment in the workplace. Managers and supervisors have additional responsibility to promote such a work environment and contribute to the constructive resolution of workplace concerns. The Code of Conduct is designed to embed these principles in the standards of behavior required of Staff, and to support the right of Staff to work in an environment free from inappropriate behavior and Misconduct (including Integrity Violations, Harassment and Bullying).

1.3. It is not possible to describe all forms of acceptable or unacceptable conduct. In certain circumstances, it may be unclear to Staff whether specific conduct is consistent with the Code of Conduct. Staff are expected to use good judgment to conform with the terms, the intent and the spirit of the Code of Conduct. Staff must at all times conform to a high standard of mutual respect, integrity and conduct with regard to all matters relating to ADB, both while they are Staff as well as after service has ended. Should Staff have any doubt as regards the proper course of action in any matter related to their conduct, other Staff's conduct and/or the Code of Conduct, they should seek the advice of the Office of Professional Conduct (OPC) as soon as reasonably possible.

### **2. DEFINITIONS**

For the purposes of the Code of Conduct,

2.1. “Bullying” is a form of Harassment consisting of repeated or persistent aggression or other malicious behavior in any form by one or more persons which has the effect of humiliating, belittling, offending, intimidating or discriminating against another person. It may include persistent, unwarranted or unconstructive criticism, personal abuse and/or ridicule, either in public or private, which humiliates or demeans the individual targeted, gradually eroding his or her self-confidence or intending to do so. Criticism, disapproval, negative performance assessment and similar appraisal, appropriately conveyed, do not, by themselves, constitute Bullying or Harassment.

2.2. "Close Relative" means Staff's spouse or domestic partner, child, parent, or sibling.

2.3. “Confidential Information” means all information disclosed, conveyed or otherwise made accessible to a Staff, either directly or indirectly, in any form, whether in writing, oral, visual, electronic or otherwise, that is designated “confidential”, or that the Staff knows, or has reason

to know, is confidential or sensitive or not generally available to the public, including the fact that such information has been delivered to ADB or the Staff. It includes, but is not limited to, records relating to internal deliberative processes, including internal notes, memoranda, and correspondence (including e-mails) among Staff.

2.4. “Discrimination” is the inappropriate differentiation between individuals or groups. Such discrimination includes actions and/or decisions based on characteristics such as race, color, nationality, social or ethnic origin, religion or beliefs, language, political or other opinion or affiliation, gender, gender identity, sexual orientation, family or civil status, health status, physical appearance, or physical ability.

2.5. “Harassment” is any unwarranted or unwelcome behavior, verbal, psychological or physical, that interferes with work or creates an intimidating, hostile or offensive work environment. Harassment includes but is not limited to Sexual Harassment and Bullying.

2.6. “ICT” means Information and Communication Technology.

2.7. “ICT Data” means any data or information, regardless of its form or medium, which is or has been electronically generated by, transmitted via, received by, processed by, or represented in an ICT Resource.

2.8. “ICT Resource” means any tangible or intangible asset capable of generating, transmitting, receiving, processing, or representing data in electronic form, where the asset is owned, licensed, operated, managed, or made available by, or otherwise used by, ADB.

2.9. “Integrity Violation” means (i) in respect of Staff and other persons covered under paragraph 3.1 of the Code of Conduct: a corrupt practice, fraudulent practice, coercive practice, collusive practice, abuse, or obstructive practice, each as defined in the IPG, or a conflict of interest that was not disclosed and adequately addressed in accordance with this Code of Conduct or other applicable ADB rules; and (ii) in respect of others: any act which violates ADB’s Anticorruption Policy, as defined in the IPG.

2.10. “IPG” means the Integrity Principles and Guidelines (2015, as amended from time to time).

2.11. “Misconduct” is behavior, or an act or omission, which is unacceptable or improper, contrary to the principles or rules of ADB or illegal or unethical. Misconduct may not necessarily be intentional and can arise from neglect, recklessness or mismanagement. Misconduct includes, but is not limited to, (a) the failure to observe a Staff Regulation, Administrative Order, the Code of Conduct, or other rules, regulations, guidelines or procedures, or perform other duties and responsibilities, or (b) conduct, actions or omissions, within and outside ADB, that risk discrediting or disgracing ADB, bringing ADB into disrepute, or could undermine the integrity of ADB’s policies, processes or procedures. Misconduct may be qualified as: (a) “Integrity Violation”, as defined in paragraph 2.9 of the Code of Conduct; or (b) “Other Misconduct”, which is any Misconduct other than an Integrity Violation”.<sup>1</sup>

2.12. “National Law” means a law, rule or regulation of a government at a national or sub-national level.

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<sup>1</sup> Examples of Misconduct are set out in Appendix 1.

2.13. "Respect" refers to interacting with all others in the work environment in a professional, positive and inclusive fashion, regardless of hierarchical role or rank. This includes treating others with due consideration, courtesy, dignity and open-mindedness, as well as working without prejudice or bias towards individuals or institutions that have different characteristics, backgrounds and viewpoints.

2.14. "Retaliation" is any act so defined in Administrative Order 2.10, committed by Staff.

2.15. "Sexual Harassment" is any unwelcome sexual advance, request for sexual favors or other verbal or physical conduct of a sexual nature which results in physical, sexual or psychological harm or suffering to another person, or which is made or suggested to be a condition of employment, promotion or other personnel action or creates an intimidating, hostile or offensive environment.

2.16. "Signing Date" means, with respect to any person, the date such person signs a letter of appointment or other agreement to join ADB.

2.17. "Short-term trading" means the buying of securities by Staff or their Close Relatives with a prospect of selling such securities within a period of six months.

2.18. "Staff" means all staff regardless of type of appointment, and Vice-Presidents.

2.19. "Staff Values" refer to the values set out in Our People Strategy: respect for clients; professionalism; work ethics and integrity; respect for diversity; commitment to achieving poverty reduction in Asia and the Pacific through development effectiveness, collaboration, and responsibility.

2.20. "Start Date" means, with respect to any person, the date such person assumed office or commenced working at ADB.

2.21. "Unpublished Information" means any information which has not been publicly released pursuant to the provisions of ADB's Access to Information Policy and the AO 4.17 (Information Classification), or which has been published in violation of the Access to Information Policy, as amended from time to time, or any provisions of any relevant implementing policy, rule or procedure.

