

**the sustainable
trade initiative**

Code of Conduct

November 2019

IDH The Sustainable Trade Initiative

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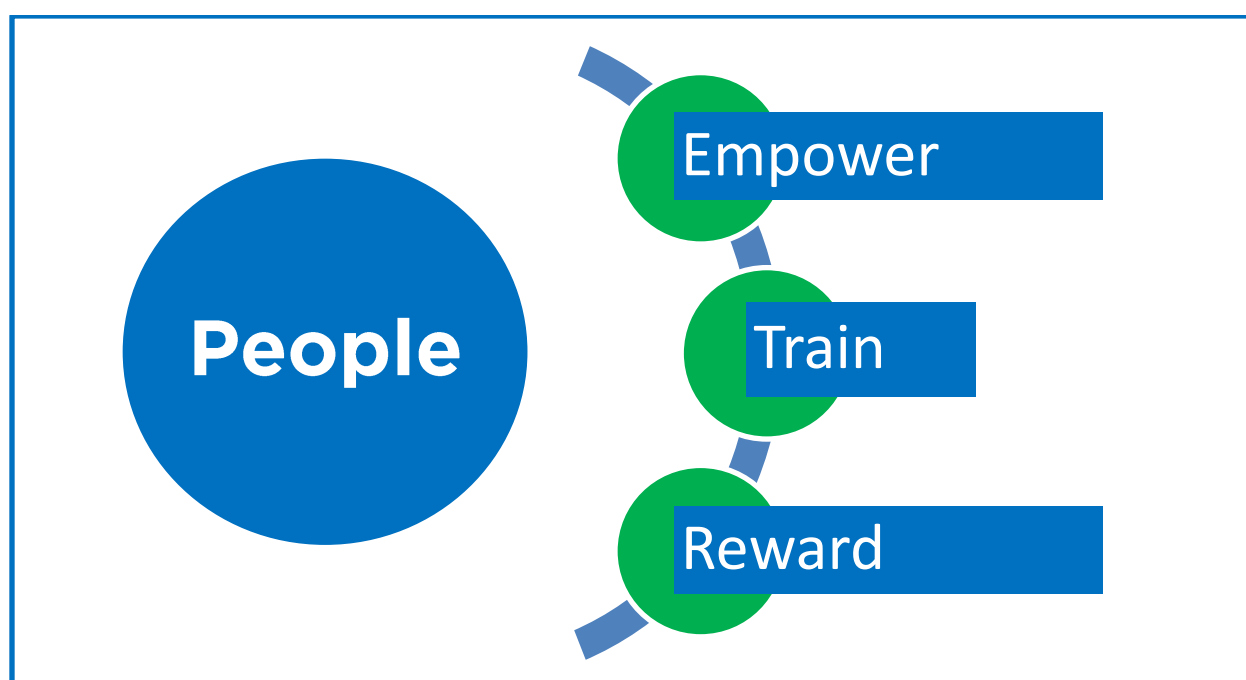
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1. Introduction to the Code of Conduct

This Code of Conduct provides the ethical framework in which IDH operates. It provides an overview of the values, commitments, responsibilities and integrity that we stand for. When operating within the framework of this Code of Conduct, we create a responsible and transparent environment not only in conducting our business, but also in our organization internally.

Our Code of Conduct applies to all our people, it governs every decision we make. By “*our people*” we mean employees (including our Board of Directors) and consultants acting on behalf of IDH. Furthermore, we expect our business partners to apply similar standards of conduct when working for IDH.

This Code of Conduct is a living document and will be renewed when necessary. Our people will be informed when a new version is available.



2. Compliance with the Code of Conduct

Our work must comply with our Code of Conduct as well as with our IDH policies and the applicable laws of the countries we operate in.

Our reputation for acting ethically and responsibly is dependent on the decisions that every one of our people makes. It is therefore our responsibility to comply with all the policies that apply to the work we do and the decisions we make, as set out in this Code of Conduct.

If ever in doubt about a course of conduct, we have to ask ourselves:

- Is the behavior consistent with the Code of Conduct?
- Is the decision ethical?
- Does the decision comply with the law?
- Will the decision reflect well on me and IDH?
- Would I want to read about it in the newspaper?

If the answer is “No” to any of these questions, don’t do it.

If you are still uncertain, ask for guidance.

All IDH employees are required to comply with the Code of Conduct by signing for acknowledgement and acceptance of this Code of Conduct.

Non-compliance by our people with the Code of Conduct, or with relevant supporting policies or procedures, will result in proportionate corrective action from management towards the employee.

