



## CODE OF BUSINESS ETHICS AND STANDARDS OF CONDUCT-2023

### Overview and Scope

The Code of Business Ethics and Standards of Conduct (the “Code”) of MCA-Mongolia HR Manual aims ensure that all MCA-Mongolia staff members are fully aware of MCA-Mongolia expectations and policies regarding ethical business practices and standards of conduct and are therefore conduct themselves accordingly. The present Code serves as both fundamental administrative rules and guiding principles, and to reinforce that MCA-Mongolia is committed to conform itself with the spirit and provisions of all relevant laws, regulations and policies, to support and respect fundamental human rights and to ensure that it operates and conducts its administration according to the highest ethical standards.

All staff and agents of MCA-Mongolia are required to provide annually to MCA-Mongolia Human Resources Unit and Legal Unit a statement in writing pursuant to this Code stating that they have read and understand the Code, that their behavior is in accordance with the Code, and that they do not know of any violations of the Code except as specifically noted in their statement. Any violation of this Code shall not be tolerated and may result in immediate disciplinary action, including direct termination of employment.

MCA-Mongolia’s General Counsel shall serve as the Compliance Officer and will be responsible for:

- Monitoring and ensuring the proper implementation of the Code;
- Receiving notice, allegations, and suspected violations of this Code; and
- Overseeing the intake and response to questions from staff or agents regarding interpretation or the applicability of this Code.

The present Code is applicable to members of the Board of Directors, committees, management unit including key staff, staff member, agent, implementing entities, other stakeholders and representative of MCA-Mongolia (together, “MCA-Mongolia representative”). MCA-Mongolia will post this Code on its website, and will endeavor to ensure that those persons or parties with whom MCA-Mongolia works or interacts are aware of this Code, and do not cause a violation of this Code.

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## **Standards of Conduct**

### ***Proper Behavior***

MCA-Mongolia Representatives are to act in accordance with the present Code in their internal and external work and business dealings, to avoid improprieties and circumstances that conflict with MCA-Mongolia policies, particularly those related to the present Code, and to conduct themselves at all times according to the highest standards of ethics, integrity, efficiency, and competence and those set forth in the Employment Agreement. MCA-Mongolia Representatives should avoid even the appearance of impropriety in the discharge of their duties.

### ***Professional Appearance***

Staff members are expected to dress in a professional manner and appropriate to the work they are performing.

Neat, clean, casual and comfortable attire shall be preferred. The following general requirements apply to dress code of a staff:

- Dress body made of non-illuminated material;
- Must not contain inappropriate images, labels, symbols, letters or retrospect;
- Underclothes should be concealed;
- Spine, chest, waist and shoulders should not be overlooked;
- The length of leg coverings including pants, shorts, skirts, and dresses, should not be less than two-thirds of the thigh.

When representing MCA-Mongolia at official events or for media purposes, staff are encouraged to wear an article of clothing that identifies MCA-Mongolia badges.

### ***Anti-Fraud and Corruption***

MCC's AFC Policy applies to all MCA-Mongolia Representatives, as well as all individuals and entities acting on behalf of MCA-Mongolia. In accordance with MCC's AFC Policy, MCA-Mongolia prohibits staff or anyone acting on its behalf from offering, giving, soliciting, accepting or receiving or attempting to offer, give, solicit, accept, or receive a bribe as well as the other fraudulent or corrupt practices. MCA-Mongolia Representatives and implementing entities must comply with all national and local anti-corruption laws – for instance, national laws which forbid making, offering or promising any payment or anything of value (directly or indirectly) to a government official or potential contractors when the payment is intended to influence an official act or decision to award or retain business.

### ***Zero Tolerance Policy***

MCA-Mongolia has zero tolerance for corruption or other illegal or unethical conduct on the part of any MCA-Mongolia Representative or vendors. Compliance with all applicable laws, as well as with MCA-Mongolia policies and procedures, is required even if such compliance is inconsistent with local practice. Any MCA-Mongolia Representative is found to violate any aspect of the Code

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becomes immediately subject to disciplinary action including direct termination of employment agreement.