### **3. COVERAGE**

3.1. The Code of Conduct applies at any time to the following persons:

(a) all Staff at ADB;

(b) any person who has signed a letter of appointment or other agreement to join ADB, even though she/he would not join ADB until the Start Date. In such case, this Code of Conduct becomes applicable to such person from the Signing Date and she/he shall comply with the relevant provisions thereof, failing which the Director General, Budget, People and Management Systems Department (DG, BPMSSD) may impose disciplinary measures, including revocation of such appointment or agreement or other measure deemed by DG,

BPMSD to be appropriate in the circumstances;

(c) former Staff of ADB with respect to (i) actions or omissions occurring on or after such person's Start Date or while such person was a member of the Staff or (ii) any provision of the Code of Conduct that purports to apply following such person's resignation, retirement or termination of employment with ADB; and

(d) all persons whose letter of appointment, contract, renewal or other agreement provides that such person shall be required to comply with the Code of Conduct or any part thereof.

3.2. Staff are accountable for the conduct of their Close Relatives as set out in this AO. Where the Code of Conduct affects the interests and activities of Close Relatives of Staff or requires disclosures pertaining to them, such Staff must make appropriate inquiries and use their best efforts to secure compliance with the Code of Conduct in respect of such Close Relatives.

#### **4. DUTIES OF STAFF**

The duties of Staff are described in the following sections:

- (a) General, ADB Rules, Policies and Staff Regulations;
- (b) International Civil Servant Status and Propriety of Action;
- (c) Conflict of Interest and General Requirement of Disclosure;
- (d) Prohibited and Allowable Activities; Relevant Requirements for Disclosure and Approval;
- (e) Discrimination, Harassment and Bullying;
- (f) Integrity Violation;
- (g) Reporting and Retaliation; and
- (h) Confidentiality and Information Disclosure.

##### **A. GENERAL, ADB RULES, POLICIES AND STAFF REGULATIONS**

4.1. Staff have a responsibility to conduct themselves in line with Staff Values, be accountable for their own actions, and take appropriate steps to rectify their own lapses.

4.2. Staff are required to discharge their professional responsibilities in a manner that exhibits transparency, accountability, efficiency and high standards of performance. Reckless disregard of professional responsibilities, gross negligence or dereliction of professional responsibilities may constitute Misconduct.

4.3. Staff have an active responsibility to protect ADB's name and reputation. They must also protect and preserve bank property, assets, and resources, including intellectual property.

4.4. In addition to the above, managers and supervisors must actively promote and encourage a workplace culture that upholds ADB's Staff Values and Code of Conduct, and they must:

(a) serve as models of integrity;

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<sup>2</sup> See paragraphs 4.15, 4.16, 4.17 (b), 4.18, 4.23 (b) (i), 4.23 (d), 4.23 (e), and 4.25.

(b) encourage an ongoing dialogue on professional conduct issues and provide guidance to Staff;

(c) ensure that internal systems, policies and procedures are applied consistently and objectively;

(d) support Staff who raise a Misconduct concern; and

(e) make decisions based on relevant facts, observations and assessments, regardless of internal or external pressures.

4.5. Staff shall observe the provisions of the Staff Regulations<sup>3</sup> and existing and future Administrative Orders, Administrative Circulars, and other rules and regulations, as may be adopted by ADB from time to time.

## **B. INTERNATIONAL CIVIL SERVANT STATUS AND PROPRIETY OF ACTION**

4.6. In the discharge of their functions, Staff owe their duty entirely to ADB and to no other authority.<sup>4</sup> As such, Staff must avoid any action, and in particular any kind of pronouncement, which may reflect unfavorably upon their position as employees of an international organization, either in their own country or elsewhere.

4.7. Staff are expected to observe applicable laws and regulations. Staff must adhere to the highest ethical standards and have the right and obligation to refuse to participate in Misconduct. Staff must act with honesty, propriety, respect, fairness, professionalism, and a high degree of integrity and concern for ADB's interests and to avoid situations and activities which may reflect adversely on the institution, compromise its operations, or lead to real or perceived conflicts of interest.

4.8. Staff will conduct themselves at all times in a manner befitting their status as employees of an international organization.

4.9. Staff must always bear in mind the reserve and tact incumbent upon them by reason of their international functions. They are required to exercise the utmost discretion in regard to all matters, particularly those matters that may adversely affect ADB or its reputation.

4.10. Staff are expected to satisfy in good faith their obligations as residents of the host countries of ADB, including all applicable personal obligations outside ADB. Staff must ensure fulfillment of such obligations, to avoid any unfavorable reflection upon them as Staff of ADB, or any adverse effect on the performance of their duties. To the extent applicable under existing legal instruments, Staff are subject to National Laws and must avoid actions that could be perceived as an abuse of the privileges and immunities accorded to ADB or to its Staff.

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<sup>3</sup> Upon appointment, each Staff subscribes in writing to the following affirmation as set out in Section 7 of the Staff Regulations: "I solemnly affirm: that, to the best of my ability, I will carry out my responsibilities in a manner

that will further the purpose of the Asian Development Bank; that I have read and understood the Staff Regulations and agree to abide by them and I further undertake to abide by any additions or alterations to these Regulations that may be issued from time to time; that I will accept no instruction in regard to the performance of my duties from any Government or authority external to ADB."

<sup>4</sup> Pursuant to AO 2.13, Director's Advisors shall comply with, and are covered by, the Code of Conduct. They may accept instructions from their Director or Government, insofar as these instructions are consistent with Staff Regulations and ADB Charter. Staff nominated by ADB to serve as ADB's nominee on the board of directors (or similar body) of a company or organization may also owe legal duties to that company/organization. In such cases Staff are provided with specific guidance on their role as nominee.

#### 4.11. ADB's Privileges and Immunities, Exemptions and Facilities

The privileges, immunities, exemptions and facilities enjoyed by Staff under the Agreement Establishing the Asian Development Bank and the Agreement Between the Asian Development Bank and the Government of the Republic of the Philippines Regarding the Headquarters of the Asian Development Bank and any other agreements entered into between ADB and Governments of member countries are granted in the interest of ADB, intended to enable ADB to fulfill its purpose and carry out the functions entrusted to it, and are not for the personal benefit of the individual. Therefore, these privileges and immunities, exemptions, and facilities furnish no excuse to Staff who enjoy them for non-compliance with their private obligations or failure to observe the laws and regulations of national or sub-national governments.

