

The Policy for the Disclosure of the International Investment Bank's Information to External Users

I. General

1. The Policy for the Disclosure of the International Investment Bank's Information to External Users (hereinafter referred to as the "Policy") aims to assist in achieving the goals and objectives determined by the Bank Establishment Agreement and its Articles of Association.
2. The Policy has been prepared in furtherance of the Basic Principles of the International Investment Bank's Information Policy approved at the eighty fourth meeting of the IIB Council on November 22-23, 2006, as related to information disclosure.
3. The Policy is a regulatory document determining the procedure for and principles of the disclosure by the International Investment Bank of any information concerning its activities.
4. The International Investment Bank gives top-priority attention to the disclosure of any information about the Bank and its activities. Any disclosure is intended for the IIB's customers and partners in the member states as well as for a broader spectrum of external users in accordance with the IIB's status of an international development bank. According to the Bank's corporate values, the disclosure of material and reliable information is the main element of sustainable development and promotion of the IIB in the member states and in the international financial markets.
5. This Policy is intended to contribute to the enhancement of the transparency of the Bank's activities, the implementation of the Basel II requirements as related to proper disclosures, ensuring that the Bank's mission is effectively fulfilled, the strengthening of partner relations with all stakeholders, and enhancing the Bank's reputation among existing and potential partners.
6. To observe the confidentiality measures and protect the interests of the member states as well as those of its counterparties, the Bank shall be guided by the Regulations for Ensuring Protection of Confidential Information approved by IIB Order No. 116 dd. May 28, 2010.
7. As a multilateral financial institution, the IIB is accountable to the member states in any matters concerning the management of financial resources. The Bank shall take into account the member states' interests and provide all the necessary information for the taking of reasonable decisions.
8. Any disclosure concerning the financial position and investment activities of the IIB will contribute to counterparties and potential investors forming a fair opinion about the Bank.
9. The Bank shall take measures to provide its employees with any information required to fulfill their job duties in compliance with this Policy.

II. Terms and Definitions

10. The following basic terms and abbreviations are used for the purposes of this Policy:

“Bank, IIB” means the International Investment Bank;

“External Users” mean any persons external to the Bank who/which are interested in obtaining information about the Bank's activities;

“Confidential Documents”¹ means any documents presented on a material medium and containing any confidential information to which the access is restricted and in respect of which a specific non-disclosure mode is established;

“Confidential Information” means any documented information to which the access is restricted by the Bank and in respect of which a specific non-disclosure mode is established;

“Corporate Site” means the IIB's Internet page intended for public access by external users – www.iibbank.org;

“Multilateral Financial Institution” means any institution established on the basis of any interstate (international) agreements dealing with international finances; and

“IIB member states”, “member states” mean the Republic of Bulgaria, the Socialist Republic of Vietnam, the Republic of Cuba, Mongolia, the Russian Federation, Romania, the Slovak Republic, and the Czech Republic.

III. The IIB's Mission

11. The International Investment Bank is a multilateral financial institution established in 1970, with its activities focused on encouraging social and economic development, promoting public welfare, and expanding cooperation among the member states.

12. The main objective of the Bank is granting arm's length loans to implement joint investment projects and programs, to develop the national economies of the Bank's member states (paying particular attention to supporting small and medium-sized business in the member states and participation in the financing of socially significant infrastructure projects), and to carry out activities related to the participation of the IIB's member states in the global economic processes as well as for any other purposes determined by the Bank's Council and consistent with the IIB's mission and objectives.

IV. Information Disclosure Principles

¹ In accordance with the “Regulations for Ensuring Protection of Confidential Information” approved by Order No. 116 dd. May 28, 2010.

13. For the purposes of implementing this Policy, the Bank is guided by the following information disclosure principles:

13.1. *Principle of Openness.* The Bank discloses information concerning its activities, including the information concerning the financial position, the major decisions made by the Council, the development plans and prospects for both the IIB's customers and partners in the member states and the public, and seeks to exploit all opportunities to explain its working principles to an audience as wide as possible.

13.2. *Principle of Transparency.* The Bank seeks to disclose to external users, as fully as possible, the information concerning its activities, strategic lines of business, main regulatory documents, organized events, etc.

