

PROCEDURE
for Receiving and Handling Complainant Reports in the
International Investment Bank

Moscow, 2014

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1. GENERAL

1.1. Scope of Application and Basic Provisions

1.1.1. This Procedure for Receiving and Handling Complainant Reports in the International Investment Bank (hereinafter, the “Procedure”) is formulated in accordance with the generally accepted approaches and unified documents used by leading international financial institutions to implement the principles of openness and transparency, social responsibility, compliance with applicable ethical and corporate standards and combat corruption, fraud, and any other prohibited operations.

1.1.2. The primary purpose of this Procedure is to create in the International Investment Bank an effective instrument for receiving, treating, and responding to complainant reports coming via the relevant communication channels on breaches in the activities of the Bank, its staff members, and its counterparties related to:

- involvement or suspected involvement by the Bank, its staff members, or its counterparties in any operations prohibited in the IIB;
- noncompliance by staff members with their employment duties or with the requirements set forth in the Code of Conduct or their misconduct;
- failure by the Bank to disclose or incomplete disclosure by the Bank of information in accordance with the Policy [1].

1.1.3. The goal of introducing this Procedure into the IIB as an instrument for receiving, treating, and responding to incoming complainant reports is to:

- ensure that the interests of the Member Countries of the Bank, its counterparties, and its investors are protected;
- make internal control and compliance tools more effective;
- prevent and combat conflicts of interest, fraud, misconduct, corruption, including abuse of official capacity, official noncompliance, and any other prohibited operations and offenses;
- implement a mechanism for interaction and discussion between the Bank and the parties involved with respect to revealed breaches in specific areas of the activities of the Bank, its staff members, and/or counterparties.

1.1.4. Upon conducting a preliminary investigation into any complainant report, the Bank reserves the right to ignore the information contained therein if such information fulfills either of the conditions specified below:

1.1.4.1. Such information fails to be consistent with the purpose of this Procedure;

1.1.4.2. Such information describes a breach that occurs before the effective date of this Procedure.

1.1.5. The rules for handling the reports that fail to conform to the purpose of this Procedure, including in relation to whether the IIB projects are consistent with the goals and objectives of the Bank’s establishment, shall be laid down in a separate regulatory document of IIB.

1.1.6. The provisions of this Procedure shall apply to all divisions of the Bank.

1.1.7. Division initiating this Procedure and responsible for its timely updating: Compliance Department.

1.2. Terms and Definitions

As used for the purposes hereof, the following terms shall have the meanings defined below:

Term	Meaning
Complainant	Any person that sends a complainant report to the Bank.
Prohibited operations	Acts done by the Bank's staff members, its counterparties, and/or third parties and aimed at money laundering and the financing of terrorism, corrupt practices, acts aimed at fraud or done under pressure, under extortion, or in collusion to wrongfully influence any party or commit any other offenses.
Corrupt practices (corruption)	Abuse of official capacity, extortion, bribery, abuse of authority, kickbacks, or any other jobbery aimed at obtaining any benefit in the form of money, items of value, other property, or pecuniary services personally or for third parties.
Fraud	Deliberate deception, infringement of rules or standards for activities, asset misappropriation, or data manipulation.
Breach	Suspected or committed act related to involvement in prohibited operations, misconduct, official noncompliance, or failure to comply with the requirements of the Policy [1].
Misconduct	Staff members' conduct that violates or is inconsistent with the Bank's internal documents, including the requirements of the Code [2] and other regulatory documents [including 3, 4, and 5].
Official noncompliance	Failure by the Bank's staff members to comply with their employment duties provided for internal regulatory documents, regulations for divisions, and/or job descriptions.
Complainant report	A written message sent to the Bank with respect to: <ul style="list-style-type: none"> - suspected or alleged involvement in prohibited operations, misconduct, or official noncompliance; - suspected restrictions on the disclosure or dissemination of any information that is subject to disclosure in accordance with the Policy [1].

1.3. Abbreviations

As used herein, the following abbreviations shall have the meanings set forth below:

Abbreviation	Meaning
Bank, IIB	International Investment Bank
CD	Compliance Department

2. BASIC PRINCIPLES

2.1. The IIB shares, follows, and strives to ensure compliance by its activities with the generally accepted principles of investigations applied by leading international financial institutions (International Financial Institutions Principles and Guidelines for Investigations, International Financial Institutions Anti-Corruption Task Force, September 2006).