#### 4.12. Internal Grievance and Appeal Procedures

Administrative review and appeals procedures for the review and settlement of the claims of Staff concerning or relating to the terms and conditions of their employment or to ADB or ADB personnel, are set out in AO 2.06, and AO 2.07 provides for a right of appeal to ADB's Administrative Tribunal. Staff shall not resort to national courts or other tribunals outside ADB to assert or resolve such claims against ADB.

### **C. CONFLICT OF INTEREST AND GENERAL REQUIREMENT OF DISCLOSURE**

4.13. At all times, Staff must act in the interest of ADB, without allowing themselves to be influenced by personal considerations or relationships.

4.14. Staff have a duty to avoid any potential, actual or perceived conflicts of interest, and to report such conflicts as provided in Appendix 2.

4.15. Staff must promptly disclose to OPC, in accordance with the procedures set out in Appendix 3, any financial or business interest of such Staff or of a Close Relative which might reflect unfavorably on ADB, or which might be in potential, actual or perceived conflict with the Staff's duties. Upon such disclosure, the Staff must refrain from exercising any responsibility as a Staff which may affect or be affected by such interest, except as otherwise approved by OPC.

4.16. In the event ADB has reason to believe that a Staff or a Close Relative has engaged in conduct or entered into prohibited activities as set out herein, such Staff may be required to provide to ADB statements of relevant financial and business interests.

## **D. PROHIBITED AND ALLOWABLE ACTIVITIES; RELEVANT REQUIREMENTS FOR DISCLOSURE AND APPROVAL**

Staff are required to disclose and seek approval for certain activities from the OPC in accordance with paragraphs 4.17 to 4.25 below.

### **4.17. Personal conduct and private activities**

(a) The private life and activities of a Staff are personal matters; however, there can be situations where the activities or behavior of a Staff can impact or reflect negatively upon ADB, especially when the Staff concerned occupies a certain level of seniority or prominence within ADB. Therefore, Staff should bear in mind that their behavior, conduct and activities within and outside the workplace, including on social media<sup>5</sup>, may impact the reputation and interests of ADB even if it is unrelated to an official function.

(b) Personal behavior, conduct and activities of a Staff and that of her/his Close Relatives reflect on ADB, and failure to act in accordance with applicable National Laws can compromise the interests and image of ADB in the community and among other stakeholder groups. Staff are expected to honor their personal legal obligations. If ADB is notified of a Staff's failure to meet these obligations, it may intervene according to applicable rules and policies. Likewise, such Staff should make reasonable efforts to ensure that her/his Close Relatives uphold their personal obligations to the extent necessary to avoid affecting the standing or reputation of ADB.

(c) Staff are not barred from having friendly or even personal relationships with their colleagues, including their supervisors and supervisees, consultants and others. However, intimate personal relationships between supervisor and supervisee are inappropriate as they may unduly influence work as well as create (potential or perceived) conflicts of interest and appearance of impropriety. Staff are required to disclose such relationships to OPC so that appropriate steps may be taken to mitigate or resolve such conflicts of interest or appearance of impropriety risks.

(d) Consistent with paragraph 4.8, Staff must not engage in any sexual behavior or activities which may reflect adversely or bring disrepute to ADB. Sexual relations on ADB premises, even if consensual, may constitute Misconduct. Staff must not display, transmit or circulate pornographic, erotic, or sexually-oriented materials while in ADB premises, while on ADB mission or any ADB-related activity.

### **4.18. Trading activities**

Staff must not engage and must ensure that their Close Relatives, or their registered personal guests, do not engage in private trading activities such as, but not limited to, foreign exchange dealings, merchandising of goods and foodstuffs, real estate and insurance brokering, money lending, or car renting or brokering, in all cases, on ADB premises, or with ADB Staff (including misuse of ADB's e-mail or similar media for trading). In any case, Staff are prohibited from engaging in any activity that violates applicable National Laws within or outside ADB premises.

### **4.19. Publications and public speaking**

Except in the course of their official duties or with the necessary authorization from OPC, Staff during the term of their appointment or service may not:

(a) publish, cause to be published, or assist in the publication of any book, pamphlet, article, letter or other document relative to the policies or activities of ADB or to any national political questions;

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<sup>5</sup> ADB's Guidelines on Social Media adopts the definition of social media as "a collection of technologies that allow people to connect, publish, converse, share, and organize." Staff must, at all times, adhere to ADB's Guidelines on Social Media, irrespective of whether (a) the use of social media is personal or professional; (b) the devices used are personal or ADB-issued; and (c) the use of social media is within or outside ADB premises. Staff are expected to behave respectfully when using social media, in a way that will not bring themselves or the institution or its staff into disrepute, taking proper consideration of corporate decorum, privacy and integrity.

(b) deliver any speech or presentation, broadcast through radio, television, social media, or any other electronic media, or hold press conferences or grant press interviews on such policies, activities or questions; or

(c) speak on behalf of ADB or state its policies as a participant in any seminar or conference.

Other requirements are set out in Appendix 3.

#### 4.20. Political and outside activities and interests

Staff may exercise their political rights, but must refrain from participation in political activities which may interfere or conflict with their duties or their status as Staff of ADB. Staff must not hold other public employment or appointment which in ADB's opinion is incompatible with the proper performance of their official ADB duties. Staff must obtain the prior approval from Director, OPC (copy DG, BPMSD), in respect of any employment or appointment. If they accept appointment to any national public office of a political character or accept a nomination for such an office, they must immediately resign from ADB.

#### 4.21. Other employment, occupation, profession or business

Staff must not hold private employment or engage in any occupation or profession, or own or operate any business which in ADB's opinion is incompatible with the proper performance of their official duties, or that might create a conflict of interest. Staff must obtain prior approval from OPC for any such private employment, occupation, profession or business, and/or to serve as a director, officer or partner of any entity, other than as an authorized representative of ADB or assignment to a board of directors of an entity in which ADB has an interest.

#### 4.22. Charitable, social, educational or religious entities

ADB's prior approval will not be required with respect to services performed by Staff, in a private and personal capacity, for a charitable, social, educational, or religious entity. Staff may engage in such services provided these are on a non-remunerated basis, as long as no conflict of interest arises, and are compatible with the other provisions of the Code of Conduct. However, Director, OPC's approval is required if the engagement will entail more than 15 hours in any given working week.