13.3. *Principle of Compliance Control.* In the disclosure process, the Bank is guided by the standards of the IIB's existing compliance control system which serves to ensure information disclosure in strict conformity with the Bank's established procedures and rules, including the requirements of this Policy. The compliance control system aims to identify, assess, and mitigate any possible risks or damage which may be caused to the Bank's counterparties or partners as a result of any improper disclosure.

13.4. *Responsibility to member states.* As a multilateral financial institution, the IIB is responsible for the use of the member states' funds and for the management of the same according to its mandate. The Bank shall, without fail, inform the member states of its work, in general, as well as about any major changes in its activities. The IIB shall prepare and send to the member states information required for the taking of informed decisions.

13.5. The IIB shall, on a priority basis, cooperate with the *partners adhering to the information disclosure principles in respect of their activities*. The commitment to the principles of transparency and openness is conducive to mutually beneficial cooperation as well as to enhanced reliability of investment.

13.6. *Protection of Customers' Interests.* The IIB shall give due consideration to any matters related to the confidentiality of any information affecting the customers'/counterparties' interests. The Bank shall respect the legitimate rights of its customers'/counterparties as related to the protection of confidential information. The implementation of this principle is not contrary to the principles of openness of information on the Bank's activities.

13.7. *Principle of Objectivity.* No information disclosed by the Bank shall be biased. The IIB shall provide trustworthy information concerning its activities.

V. Target Groups

14. The IIB shall cooperate with external users in matters related to its basic areas of business.

15. The target groups are:

- international, regional, and sub-regional (financial) integration associations (including chambers of industry and commerce, professional associations, cooperation commissions, and so forth);

- multilateral and national development institutions and banks with equity participation by development institutions;
- state financial institutions;
- expert community;
- key commercial, investment, and export-import banks of the member states as well as of any third countries;
- investment funds;
- potential customers and counterparties of the Bank;
- government organizations and any other public and administrative authorities; and
- mass media.

VI. Disclosed Information

16. Information Concerning Activities

16.1. *Information Concerning the IIB's Development Strategy.* The Bank shall develop a long-term Development Strategy which shall be based on the analysis of both the external factors and the internal conditions of the Bank's operation, its potential in the member states' markets and in the international financial markets, its strengths and weaknesses, opportunities and threats, as well as of the main relevant risks faced currently and in the years immediately ahead. The main provisions of the long-term strategy shall be open to the public.

16.2. *Information Concerning Country Strategies.* The Bank shall, in cooperation with the member states, develop and approve country strategies which shall take into account the national interests of the member states, provided, however, that attention is given to the financial-and-economic component. The main provisions of the country strategies shall be open to the public.

16.3. *Information Concerning Products and Services.* The IIB shall disclose to the general public the information concerning the products and services rendered, including their key characteristics, as well as any documents required to close a transaction.

16.4. *Information About Projects.* The IIB shall inform external users about the current project activities through the publication of project summaries. Such information shall be prepared for each project being implemented and shall include a description of the main project characteristics and anticipated investments. The IIB tends to publish no information about any projects at the approval stage. Any disclosure shall be made following the signature of a loan agreement and subject to the terms and conditions of the agreements entered into by the IIB.

16.5. *News About the Bank's Activities.* The IIB shall regularly publish updated information and news about its operating activities. The reports about the major decisions made by the member

states and the Bank's management which may be of interest to external users shall take the form of press releases or any other forms.

17. Institutional Information

17.1. The Bank's constituent documents, including the Agreement to Establish the International Investment Bank and its Articles of Association.

17.2. Information concerning the governance system, including the data on the member states, the corporate governance bodies (the Council, the Management Board, the Internal Audit Commission, the internal committees, the organizational structure), the main operational principles, the rules, and the policies. Among other things, the basic provisions of the following regulatory documents are subject to disclosure: the Main Principles of the Credit Policy, the Risk Management Strategy, the Compliance Control Regulations, the Policy for Anti-Money Laundering and Combating the Financing of Terrorism and for Fraud and Corruption Management, and the Policy for the IIB Information Disclosure to External Users.

17.3. Financial Information About the Bank. The annual report on the Bank's activities shall be published once a year and shall be open to the public. Such report shall contain information about all material aspects of the Bank's activities as well as the audited financial reporting.

17.4. Information About the Bank's Credit Rating. The Bank shall publish information about the current credit ratings in order to develop operations in the international financial markets.

18. For the exchange of any documents or other information with the counterparties as part of banking activities, the IIB shall be guided by the international practice, the rules of international law, and the Bank's applicable regulatory documents.