2.2. The Bank's staff members and its counterparties under agreements with the Bank shall provide information on any involvement or suspected involvement by the Bank, its staff members, or its counterparties in any prohibited operations, official noncompliance, misconduct, and failure to comply with the Code [2].

2.3. The division responsible for conducting and coordinating (preliminary) investigations into complainant reports shall be the CD.

2.4. The purpose of any investigation is to confirm the reliability of information contained in a complainant report.

2.5. Any investigation shall be conducted on condition that objectivity, impartiality, and fairness are ensured and that the Bank's ethical standards are conformed to. In this connection, any investigation shall be as independent of all parties involved as possible and no pressure or influence shall affect its findings. An investigation with respect to the CD's staff members may be entrusted to other staff members appointed by the Bank's management.

2.6. The CD's competences in conducting investigations shall be set forth in the internal documents [6 and 7] to be disclosed to the parties involved in accordance with the Policy [1].

2.7. The CD shall, on an annual basis, submit to the Chairman of the Board a final report on investigations into received complainant reports. The CD shall be responsible for the completeness of such final reports and for including in such final reports information on concerning all complainant reports received by the Bank and concerning the findings thereof.

2.8. Conducting investigations and submitting final reports on investigations shall be subject to measures to protect confidential information, including measures to prevent any personal information of the parties involved from being disclosed. Confidential information shall be treated in accordance with the Regulations [8].

2.9. Any information obtained from investigations shall be based on confirmed facts and reasonable judgments. The findings of investigations shall form the basis for recommendations for the Bank's management.

2.10. The Bank shall not pay or provide any compensation-free unreasonable services to any persons that make complainant reports.

3. PROCEDURE FOR RECEIVING COMPLAINANT REPORTS AND CONDUCTING INVESTIGATIONS

3.1. Receiving Complainant Reports

3.1.1. The CD accepts for preliminary investigation all complainant reports received via communication channels, including reports received from anonymous or confidential sources. If requested by any complainant, the Bank shall ensure that information on such complainant is not disclosed. However, such information may be disclosed if required by internal regulatory documents or specific decisions made by the Bank's management bodies.

3.1.2. Complainant reports may be sent via the following communication channels:

3.1.2.1. Directly to the CD as an office memorandum (in the case of IIB staff members);

3.1.2.2. By mail marked "for the attention of the Compliance Department" to ul. Mashi Poryvaevoy, 7, Moscow, 107078, Russia;

3.1.2.3. By email at compliance@iibbank.com;

3.1.2.4. By online form at iibbank.com;

3.1.3. All received complainant reports shall be recorded by the CD on the Complainant Report Register in the form set forth in Annex 1 to this Procedure.

3.1.4. In order to comply with such principles of conducting investigations as provided for in paragraph 2.5, it is recommended that complainant reports contain the information set forth in Annex 2 to this Procedure and that complainant reports be sent as soon as possible after any breaches are revealed or suspected.

3.1.5. The CD shall conduct preliminary investigations into any received complainant reports in accordance with the procedure set forth below:

3.1.5.1. It shall be established whether the essence and nature of a complainant report is consistent with the purpose and time limit specified in paragraph 1.1.4 hereof. If any complainant report fails to be consistent therewith, then received information shall be documented and it shall be decided that no investigation shall be conducted.

3.1.5.2. The relevance of a complainant report, the reliability of received information, and the credibility of an information source shall be assessed. If the relevance and reliability of any received information or the credibility of any complainant is not confirmed, then received information shall be documented and it shall be decided that no investigation shall be conducted.

3.1.5.3. The expedience of an investigation shall be assessed. The scope, form, planning and implementation tools for an investigation, and necessary resources shall be determined by the CD with due consideration to the materiality of possible breaches and their implications.

3.1.6. A preliminary investigation shall be conducted into each committed/suspected breach.

3.1.7. If a complainant provides his/her contact information, the CD shall inform him/her of the decision concerning the findings of the preliminary investigation and of the decision to refer or not to refer the complainant report to an investigation.

3.1.8. The Bank's staff members and any other persons may contact the CD for clarification on the application of this Procedure by calling the hotline at +7 495 604-75-80.

3.2. Conducting Investigations

3.2.1. Upon conducting any preliminary investigation, the CD shall decide to conduct an investigation. Any investigation shall be conducted within the shortest possible time allowed by available resources and information.