#### 4.23. Private advantage, financial interests, investments and trading

ADB values personal honesty and integrity. Staff are encouraged to proactively ensure that their personal financial activities are and remain beyond reproach. Staff must avoid conflicts of interest and appearances of conflicts of interest arising between their personal financial interests or business relationships and their duty to ADB, and any such potential conflict of interest must be disclosed in accordance with this Code of Conduct and Appendix 2.

##### (a) Private advantage

Staff must refrain from soliciting or accepting any private advantage from any person having or seeking business dealings with ADB, including but not limited to member countries, ADB (prospective) clients, partners, co-financiers, suppliers and internal stakeholders such as Board members, Management, supervisors and colleagues. Staff are prohibited from using, for private advantage or personal gain, ADB or ADB related business opportunities, whether through using ADB relationships or resources. When in doubt whether a certain action would amount to such private advantage or personal gain, Staff must seek advice from OPC.

##### (b) Purchase of interest in a recipient of ADB financing, investment or advisory services.

(i) Except as otherwise provided in Subsection (iii) below, Staff or their Close Relatives must not make investments in:

- (1) securities (including investment funds) with respect to which the Staff's department or office advised or invested;
- (2) securities of an entity known by the purchaser to be an actual or prospective recipient of ADB financing or in financial institutions from which ADB is a borrower or to which ADB is otherwise indebted, or which has been selected or is being considered for selection as an underwriter for issuance of securities by ADB and affiliates thereof; or
- (3) securities of any company or other entity upon whose board of directors or trustees the Staff serves or served as part of such Staff's duties for ADB, except with respect to qualifying shares required by law or by the articles of such company or other entity.

(ii) If a Staff or her/his Close Relative has or comes into possession of any securities referred to in this Subsection (b), the Staff must immediately disclose such arrangement to OPC and make arrangements for their prompt divestiture within three months from the date of such disclosure.

(iii) The provisions of item (i) of this Subsection (b) will not apply to securities held by trusts, estates, investment funds or similar investment vehicles, provided that neither the Staff nor any Close Relative has the right to exercise investment discretion over investments made by such investment vehicles.

##### (c) Except as otherwise provided in Subsection (d) below, Staff who are or were involved to any extent in the decision-making process to determine the selection of any entity that:

- (i) is a supplier of goods or services (including consulting or construction services) to be acquired or financed by ADB, or which is being considered as such;
- (ii) is a financial institution from which ADB is a borrower or to which ADB is otherwise indebted, or which has been selected or is being considered for selection as an underwriter for issuance of securities by ADB; or

(iii) otherwise engages in financial transactions with ADB;

must not purchase, directly or indirectly, debt or equity securities of, or any interest in, any such entity referred to above or any of its affiliates.

(d) Permitted Purchases of Recipients of ADB Financing (normal investment in publicly listed securities).

Notwithstanding the foregoing, Staff and their Close Relatives may purchase and hold securities of, or an interest in, an entity if the security or interest is publicly traded.

(e) Securities Issued by ADB.

Staff and their Close Relatives must not invest in securities issued by ADB, including the buying or selling of a right or obligation to buy or sell such ADB securities. If a Staff or a Close Relative has or comes into possession of any ADB securities, then the Staff must immediately disclose such holding of ADB securities to OPC and make arrangements for their prompt divestiture within three months from the date of such disclosure.

This provision will not apply to ADB securities held by trusts, estates, investment funds or similar investment vehicles, provided that neither the Staff nor any Close Relative has the right to exercise investment discretion over investments made by such investment vehicles.

#### 4.24. Business affiliations, previous, prospective and subsequent employment or engagement Business Affiliations

Staff must exercise due care in relationships with former and future employers to avoid potential, actual or perceived conflicts of interest, and avoid creating perceptions among stakeholders that ADB is partial to former Staff. The following paragraphs are intended to manage these concerns, but are not intended to be exhaustive.

(a) Previous involvement in decision-making process

Staff who held a position with decision-making authority in an entity, in the five years prior to joining ADB, shall not be instrumental in any determinative process that involves or includes such entity, under the following circumstances:

- (i) if the entity is a supplier of goods or services (including consulting or construction services) to be acquired or financed by ADB, or which is being considered as such;
- (ii) if the entity is a financial institution from which ADB is a borrower or to which ADB is otherwise indebted, or which has been selected or is being considered for selection as an underwriter for issuance of securities by ADB; or
- (iii) if the entity otherwise engages in financial transactions with ADB.

To be exempted from the prohibition, Staff may obtain approval from Director, OPC, by request of Head of department (and copy DG, BPMSD). The prohibition is limited to 1 year from the Staff's appointment with ADB.

## (b) Prospective Employment

Staff who are seeking, negotiating or have an arrangement concerning prospective employment other than at ADB must not exercise any decision-making responsibility with respect to an ADB transaction in which the prospective employer, to the best of the Staff's knowledge, has or may have or may have had or sought an interest. Staff who have an arrangement concerning such described prospective employment, must inform their Head of department/office as soon as such arrangement is complete.<sup>6</sup>

## (c) Subsequent Employment or Engagement

(i) For the purposes of paragraph (ii), a Specified Matter means: (a) a transaction in respect of which ADB's conceptual or final investment or management committee approval for the provision of its assistance has been obtained; (b) an ADB administered, financed or supported activity, assistance, project or fund; or (c) a matter in respect of which ADB has provided or is providing advisory services.

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<sup>6</sup> Failure to adhere to the requirements set out herein will result in ineligibility to be re-hired by ADB, whether as Staff, consultant, contractor or otherwise.

(ii) Former ADB Staff who during a period of one year prior to their separation from ADB: (a) participated personally and substantially in; and/or (b) exercised decision making authority in respect of, a Specified Matter, may not during the period of one year from the date of their separation perform services for any other entity or person that has an interest in such Specified Matter or in respect of, or in any way involving, the Specified Matter.

(iii) Paragraph (i) does not apply if: (a) the entity for which the former ADB Staff performs services is an international organization, government or government agency; or (b) the former Staff has obtained approval either before or after his or her separation to perform such services from OPC.<sup>7</sup> Vice-Presidents shall seek such approval from the President.

