



April 27, 2023

### **ADB Living Wage Policy Statement**

ADB supports the Global Living Wage Coalition's definition of a living wage: the remuneration received for a standard workweek by a worker in a particular place, sufficient to afford a decent standard of living for the worker and her or his family. Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for expected events.

Employers choose to pay the living wage on a voluntary basis as opposed to the national minimum wage which is a statutory obligation. Payment of the living wage has many advantages, including:

- Staff motivation and retention
- Reduction in absenteeism
- Ethical employment practices
- Reduction in poverty - affording people the opportunity to provide for themselves and their families.

People deserve to earn a living wage and fair pay brings benefits to all - families, local communities, and our business. We want to raise the living standards by **ensuring that not only ADB employees, but everyone who directly provides services to ADB earns at least a living wage.**

Building on the above commitment to pay a living wage in our own business, we set a goal being one of Labour and Human Rights objectives: Maintain and ensure 100% of full-time ADB global employees are paid at least a living wage.

After initial review, we ensure being aligned with this commitment by an annual process of Living Wage gap analysis, i.e., comparing basic monthly remuneration of all ADB associates against local Living Wage indices. In case of any, very unlikely yet possible, discrepancies, our aim is, financial situation permitting, to adjust such a salary to the living wage before the next salary review.

Additionally, ADB aims to ensure, to the extent permitted by law, that its contractors or sub-contractors receive a minimum local Living Wage. This applies to all contractor's employees, workers or the self-employed cooperating with ADB on a regular basis.