**Duty to Report**

In accordance with MCC’s AFC Policy, every MCA-Mongolia Representative is required to promptly report suspected fraud or corruption, and any allegations made of fraud or corruption that they receive, either:

- to MCC Anti-Fraud and Corruption (AFC) Team ([Hotline@mcc.gov](mailto:Hotline@mcc.gov)), which, with the Office of the Inspector General (OIG), will decide on the sharing of information with MCC staff, MCA-Mongolia staff, and/or local authorities, or
- directly to the OIG website (<https://oig.usaid.gov/content/mcc-hotline-report-fraud-or-corruption>)

Neither MCA-Mongolia nor any of its staff or agents shall take any retaliatory action against a staff member or agent for the reporting of illegal misconduct, ethical violations or breaches of this Code to MCA-Mongolia Human Resources Unit, General Counsel or CEO, MCC or the OIG.

**Prohibition against Payments, Gifts, or Entertainment to Public Officials**

MCA-Mongolia Representatives are prohibited from offering or giving, directly or indirectly, money, gifts, benefits, gratuities, or entertainment to:

- Any current official or employee of any governmental or intergovernmental body (including the national and local Governments, the United States Government and other bilateral, multilateral or international organizations) with which MCA-Mongolia does business, has done business or seeks to do business, or to any member of the immediate family of, or individuals or entities associated with, such an official or employee; or
- Any current official or employee of any Governmental body (including the United States and other bilateral, multilateral or international organizations), candidate for public office, political party or party official in order to gain a business advantage.

**Offers of Gifts and Entertainment**

MCA-Mongolia Representatives are prohibited from soliciting or accepting money, gifts of merchandise, personal services, gratuities, entertainment or other benefits from prospective or existing contractors, suppliers, subcontractors, consultants, agents or other persons with whom MCA-Mongolia does business or has done business above a “de minimus” amount or equivalent of 25 US Dollars (“USD”) on a single occasion, with a maximum cumulative amount of no more than 50 USD in any twelve-month period. Gifts received must be reported to MCA-Mongolia’s General Counsel. Any gifts received which are unacceptable under this Code must be returned or, upon review and approval from the General Counsel, must be properly registered and handed over to MCA-Mongolia as a gift to MCA-Mongolia rather than to any individual.

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As noted above, MCA-Mongolia Representatives are to conduct themselves at all times according to the highest standards of ethics, integrity, efficiency, and competence. Each MCA-Mongolia Representative’s actions should promote the public's trust that this responsibility is being met. For this reason, employees should consider declining otherwise permissible gifts if they believe that a reasonable person with knowledge of the relevant facts would question the employee’s integrity or impartiality as a result of accepting the gift.

***No Kickbacks or Rebates***

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MCA-Mongolia Representatives are prohibited from, either directly or indirectly, soliciting or accepting or attempting to solicit or accept personal rebates, kickbacks or any form of ‘under-the-table’ payment. This not only includes cash payments, but any other service or thing of value.

***Company Books and Records***

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No false or misleading entries may be made in any MCA-Mongolia books, records, or reports for any reason whatsoever. No unrecorded funds or books shall be established or maintained for any purpose. All transactions shall properly be recorded on the books and records of MCA-Mongolia and its associated entities. Payments shall not be made for purposes other than what is described by the records supporting the payment.

***No-recording policy***

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For the benefit of promoting open employee communication in the workplace, protecting employees’ privacy interests, protecting the organization’s proprietary and confidential information from unauthorized disclosure, all employees of MCA-Mongolia shall abide the following requirements on recording audio and video in the workplace:

- Unless necessary to document life-threatening situations or illegal actions, an employee shall not record conversations, phone calls he/she has with his/her colleagues or supervisors or third parties, and images or company meetings by using any audio or video recording device (including a cell phone or any electronic device) unless such recordings are approved in written or oral form by his/her immediate supervisor in advance.
- Violation of this policy shall be subject to disciplinary sanctions provided in this Manual, including a summary dismissal.

**Outside Activities**

***Personal Conduct***

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MCA-Mongolia Representatives must at all times conduct themselves in their activities in a manner which does not adversely affect their job performance or negatively reflect on MCA-Mongolia.

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**Employer-Employee Link of Trust and Outside Employment**

Staff members must disclose to MCA-Mongolia in advance before taking outside employment during the term of the Compact. MCC funding may not be used to pay the salaries of any staff members holding outside employment. In addition, MCA-Mongolia staff may not negotiate for future employment with, any entity engaged in similar work as that of MCA-Mongolia at any time during the period of their employment with MCA-Mongolia or be employed by, or seek employment with, any company or other entity which has, or seeks, a business relationship with MCA-Mongolia.