(iv) Former Staff may not work as consultants for consulting services that ADB administers, in accordance with, and within the periods indicated in, ADB's Staff Instructions on Procurement and other relevant ADB policies and rules.

## 4.25. Gifts, benefits, and others

### (a) External Gifts, Favors, or Benefits from ADB Transactions are Prohibited

Staff are prohibited from, and must ensure that their Close Relatives refrain from, accepting gifts, benefits, or favors, from sources external to ADB with respect to any ADB transaction, whether by way of compensation, commission, favorable buying or selling arrangements, employment or otherwise.

### (b) Internal gifts, favors, loans

Giving or accepting gifts, offering, soliciting or acceptance of favors, or loans, among Staff is not allowed, except as stated below.

On an occasional basis, and in accordance with tradition and culture, Staff may give gifts, favors or contributions of nominal value for an event of personal significance such as a marriage, birthday, childbirth, illness, or death; festive occasion; or occasion of movement or departure. Voluntary group contributions for food and refreshments to be shared at the office as well as personal hospitality at home or at other places such as a restaurant as is customary among friends and colleagues and not disproportionate under the circumstances, are not considered gifts for the purpose of this provision. In the event of an emergency, contributions and loans between or among Staff, which are not disproportionate under the circumstances, are also permissible.

(c) Medals, Decorations or Similar Honors

Staff and former Staff may not accept medals, decorations or similar honors from any Government, or from any other authority or person external to ADB, for services rendered during the period of their appointment or service with ADB.

(d) Acceptance Protocol

Staff who find themselves in circumstances which make it difficult to refuse or decline gifts and awards under paragraphs (a) and (c) above, must follow the procedures set out in Appendix 3.

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<sup>7</sup> OPC may seek guidance from BPMSD prior to providing such approval.

## **E. DISCRIMINATION, HARASSMENT AND BULLYING**

4.26. Staff must behave in a manner that creates an environment free of Harassment and Bullying. In their dealings with colleagues and other Staff, Staff must not discriminate, observe inclusive and respectful behavior, and show consideration for others, as well as respect and tolerance for diverse cultures, beliefs and backgrounds.

4.27. In addition to the generality of paragraph 4.26 above, Management, Heads of Departments/Offices, directors, managers, and supervisors must (i) clearly abide by and communicate ADB's policy on Misconduct, including Harassment, Bullying and Retaliation to all their Staff; (ii) ensure that any incident of unacceptable behavior or conduct, including intimidation and hostility, is promptly dealt with and appropriate corrective action taken; (iii) promote and encourage a positive working environment of dignity and mutual respect to all colleagues, in which inappropriate behavior and Misconduct, including Harassment, Bullying and Retaliation, are not tolerated; (iv) be responsive to and supportive of any person in ADB's workplace who complains about Harassment, Bullying and/or Retaliation, including promptly informing the person of actions they have taken in response to the complaint; (v) promptly report any suspected Integrity Violation to OAI; and (vi) promptly report any suspected Other Misconduct, including Harassment, Bullying and Retaliation, to OPC.

## **F. INTEGRITY VIOLATION**

4.28. All Staff are entrusted with a fiduciary responsibility that requires them to act in accordance with the highest ethical standards and in the interest of ADB. Therefore, all actions

and decisions undertaken by Staff must be guided by ADB's Anticorruption Policy and a zero tolerance for fraud, corruption and other integrity violations.

4.29. Staff must not engage in any Integrity Violation.

### **G. REPORTING AND RETALIATION**

4.30. Allegations of Integrity Violations: All Staff must report to OAI any suspected Integrity Violation. Failure to do so may constitute Misconduct under the Code of Conduct. OAI will assess and investigate these allegations in accordance with the IPG and AO 2.04, as applicable.

4.31. Allegations of Other Misconduct: All Staff are encouraged to report suspected Other Misconduct to their supervisor and/or OPC. Supervisors have an obligation to address and report to OPC suspected Other Misconduct by Staff under their supervision that was witnessed by or reported to them. OPC will review such reports to determine the appropriate course of action, including whether other means of resolution should be pursued or the allegations should be referred to OAI for investigation.<sup>8</sup>

4.32. Staff do not require any approvals or authorizations to report suspected Integrity Violations or Other Misconduct.

4.33. Falsely and/or maliciously reporting or alleging Misconduct may constitute Misconduct.<sup>9</sup>

4.34. Staff must not engage in, or threaten, Retaliation.

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<sup>8</sup> Such referral will be made in accordance with the relevant provisions of AO 2.04.

<sup>9</sup> See AO 2.10.

### **H. CONFIDENTIALITY AND INFORMATION DISCLOSURE**

4.35. Confidential and/or Unpublished Information<sup>10</sup>

(a) All Staff have a responsibility to protect the security of any Confidential and/or Unpublished Information provided to, or generated by, ADB. Staff are prohibited from using or allowing the use of any such information except in the course of their official duties.

(b) Staff must refrain from disclosing Confidential and/or Unpublished Information to any person within or outside of ADB whom they know or should know is not authorized by ADB to receive such information, including their Close Relatives.

(c) Staff must demonstrate good judgment and discretion when sharing any information, whether or not it is marked as confidential. Staff are encouraged to constructively exchange ideas and appropriately report concerns to their supervisor or OPC as appropriate. However, the sharing of information among Staff, such as internal e-mails, for purposes other than those consistent with ADB's interests, may be considered inappropriate, damaging to ADB's work environment and contrary to the Code of Conduct.

In carrying out the above obligations, Staff must scrupulously observe the rules and

procedures established by ADB to protect Confidential and Unpublished Information.<sup>11</sup>

(d) External Reporting

Except as provided in the relevant provisions on external reporting in AO 2.10, Staff must not report any suspected Integrity Violation or Misconduct to any entity, forum, or individual outside of established internal mechanisms.

4.36. Submission of Required Information to or about ADB

Whenever Staff is required by OPC, OAI, BPMSD or other appropriate department or office of ADB to provide information relating to ADB, Staff must provide such information in good faith and to the best of Staff's knowledge, in a truthful, accurate and timely manner. Staff must likewise provide any personal information that is required by ADB's rules and regulations, including the arrest, charge, or conviction of a criminal offence under applicable local or international law. Staff must not misrepresent nor omit the truth in the performance of their duties, especially when providing information to, or about, ADB.