3. IDH Purpose and Values

Purpose

The overall purpose of IDH is to accelerate and up-scale sustainable trade by building impact oriented coalitions of front running companies, civil society organizations, governments and other stakeholders that will deliver impact on the Millennium Development Goals 1 (poverty reduction), 7 (safeguarding the environment) and 8 (fair and transparent trade). The purpose of IDH is described as such in Article 2.1 of its Articles of Association.

Values

IDH has the following key values which we propagate:

Impact

- Aim stretching private sector leadership engagement in sustainability far beyond CSR
- Continually focus on our additionality, prioritizing the impact on people and planet
- Work towards the institutionalization of sustainable practices, permitting IDH to exit

Innovation

- Deliver business driven, precompetitive solutions that involve both the public and private sector
- Dare and be willing to experiment and take calculated risks
- Continuously learn and reflect critically on our work, both internally and externally

Integrity

- Treat all colleagues, partners and others we come into contact with as part of our work with honesty, respect, dignity and fairness
- Deliver on plans and avoid deliberately overpromising (but think big!)
- Listen and be open to arguments of others, internally and externally
- Be transparent about successes and failures; be accountable for your actions
- Speaking up is very important and the right thing to do, but do not spread rumors

4. Commitments

Our people

The relationship between IDH and our stakeholders is based upon mutual benefit. At IDH we create a work environment in which both our people and our stakeholders feel appreciated and respected for their contributions. Everybody needs to have the opportunity to reach their full potential.

Our programs

IDH builds coalitions with public and private sector players that set ambitious, metric based sustainability goals and formulate concrete, actionable implementation plans. IDH is joining forces with front runner companies, who are willing and have the potential to invest in IDH projects financially as well as through their own human resources. IDH co-funds the investments of companies in sustainability projects. The overall goal of IDH is to accelerate sustainability within 11 sectors and 11 landscapes under the IDH strategy 2016 – 2020 ‘Innovating Impact @ scale’ through the development of impact coalitions of companies, NGOs, governments, trade unions, financial institutions, and universities that strive for impact on public good.

The instruments are the application of private voluntary sustainability certification systems (e.g. FSC, UTZ) and approaches such as: Innovative Finance, Service Delivery Models, Renovation & Rehabilitation Schemes and Landscape approaches, all through Public Private Partnerships. Throughout the development and implementation of our programs, which are fully precompetitive, IDH closely monitors progress, evaluates actions, prototypes new methods of up-scaling and shares lessons learned to help optimize impact and (cost)efficiency. By collaborating with front running companies IDH believes meaningful impact can be achieved.

Our partnerships

IDH acts as a convener of private sector, financial institutions, civil society organizations and governments. IDH leverages private stakes, merges public and private interests and maximizes synergies. IDH offers unique opportunities for partnership in accelerating sustainable trade, hereby addressing development challenges through our convening powers, financial resources, close relationship with different stakeholders, as to our specialized knowledge as a program developer.

IDH strives to further enhance the existing relationship as well as to develop new strategic alliances in our programs. Our organization also supports the identification and

development of harmonization initiatives and maintenance of thematic-focused and sector specific partnerships.

In line with IDH's value proposition, we must ensure that partnerships are developed and managed appropriately. Therefore, our organization reports to stakeholders in an accurate and transparent manner. In this context, outreach takes in a number of factors, such as:

- Communicate and coordinate with cross-sector stakeholders from the private sector, social partners, governments and other relevant audiences (like research institutions and certification bodies) using tools on our website, quarterly newsletter, direct consultations and publications.
- Ensure quality and participation of stakeholders in the design and implementation of programs and projects. This is pursued through close coordination and dialogue with donors, implementing partners and advisors (e.g. federations of industry, research institutions, non profit organizations).
- Monitoring and evaluation is thorough and regular assessment means that feedback on lessons learned can be used to inform external audiences.

5. Responsibilities

Management responsibilities

IDH management needs to model the behavior noted in the code of conduct and manage their staff in this respect.

Individual responsibilities

Our people have the following general individual responsibilities:

- **Customer focus: Maximise personal contribution to ensure customer satisfaction**
Understand who your customers are. Know the customer and respond energetically to their feedback. Ensure activities and decisions will optimize customer relations and consider cost effectiveness at all times.
- **Personal integrity: Match words with actions to build mutual respect**
Treat colleagues in a fair and consistent way, maintaining confidentiality to build trust and respect. Demonstrate company values in behaviour and have a personal vision on these values.
You can expect to be treated with trust and respect by all IDH team members.
- **Drive: Strive to achieve and keep going when things are difficult**
Demonstrate commitment to IDH and commit to achieving results. Show tenacity in overcoming obstacles, remain resilient and optimistic, meet deadlines, make things happen and be prepared to take calculated risks.
It is the commitment of the MT and the people managers in IDH to make you perform well. Enable them to do their job well: be transparent about your difficulties and ask for help!
- **Team working: Build and maintain relationships within and across teams**
Commit to team decisions, work in cooperation with others to achieve individual and team objectives. Share knowledge freely, maintain positive relationships within

and across teams.