**Memberships**

MCA-Mongolia strives to be a good civic neighbor. MCA-Mongolia supports staff involvement in community activities and professional organizations. Pursued in a responsible manner, these interests may be beneficial to the staff member, MCA-Mongolia and the community. However, MCA-Mongolia Representatives must remain in compliance with MCA-Mongolia Conflict of Interest Policy. Before becoming involved in such activities the staff member must evaluate carefully whether these activities may create, or appear to create, a conflict of interest and if it does he or she should abstain, and must consult with MCA-Mongolia General Counsel/or his designee if there are any potential concerns.

**Political Contributions and Activities**

MCA-Mongolia staff members shall not solicit, accept, or receive a donation or contribution from a political party, candidate for public office, or political group or organize or attend any meeting, event of political nature while employed by MCA-Mongolia. The staff members shall not engage in any political activity directed at the success or failure of a political party, candidate for political office, or political group during working hours, or in or around the premises of MCA-Mongolia during or after working hours, or while using any MCA-Mongolia owned or leased vehicle or electronic equipment (phone, computer, and similar items).

In the above circumstances, the staff member may not distribute, email, post in social media or display campaign materials or items, hold any political meeting, or wear or display any political regalia, insignia, or written material in or around the premises of MCA-Mongolia during or after working hours, and may not seek to induce other MCA-Mongolia Representatives to participate in political activities or make any political contribution. MCA-Mongolia Representatives may not, either directly or indirectly, use their participation in political activities or their making of political contributions as a means to influence the award of any governmental contract or to obtain any benefit on such a contract.

**Conflicts of Interest**

MCA-Mongolia staff members and agents must comply with MCA-Mongolia Conflict of Interest Policy at all times.

**Improper Acts**

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Any act by any MCA-Mongolia Representatives contrary to the policies of MCA-Mongolia, particularly those embodied in the present Code, shall be cause for disciplinary action, up to and including summarily termination without notice. Violations which could constitute cause for immediate termination without notice include, but are not limited to:

- Theft, offering or taking bribes, fraud and corruption, fraudulent practices, fraudulent record keeping, embezzlement, forgery, or any other criminal, unethical, or dishonest conduct;
- Any coercive, collusive, or corrupt practice, any obstructive practice or any other prohibited practice;
- Harassment, sexual harassment, abuse of authority or retaliation;
- Reporting to work impaired by alcohol or drugs; create a health and safety risk to others; are found to be incapable of carrying out normal duties satisfactorily and to attend meetings representing MCA-Mongolia;
- Releasing confidential information without authorization;
- Insubordination;
- Knowingly providing false or falsified information on any MCA-Mongolia document (including an MCA-Mongolia employment application);
- Any involvement in political activities forbidden in this Code or the employment agreement or MCA-Mongolia Human Resources Manual;
- Any intentional or negligent act of misreporting, misrepresentation, misinterpretation on the information, documents exchanged among MCC and MCA-Mongolia and their personnel;
- Misconduct on or off the job that materially and adversely affects MCA-Mongolia;
- Any material violation or repeated violations of the present Code.

While some MCA-Mongolia policies must be strictly adhered to without any exceptions, in other cases, exceptions may be possible. For example, a potential conflict of interest situation can sometimes be resolved simply by disclosure of the possible conflict to all interested parties. There may also be situations where a business unit believes that the circumstances are such that the strict application of MCA-Mongolia’s policies does not make sense and prohibit an important opportunity that is otherwise legal and allowable.

Any staff member who believes that an exception to any policy is warranted should make a written request to MCA-Mongolia’s General Counsel. The General Counsel shall review and research the issue. If the General Counsel believes that the requested activity should be allowed, the CEO shall be notified and the CEO shall determine in writing if the request is approved. Depending on the subject matter, this request may also require a no-objection from MCC.

***Acknowledgement of Receipt and of Understanding***

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Every MCA-Mongolia Representative must acknowledge receipt of the present Code and his or her understanding of its contents, on an annual basis by providing a signed statement in writing. The statement is provided below.

**ACKNOWLEDGEMENT OF RECEIPT AND OF UNDERSTANDING**

I, \_\_\_\_\_ [insert name in capital letters], acknowledge that I have received a copy of MCA-Mongolia's Code of Business Ethics and Standards of Conduct.

I acknowledge having read this Code, that I understand its terms and contents, and that I am bound by the provisions therein.

Signature:

Date:

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