4.37. Obligations of Staff covered by this Code of Conduct with respect to confidentiality and non-disclosure continue to be applicable to such persons following their retirement or separation from ADB for any other cause.

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<sup>10</sup> As per ADB's Access to Information Policy (2018).

<sup>11</sup> A breach of such rules and procedures occurring after separation from ADB, will result in ineligibility to be re-hired by ADB, whether as Staff, consultant, contractor or otherwise.

## 5. BANK PROPERTY, ASSETS AND RESOURCES

### Use of ADB Assets and Resources

(a) Asset Management

Staff shall adhere to principles of appropriate use and are responsible for the care and protection of ADB assets under their custody or control, as set out in AO 4.02 on Asset Management and Inventory Control.

Staff are entrusted to use ADB assets only for the performance of official functions and duties. Any personal use of ADB assets, such as internet, e-mail and telephone, must be kept to a minimum and not conflict with the interests of ADB, and/or disrupt the work environment.

(b) ICT resources and data

Staff shall adhere to principles of appropriate use and shall ensure the security and technical integrity of ADB's ICT Resources and ICT Data, in support of ADB operations at ADB Headquarters and its other offices, as set out in AO 4.05 on Information and Communication Technology.

(c) Intellectual Property

All intellectual property rights to work produced by a Staff in the course of his or her official

functions or duties belong exclusively to ADB or ADB licensees or transferees.

Staff are expected to be responsible users of works subject to intellectual property rights protection by citing their sources, recognizing and giving credit for contributions of others, and obtaining permission, especially when he or she intends to share the work publicly. Inappropriate use of works subject to intellectual property rights protection and/or plagiarism may lead to disciplinary measures. To avoid inappropriate use, such as plagiarism or infringement, Staff are encouraged to seek guidance from the Department of Communications (DOC) or Office of the General Counsel (OGC).

## **6. DISCIPLINARY MEASURES**

Staff who fail to comply with their obligations under the Code of Conduct will be subject to the disciplinary procedures for Misconduct, including serious Misconduct, as well as non-disciplinary measures as set out in AO 2.04 on Disciplinary Measures and Procedures.

## **7. ANNUAL DECLARATION OF COMPLIANCE**

Staff are required to submit an Annual Declaration of Compliance by the first quarter of each year or as directed by OPC. Newly-appointed Staff must submit an Annual Declaration of Compliance within 30 days of their appointment or as otherwise directed by OPC. OPC will oversee and manage the Annual Declaration of Compliance exercise.

## **8. RESPONSIBILITY**

8.1. BPMSD, OAI and OPC are responsible for the interpretation of the provisions of the Code of Conduct relating to, and within, their respective competences and responsibilities under the Code of Conduct and will consult each other, as appropriate, to ensure that the Code of Conduct will be applied consistently. OPC may amend Annexes and Appendices from time to time or issue new Annexes and Appendices, in consultation with BPMSD and OGC. Guidelines containing elaboration, explanation or examples may likewise be issued and/or amended from time to time by OPC and OAI within their respective competences and responsibilities under the Code of Conduct. OPC and OAI may seek the assistance of any Department, Office or Unit in implementing the AO.

8.2. The General Counsel is responsible for providing assistance to Management and Heads of Departments or Offices with regard to any questions arising from the implementation of this AO.

## **9. EFFECTIVE DATE AND TRANSITORY PROVISIONS**

This AO is effective from 13 October 2020 and supersedes the same AO issued on 31 March 2017. Annex(es) and Appendix(es) to this AO have the same effectivity date as the AO, unless otherwise specified in the said Annex(es) or Appendix(es).

**Appendix 1**

## **EXAMPLES OF MISCONDUCT**

Recognizing that it is not possible to provide an exhaustive list of examples or criteria for cases of Misconduct, Misconduct includes, but is not limited to, the following acts and omissions:

- (a) Abuse or misuse of ADB's benefits and allowances, including any such abuse or misuse by the Staff's dependents;
- (b) Intentional or reckless, negligent or recurring disregard of duty or responsibilities, or chronic, repetitive, blatant or conspicuous malfeasance or mismanagement in the performance of duties or responsibilities, including duties and responsibilities to oversee or supervise the performance of departments, offices, units, teams or Staff and service providers, or the approved systems and procedures by which they operate;
- (c) Abuse or misuse of power, authority or official position, or role within ADB or in public;
- (d) Abuse or misuse or disregard of the privileges and immunities accorded to Staff under the Agreement Establishing the Asian Development Bank and the Agreement Between the Asian Development Bank and the Government of the Republic of the Philippines Regarding the Headquarters of the Asian Development Bank and any other agreements entered into between ADB and Governments of member countries;
- (e) Abuse or misuse of ADB funds, assets, resources or other property for which ADB bears responsibility;
- (f) Conviction for a felony or serious crime under the laws of any country or political subdivision thereof;
- (g) Condoning Misconduct, including instances of Harassment and Bullying, of others by actively or passively allowing such Misconduct to occur and/or failing to report such Misconduct, as required under the Code of Conduct;
- (h) Retaliation, including threats to retaliate, against those who in good faith report allegations of unsatisfactory behavior or Misconduct to the attention of Management or who avail themselves of ADB's grievance procedures;
- (i) Unauthorized disclosure inside or outside of ADB of confidential or sensitive information, including information relating to other Staff, or persons, member countries or others associated with ADB or to the operations or administration of ADB, its departments, offices or processes;
- (j) Harassment, Bullying, physical, sexual, psychological or verbal assault and threats against others, whether Staff, supervisors, consultants, service providers or others;
- (k) Reporting a suspected Integrity Violation or Other Misconduct to an entity or individual outside of internal mechanisms<sup>1</sup>;
- (l) Falsely and/or maliciously reporting or alleging Misconduct, including Integrity

Violations, Bullying and Harassment; or

(m) Failing to maintain confidentiality during the assessment of allegations of Misconduct, Investigation, deliberations and disciplinary proceedings, and administrative review and appeals process.<sup>2</sup>

## Appendix 2

### CONFLICT OF INTEREST

1. Conflicts of interest can make it difficult for Staff to fulfil their official duties, adversely affect the activities of ADB and reflect poorly upon the efficacy or integrity of the institution.
2. In general, a conflict of interest, or potential conflict of interest, arises when an individual holds two positions or has two sets of interests, one of which embodies or potentially embodies different responsibilities, duties or interests, and
  - (a) one of those positions or interests might inappropriately influence her/his actions or decisions in the other position, or otherwise might impair her/his objectivity in discharging her/his responsibilities, and/or
  - (b) circumstances create a risk that the judgment or actions regarding one role or interest will be (or could be) unduly or inappropriately influenced by the second role or interest.