3.2.2. For the purposes of any investigation, the CD has the right to:

3.2.2.1. Have unobstructed access to all necessary information, including in relation to staff members, and to the Bank's archives and property.

3.2.2.2. Interview staff members, representatives of the Bank's counterparties, and any other persons related to breaches under agreements therewith. Any interview shall be conducted by at least two staff members, one of them being a staff member of the CD.

3.2.2.3. Engage the Bank's divisions with due consideration to their competences and functions and any third party, including consultants and translators. The heads of the Bank's divisions shall be obligated to provide assistance with investigations and provide access to all necessary information and the Bank's property.

3.2.2.4. Request the Chairman of the Bank's Board to temporarily deny access to the Bank's premises and official information, restrict or suspend the performance of employment duties, or impose any other permitted restrictions on a person subject to investigation based on a complainant report.

3.2.3. The CD shall accept for consideration from all parties involved the information sent by them, including explanations and arguments concerning breaches.

3.2.4. The CD shall apply its best efforts to conduct investigations into the information contained in complainant reports and justify the findings of investigations. The conclusions and findings of any investigation shall be documented as an office memorandum addressed to the Chairman of the Bank's Board for deciding on each breach.

3.2.5. If a complainant provides his/her contact information, the CD shall inform such complainant of the findings of the investigation.

4. SUPPLEMENTARY PROVISIONS

4.1. If any agreements are signed with counterparties for financial resources provided by the Bank or any agreements are signed for the Bank's payment for work, goods, or services, then the Bank shall, subject to the provisions of such agreements and with the aim of combating breaches, reserve the right to access and copy any information and records of such counterparties with respect to the agreements therewith.

4.2. The CD may interact, including exchanging information, with the relevant divisions of international organizations and other institutions in order to share experience, ideas, practices related to organizing the procedures for handling complainant reports and associated issues.

4.3. With the approval of the Chairman of the Bank's Board, the CD may send information concerning a received complainant report to the competent authorities of the country where the events related to any breach occurred.

4.4. The Bank shall protect any complainant that is a staff member making a complainant report against any adverse consequences or actions resulting on the part of other staff members of the Bank from the complainant report made by such complainant. The Bank may hold disciplinarily liable any staff members that influence or intend to influence any person that makes a complainant report in good faith.

5. FINAL PROVISIONS

If the Agreement on the Establishment of the International Investment Bank and its Statutes are amended, this Procedure and any amendments hereto shall apply to the extent that nothing herein is inconsistent with any new legislative acts or any other regulations or the Agreement on the Establishment of the International Investment Bank or its Statutes.

6. LIST OF REFERENCES

1. Policy on the Disclosure of Information of the International Investment Bank to External Users approved by Order No. 99 of November 1, 2013.
2. Code of Conduct approved by Order No. 100 of November 7, 2013.
3. Regulations for the Procedure for Conflict of Interest Management approved by Order No. 73 of July 16, 2013.
4. Rules for Working Conditions approved by Order No. 106 of December 23, 2013.
5. Internal Regulations approved by Order No. 37 of March 26, 2014.
6. Compliance policy of the International Investment Bank approved by Order No. 72 of July 16, 2013.
7. Regulations for the Compliance Department approved by Chairman of the Board N. N. Kosov on March 14, 2014.
8. Regulations for the Procedure for Protecting Confidential Information in the International Investment Bank approved by Order No. 116 of May 28, 2014.

Annex 1
*to the Procedure for Receiving and
Handling Complainant Reports in the
International Investment Bank*

Complainant Report Register

Serial No.	Complainant	Report Receipt Date	Report Summary	CD Opinion Date and Number	Note

Sample Information to Be Included in the Complainant Report

1. Personal information (at the complainant's discretion):

- Name;
- Company name (if applicable);
- Contact information: residence address (country, city, street, apartment/office, postal code), telephone, email.

2. Subject (corruption, misconduct, AML/CFT, etc.).

3. Complainant report. Specify what, when, where, and how, describing the reported noncompliance, who has committed such noncompliance, how such noncompliance is connected with the Bank, and any other information necessary for your complainant report to be considered.

4. Questions desirable to be answered in a complainant report:

- Do you want us to contact you?
- Do you want to receive information about the results of handling your complainant report?
- Do you want your personal information to be kept in confidence?
- How do you expect the Bank to act on your complainant report?
- Can you provide any documents or other information to support what is contained in your complainant report?