You can expect to have access to the right information you need to function well. And get the help you need to meet your goals

- **Develop self and others: Create or contribute to an environment in which self and others are motivated to learn and develop**

Give support to others encouraging them to take risks and make mistakes as part of learning, taking time to guide and give feedback.

Find opportunities to learn and develop, celebrate success and take care of yourself so our people can be at their best.

- **Act responsible while travelling**

Upholding safety and security is the responsibility of IDH people and all persons associated with IDH. IDH and its people should be aware of the risks associated with business travels and will take appropriate and adequate measures to reduce these risks. Our people will adhere to the Safety & Security Policy and shall behave in a manner such as to avoid any unnecessary risk to the personal and organizational property, safety, health and wellbeing of themselves and others, including partner organisations and communities with whom IDH works. When travelling internationally on behalf of IDH, IDH's people shall be observant of all local laws, be sensitive to local customs and treat all people fairly, with respect and dignity.

6. External Communications

External communication in general

IDH has a communications team that takes the responsibility for all external communications on behalf of IDH. Other IDH staff is not authorized to communicate externally on behalf of IDH.

If one of our people is contacted and asked to discuss IDH business with members of the press, they do not provide any information. Instead, they should politely inform them that they are not authorized to discuss the subject, and refer them to our spokespeople.

Social media

When using social media for stating opinions about topics directly mentioning IDH's name, work or programs, our people should ensure it is clear to social media circles that they are stating an opinion on their own account and not speaking on behalf of IDH. Such precautions include:

- State that the materials and opinions they are posting are theirs and not IDH's;
- Take every possible precaution to ensure that they are not disclosing any confidential information about IDH or its partners;
- Refrain from using any third party logos or trademarks without the relevant permission.

7. Integrity

Conflict of interest

Our people are free to occupy paid and unpaid additional positions provided that their work for IDH is not compromised. In case of (possible) conflicts between the IDH position and the additional position, the future occupation of an additional position will be presented to the management who will decide on the appropriate resolution of the conflict.

Safe working environment

IDH is committed to providing a safe environment for all its people free from discrimination on any ground, any form of threats and acts of violence, intimidation, bullying and from exploitation or harassment in all forms, including sexual exploitation or harassment. IDH has zero tolerance for any form of such acts in the workplace, treats all incidents seriously and promptly investigates all allegations of these acts. Any person within the organization found to have discriminated, abused, bullied, (sexually) exploited or harassed another will face disciplinary action, up to and including dismissal from further employment. IDH expects all partners it contracts or cooperates with to apply these standards in their organization, work and through their delivery chains. IDH will take actions against partners that fail to meet these standards, up to and including termination of the agreement with IDH.

Through its work, IDH comes into contact with third parties outside of IDH's scope of control or influence. Where discrimination, abuse, bullying, (sexual) exploitation or harassment occurs as a result of an act or omission by such third party or outsider and IDH or an employee is (made) aware of the act, IDH shall take reasonable steps to assist the affected person in terms of support. Furthermore, to the extent possible, IDH will discuss options for preventive actions with the third party.

Abovementioned acts can be reported by the affected person or anyone who is aware of such acts through the mechanisms described in the chapter "Where to get help" or possibly the physician of the health and safety service can be turned to. All complaints discrimination, abuse, bullying, (sexual) exploitation and harassment will be taken seriously and treated with respect and in confidence. No one will be victimized for making such a complaint.

Private use of equipment

In case IDH makes equipment, such as a computer or a mobile phone, available to our people, the private use of this equipment must be limited. All equipment made available to our people by IDH must be used carefully.

Gifts and presents

IDH staff may keep gifts and presents they receive from third parties as a token of appreciation for performing their work provided that the value of the benefit is not excessive. As a guideline, we consider this to be the case if such gifts and presents do not exceed the value of €25 (non-repetitive).

All other gifts and presents must be notified to management, who will decide upon an appropriate resolution taking account for the circumstances. For material or immaterial

gifts offered by our people to third parties, we refer to the “travel and hospitality guidelines” of IDH.

Anti-Corruption

Bribery, fraud and corruption are all threats to sustainable development, and as such are threats to the core values which IDH seek to promote. With this in mind, IDH is committed to managing the risk of fraud and corruption both in its internal operations, as well as in all activities which are either managed by, or associated with it.