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<sup>1</sup> See AO 2.10 on external reporting.

<sup>2</sup> As set out in AO 2.06.

3. A similar concern arises in circumstances where a perception of a conflict exists, regardless of whether there is an actual conflict or not. Even a perception of a conflict of interest can affect public or stakeholder confidence in Staff or ADB or the competence or integrity of processes or manner by which Staff or ADB conducts its affairs or the reputation of Staff, management or ADB. Accordingly, Staff have an affirmative duty to avoid even the appearance of conflicts of interest.

4. A Staff should be sensitive to her/his work, duties and responsibilities in her/his role for ADB, and the possible perceptions of other Staff, stakeholders and persons outside ADB. Even where an obvious conflict does not arise, a bias or perception of bias may create the perception of conflict. A Staff should not be presumed to be biased merely on the basis of a point of view, preference and perspective, but a Staff's bias that is motivated by factors or circumstances that are not directly related to the fair and faithful discharge of her/his responsibilities constitute a conflict of interest or an appearance of a conflict of interest.

5. A conflict of interest also exists when a Staff is engaged in decision making, advisory, relationships and other activities and situations giving her/him the opportunity, perception or potential to influence decisions and processes that could lead to any of the following:

- (a) personal gain or gain for friends or Close Relatives;
- (b) an actual, potential or apparent conflict of interest described above; and/or
- (c) improper benefit or advantage to persons or parties within or outside ADB.

6. Below are examples of circumstances in which actual, potential or perceived conflicts of interest can arise, recognizing that it is not possible to provide an exhaustive list of examples or criteria for cases of conflicts:

- (a) Gifts, honoraria, and benefits conveyed or promised to Staff, friends of Staff or Close Relatives (Code of Conduct, paragraph 4.25);
- (b) Former employment or employers of Staff, and/or any relationships and interests relating thereto (See Code of Conduct, paragraph 4.24);
- (c) Prospective future employment or employers, and any relationships arising from the discussions or agreements regarding Staff's prospective future employment (See Code of Conduct, paragraph 4.24);
- (d) Former or prospective employers of Staff who are also associated with ADB or ADB projects or Close Relatives (See Code of Conduct, paragraph 4.24);
- (e) Information acquired during Staff's tenure at ADB (See Code of Conduct, paragraph 4.35);
- (f) Contracting for consultancies, goods or services in relation to ADB, ADB projects or operations;
- (g) ADB time, property and other resources; and
- (h) Positions and/or influence in Staff's role or on panels or working or advisor groups.

### *Handling Conflicts and Perceived Conflicts of Interest*

7. A Staff who is involved in, or who has knowledge of, any actual, potential or perceived conflict of interest shall consult and/or make a full disclosure of its nature, circumstances and material facts to OPC as soon as the Staff becomes aware of the situation. Staff are deemed to have knowledge of matters, and to be aware of matters, as to which staff has actual knowledge or, through reasonable care and diligence, would reasonably be expected to have such knowledge.

8. If OPC deems it appropriate, OPC will consult with OAI, BPMSD and/or OGC, in relation to the risk assessment of any actual, potential or perceived conflict of interest. OPC shall take account of all available facts and circumstances, and make the necessary recommendations or take appropriate actions to eliminate or mitigate any such conflict or reasonably foreseeable adverse consequences that might arise therefrom.

9. If an actual, potential or perceived conflict of interest arises:

(a) The affected Staff should immediately recuse herself/himself or otherwise remove herself/himself from the particular action, decision, role or circumstance, and take other reasonable action to avoid or mitigate such conflict or the adverse consequences thereof.

(b) Staff may seek guidance in the handling of any such conflict from OPC.

### Appendix 3

## **CLEARANCE PROCEDURES FOR DISCLOSURE OF NON-PUBLIC INFORMATION OR FINANCIAL AND BUSINESS INTERESTS, EXTERNAL PUBLICATION OR SPEAKING IN UNOFFICIAL CAPACITY, BENEFITS FROM BANK TRANSACTIONS AND MEDALS, DECORATIONS AND SIMILAR HONORS**

### **1. DISCLOSURE OF NON-PUBLIC INFORMATION OR ITS USE FOR PRIVATE ADVANTAGE**

If any ADB non-public information will be used in any publication or public statement, Staff must submit a written request, containing all relevant information, to the OPC for approval through their Head of department/office and the Principal Director, DOC or, in the case of former Staff, through the Principal Director, DOC. Any portion of a text which might be sensitive or may include confidential information should be highlighted. In considering such request, OPC shall seek the views of the relevant Head of department/office and the Principal Director, DOC.

### **2. DISCLOSURE OF FINANCIAL AND BUSINESS INTERESTS**

Disclosure of financial or business interests as referred to under paragraph 4.23 of the Code of Conduct shall be made promptly and in writing to OPC. Director, OPC, in consultation with the relevant Head of department/office and the Head OAI, will consider the risks of actual, potential or perceived conflicts of interests and will provide the Staff instructions in writing on whether to proceed with, modify or abstain from the exercise of responsibility.

### **3. EXTERNAL PUBLICATION OR SPEAKING IN A STAFF MEMBER'S UNOFFICIAL/PERSONAL CAPACITY**

This Section provides for the authorization procedures required under paragraph 4.19 of the Code of Conduct for external publication, or speaking in a Staff's personal capacity, about policies or activities of ADB or any national political questions. These activities include, but are not limited to, publishing books, articles, websites, letters to editors and opinion editorials, and promotional materials; speeches and presentations; and media interviews. Staff seeking approval shall:

- (a) inform the publisher, journalist, or event organizer that submission or participation is in a personal capacity, not as a representative of ADB;
- (b) ensure that the publisher includes a disclaimer stating that the views expressed do not reflect the views of ADB; and
- (c) ensure that ADB's logo is not used in connection with the activity.