VII. Privileged Information

19. In the matters of cooperation with the external users interested in the Bank's activities, the IIB is committed to the fundamental principles of openness and transparency. In individual cases, public access to information may be restricted where the disclosure of such information in terms of its content, wording, or due dates may cause harm to the interests of the Bank, the member states, or the Bank's personnel.

20. In accordance with the Bank's internal documents, individual documents and information are subject to a non-disclosure mode (i.e. any data which constitutes a bank or commercial secret or is related to the personal data on the employees or any individuals working for the bank under civil law contracts). Those documents and information are not subject to disclosure beyond the Bank. In this connection, the Bank shall determine an appropriate mode for using that kind of information.

21. No minutes or materials of the meetings of the IIB Council, the Internal Audit Commission, and the collegial bodies of the IIB, nor any internal documents or memoranda prepared by the Bank for the management bodies concerning the decision making process, are subject to disclosure, except where the disclosure of the said documents has been approved by the Council or the Management Board of the Bank.

22. No information on counterparties is subject to disclosure because it is provided to the Bank on the terms and conditions of the respective agreements and because of confidential legal relations established between the parties. Any documents or information may be disclosed beyond the Bank subject to the source of such documents or information consenting to such disclosure.

23. Any materials held by the Bank and copyrighted by any other persons/entities may be made available to any third parties for review; however, they may not be copied, cited, or disseminated unless with the permission of the copyright owner.

24. In its activities the IIB cooperates with diverse counterparties. In this connection, no documents exchanged by the Bank and dealing with any matters of mutual interest or with the decision making process for specific transactions are subject to disclosure.

25. The personal data files as well as the records of consideration of their complaints and investigations may only be disclosed beyond the Bank to the extent permitted by the labor laws of the country of residence.

26. Any of the published documents of the Bank may be used by any external users subject to their contents or data remaining unchanged as well as with mandatory reference to their source. However, any commercial use of the materials will, in each case, require a prior written consent of the IIB.

27. Any commercial use of the Bank's logo or name will require the IIB's permission in writing. For that matter, the International and Public Relations Department (IPRD) shall be the main contact for the stakeholders.

VIII. Access to Information

28. The corporate site is the main channel for the disclosure of any public information about the Bank and its current activities in accordance with this Policy. Information concerning the IIB's activities can also be obtained from published materials, specifically: the information bulletin, the annual report, a variety of booklets and presentations, and any other information materials.

29. For information disclosure, the Bank shall also use other appropriate methods, depending on the nature of information and anticipated target groups. The IIB pursues an open policy with respect to mass media, thus contributing to active information sharing with the public concerning important events and news about the Bank's activities.

30. Any information which is not available on the IIB's corporate site can be requested from the Bank. The IPRD shall serve as the main contact for stakeholders and, to the extent necessary, engage the responsible business units to prepare a reply to an inquiry. Normally, the Bank shall provide answers solely to clearly-worded questions.

31. In preparing answers to inquiries, the responsible business unit shall determine whether the information requested can be disclosed in accordance with this Policy. To disclose any information, the responsible business unit shall obtain an opinion from the Compliance Control

Department and, where necessary, the Legal Department. The prepared answer shall be delivered to the IPRD to be subsequently forwarded to the requester.

32. The IIB's working language is Russian. In this connection, the Bank shall reply to any information provision inquiries in Russian. To the extent that any requests received are drawn up in any other languages, the IIB will make reasonable efforts to provide an answer in the respective language.

33. The time necessary to prepare a reply to information requested is normally 30 calendar days or less from the date of receipt of the written request. To the extent that any additional time is required to prepare a reply, the IIB will contact the stakeholder requesting information to advise him/her of the tentative period needed to prepare a reply.

34. If the Bank receives a large amount of requests for the same information, the IIB may publish the respective data on its corporate site rather than send replies to each of them.

35. According to the provisions of this Policy, the Bank shall make a decision about the list of documents published on the Bank's corporate site or in hard copy as well as about the list of documents available solely upon request.

IX Monitoring and Implementation of the Information Disclosure Policy

36. The IIB's Management Board shall, upon the recommendation of the IPRD, approve an updated list of materials published on the IIB's corporate site at least once a year or on an as needed basis.

37. The IPRD shall continuously monitor and annually report to the IIB's management on the implementation of this Policy, including the types of information requested.