In pursuit of these objectives, IDH will not tolerate any form of fraud or corruption. IDH will not engage in any form of partnership or agreement where there is evidence or suspicion of corruption.

IDH people are at all times required to act in compliance with the zero-tolerance principle by conforming with all procedures and policies which attempt to combat fraudulent or corrupt activity. All IDH people are strictly prohibited from offering, paying, soliciting or accepting bribes or kickbacks. Depending on the seriousness of a breach, an employee’s failure to comply with this policy whether intentionally or by an act of negligence, may lead to disciplinary action.

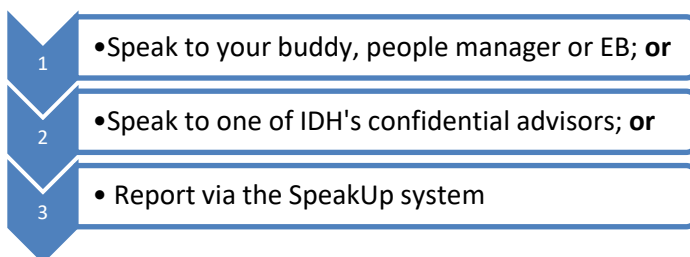
Where fraud, corruption or bribery is alleged, detected or suspected, it should be brought to the attention of IDH. As soon as is practically possible, IDH will investigate the matter, seek the recovery of the misappropriated funds (if applicable), and promptly determine the appropriate course of action.

Political neutrality

Any person representing IDH, including consultants contracted by IDH, must be politically neutral and unbiased at all times when performing work for IDH. IDH is funded by public donors and thus IDH representatives must respect the nature of IDH’s work and funding, irrespective of their own (political) views. This means that IDH representatives must provide service to everyone without unfair discrimination and regardless of political affiliation or preference. In no circumstance is it permitted to use IDH’s resources or position for political purposes or goals.

8. Where to get help

IDH prioritizes an open and transparent culture where everyone feels safe. Speaking up is very important and the right thing to do. When you suspect a violation of IDH's values, the principles set out in the Code of Conduct, other IDH policies or laws or regulations has occurred or may occur, it is important to report this. We recognize it may not be easy to report wrongdoing, however, when we know of a (potential) issue, we can address it and can probably mitigate (some of the) consequences. Anyone reporting in good faith will be protected against reprisals and negative consequences after reporting a concern. Please use one of the following reporting possibilities. IDH offers these reporting mechanisms internally to our people and also makes them available to external sources, such as our partners and beneficiaries.



1. Speak to your buddy, manager or EB

IDH has a buddy system in place in which newly hired people are paired with a more experienced colleague from another team who helps new people get their bearings both practically and socially. This buddy system can help new people adjust to their new position within IDH and reduce the amount of time for them to learn new skills. Next to professional advice, buddies can ask each other personal advice how to deal with work related issues or with other colleagues.

IDH adheres to an open-door policy in which people should always feel free to reach out to their people manager to discuss anything they have on their mind, as well as raise any concerns they have. If they are not comfortable reporting to their people manager, for example because the issue concerns their manager, people are encouraged to speak to IDH's executive board.

2. Speak to one of IDH's confidential advisors

When for one of our people feels uncomfortable in their professional relationship with (a) colleague(s), there is the possibility to discuss the issue with the Confidential Advisor. The Confidential Advisor will listen and help to find a solution to the issue where possible. The Confidential Advisor will treat all information provided to him or her as confidential and will not share this unless specifically requested to do so by the person in question. The Confidential Advisor is a generally trusted person whose role as Confidential Advisor is made known to all our people. He or she can easily report directly to the Executive Board, is well embedded in the daily operations of IDH and has an exemplary position regarding compliance with the Code of Conduct.

IDH's confidential advisors are:

Felia Palsenberg: Palsenberg@idhtrade.org; and

Tony Bruggink: Bruggink@idhtrade.org.

Both confidential advisors can also be reached at confidentialadvisor@idhtrade.org.

3. Reporting via SpeakUp system

If you are not comfortable with the above reporting possibilities or prefer to remain anonymous, you can report via the SpeakUp system by calling your local phone number or by filing your report online. SpeakUp is available 24/7/365 and in several languages. Click [here](#) to find your local phone number or to report online. For more information, please refer to the SpeakUp policy.

How does the SpeakUp system work?

- If you wish to remain totally anonymous, you can report violations through the SpeakUp system, either by calling a toll-free phone number or online (both to be found [here](#))
- Anyone who reports in good faith, will be protected against negative consequences
- The SpeakUp system is managed independently by an independent service provider