Staff shall obtain written approval from Director, OPC. Prior to providing such approval, Director, OPC shall seek the views of the concerned Head of department/office (or, Management, if the request is from a Head of department or office) and may also consult Principal Director, DOC as appropriate.

#### 4. EXTERNAL GIFTS, BENEFITS, FAVORS OR RECOGNITION GIVEN TO ADB PERSONNEL

ADB Staff are prohibited, and must ensure that their Close Relatives refrain, from accepting gifts, benefits, favors, medals, decorations or similar honors from sources external to ADB with respect to any ADB transaction. However, pursuant to paragraphs 4.25(d) of the Code of Conduct, ADB Staff may accept such gifts, benefits, favor, medals, decorations or similar honors, when they find themselves in situations or circumstances that make it difficult to refuse or decline. The following procedures shall apply:

A. **Benefits or Favors.** "Benefits or favors" shall include, but not be limited to, invitations or gift vouchers for free meals, hotel accommodation, club membership, vacation, travel, rebates or special, exclusive privileges and the like. ADB Staff receiving any benefit, favor or invitation shall, as soon as possible, before the event or within 2 days after the event:

(1) Prepare a memorandum declaring the following relevant information, among others:

- a. Nature and particulars of the benefit, favor or invitation;
- b. Name of the sponsoring entity, including persons extending the benefit, favor or invitation, their respective designation and contact particulars, if there are any;
- c. If the sponsor is related to or has any interest of whatever nature in any ADB financed activity; and,
- d. Circumstances that make it difficult, if not impossible, to refuse the benefit, favor or invitation.

(2) Submit the memorandum to OPC, with a copy to Staff's immediate supervisor or the appropriate senior Staff exercising line authority over Staff following ADB's organizational chart, as follows:

Vice-President, Managing Director General, Heads of Departments/Offices reporting directly to the President or Board of Directors	President
Department/Office Head or equivalent management Staff reporting to Vice-Presidents	Respective Vice President
Deputy Head, Division Director or equivalent management Staff	Department/Office Head
Other Staff	Respective Division Director
Directors' Advisors	Through the Executive Director, to the Director General, BPMSD

B. **Gifts.** "Gifts" include, but are not limited to, works of art like paintings, sculptures, murals, national costumes, tapestries and collectors' items; souvenirs and consumable items that deteriorate as a result of use like wines, liquors, beverages and other perishable food stuffs.

These procedures shall apply to all gifts, with or without inscriptions.

(1) ADB Staff receiving any gift shall accomplish and sign the Gifts and Souvenirs Report, as issued and amended from time to time by the Office of Administrative Services (OAS), and declare relevant information, including but not limited to those enumerated in paragraph 4(A) (1) above, as may be applicable;

(2) The gift with fully accomplished Gifts and Souvenirs Report shall be submitted to OAS, through the concerned ADB personnel's immediate supervisor and/or appropriate senior Staff exercising line authority over her/him under ADB's organizational chart, as provided paragraph 4A(2) above.

(3) Consumable items that easily perish or expire like wines, liquors, beverages and other perishable food stuffs, shall not be physically submitted to OAS. The concerned Head of department/office may return the consumable items to the recipient, raffle them among the Staff in the department/office, or dispose of the consumable items by other means as the Head of department/office may deem appropriate.

(4) Using the most appropriate and practicable means available, OAS' Logistics Management Unit ([OAS-LM](#)) shall assess the approximate market value of all gifts submitted to OAS, except the following:

a. Gifts that may be considered works of art because of their aesthetic and artistic value like paintings, sculptures, murals, national costumes, tapestries and collectors' items, among others. Works of art shall instead be registered as ADB property and displayed under OAS' Institutional Art Program.<sup>1</sup>

b. Perishable items that Departments/Offices decide to retain under the preceding paragraph.

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<sup>1</sup> Started as the ADB Art Collection in 1968 upon invitation of then ADB President for member countries to contribute decorative pieces of modest value, representing to the extent possible, the genius, the culture and the special proficiency of the member countries at the Headquarters building as a tangible and visual evidence of the presence and the participation of the countries and the peoples that have gotten together to establish and operate ADB.

(5) Gifts determined to be worth not more than US\$50 shall be returned to the concerned Head of department/office, who shall decide the most appropriate manner of disposing the gift, i.e., by returning the item to the recipient, raffling it among Staff in the department/office or other means deemed appropriate.

(6) [OAS-LM](#) shall auction, by itself or through an accredited organization, gifts that are determined to be worth more than US\$50. Proceeds of the auction shall be donated to a charity to be chosen by OAS.

**C. Recognitions** – “Recognitions” refer to honorific titles, that may sometimes be represented by medals, awards, decorations, citations or similar items or honors given in recognition of work done by ADB and/or ADB personnel. The following procedures for handling recognitions shall apply:

(1) Staff concerned shall, as soon as possible before or after the event, submit a written

statement with the relevant particulars, together with the item received (if any), to OPC who, in consultation with the Head of department/office, will resolve the issue and decide on the matter. If the recognition given has political implications, OPC shall consult with the President.

(2) OPC shall decide whether to announce internally (e.g. in ADB Today) the receipt of the medal, decoration or similar honor and the name of the Staff awarded such honor.

(3) The recognition item shall then be submitted to OAS with the accomplished Gifts and Souvenirs Report. OAS shall classify and handle submitted recognition items, as follows:

*a. Recognition items given to Staff with the name of Staff and/or the name of a department/office inscribed on them.* Except when the recognition item qualifies for display under the OAS' Institutional Art Program and is registered as ADB property, OAS shall return the item to the concerned Head of department/office who may decide to display the item in the department/office, or return such item to the Staff whose name is inscribed on the recognition item.

Heads of department/office or the concerned supervisor may allow Staff to display these items in their office or work station in ADB.

*b. Recognition items given to ADB as an institution with the name of ADB inscribed on them.* OAS shall register these recognition items as ADB property and display them under OAS' Institutional Art Program.

*c. Recognition items without inscription.* OAS shall register these recognition items as ADB property and display them under OAS' Institutional Art Program.

(4) The preceding procedures in handling recognition items notwithstanding, OAS may decide to register as ADB property and display any recognition item under OAS' Institutional Art Program or dispose of the item, if it is of value, following the procedures prescribed in paragraph 4B above.

(5) OAS shall designate areas where recognition items may be displayed, as appropriate.