



**the sustainable
trade initiative**

Code of Conduct

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Content

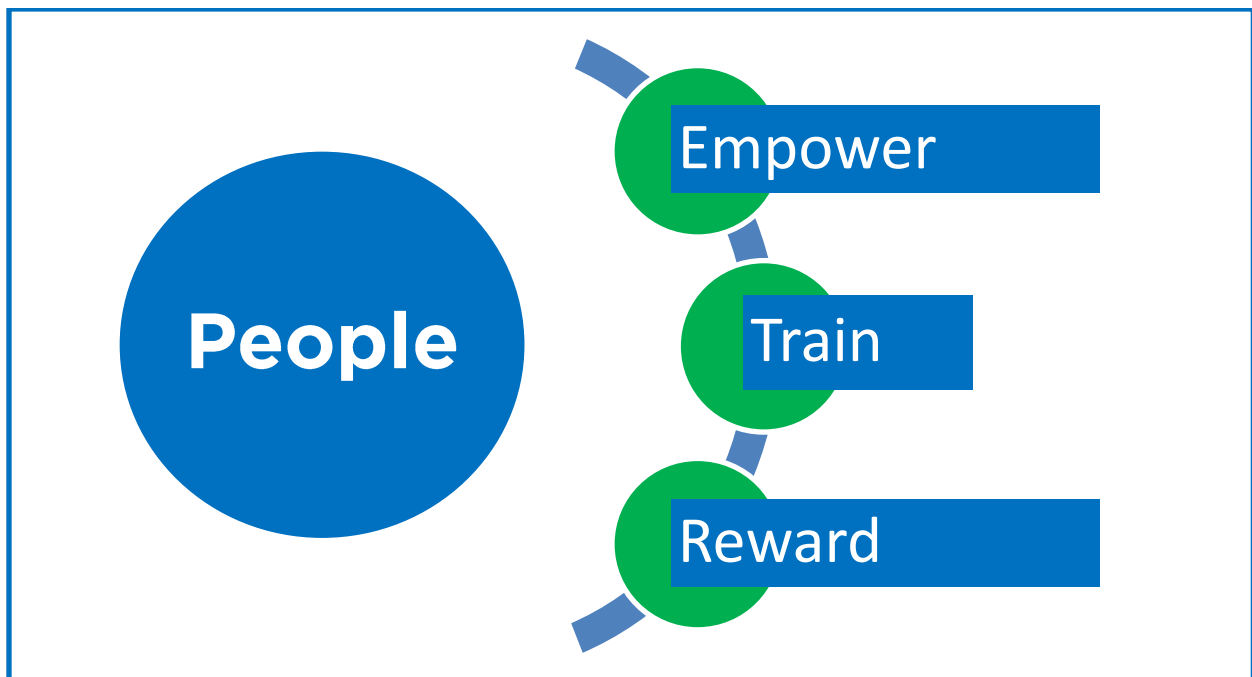
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1. Introduction to the Code of Conduct

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:

Sustainability

Consistent with our own mission to improve sustainability in the world, IDH is committed to a responsible approach to the environment; therefore we minimize any adverse effects of our activities on the environment.

Respect

At IDH, we treat each other equally regardless of personal background, race, gender, nationality, age, sexual preference or belief(s). No form of harassment or discrimination will be tolerated.

Transparency

We operate in a transparent manner, providing timely and reliable information on our activities, financial situation and performance. We seek dialogue with our business partners as much as possible.

Privacy and confidentiality

Though transparency is a key value for us, it is also very important that we value and acknowledge the privacy and confidential information of our business partners as they are an important asset for our work. In our (transparent) communication, we therefore always act within the constraints of privacy and confidentiality of the information provided to us by our business partners.

Serve

We serve the public good by convening our stakeholders and partners, hereby enabling meaningful and effective cooperation in global supply chains.

Integrity

In working together with our partners, we are committed to maintaining the highest degree of integrity. We always will act in a transparent manner and with respect to all interests and people involved.

Agility

We continuously sharpen our strategies, set ambitious targets and push ourselves to deliver results.

Learning and innovation

We rely on creativity, learning and innovation so we can improve and create impact in sustainability without losing speed.

Team work

We accept accountability for our actions and decisions in order to support and challenge each other professionally and personally to perform at our best.

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 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 final aim of IDH is to contribute to MDG 1, 7 and 8 through improvements in the ecology and the socio-economic conditions of production in countries of origin in supply chains. The instruments are the application of

private voluntary sustainability certification systems (e.g. FSC, UTZ) as well as Public Private Partnerships. Throughout the development and implementation of the 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 efficiency. By collaborating with a selection of front running companies, IDH believes meaningful impact can be achieved.

Our partnerships

IDH aims to contribute and build effective cooperation with key stakeholders in the area of sustainable commodity market transformation. IDH acts as a convener between private sector, financial institutions, civil society organizations and governments. At IDH we consider it our responsibility to maximize synergies at the commodity sector level. 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

Individual responsibilities

Our people have the following general individual responsibilities:

- **Customer focus: Maximise personal contribution to ensure customer satisfaction**
Understand the customer and respond energetically to their feedback.
Ensure activities and decisions will support 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.
- **Drive: Strive to achieve and keep going when things are difficult**
Demonstrate commitment to the business and commit to achieving results.
Show tenacity in overcoming obstacles, remain resilient and optimistic, meet deadlines, make things happen and prepared to take calculated risks.
- **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.
- **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.

Management responsibilities

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

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.

Intimidation

One of our key values is respect, so naturally intimidation or harassment of any kind is unacceptable in our organization. In case one of our people feels physically or verbally intimidated by a co-worker or superior, this is preferably in the first instance be discussed with the management. If the intimidation is perceived by the employee as very sensitive or if it concerns (a member of) the management, another co-worker (see chapter "Where to get help" under "buddy", "whistleblower" or "confidant") or possibly even the physician of the health and safety service can be turned to.

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

Our people 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 €50 (non repetitive) and in the case of any perishable goods. All other gifts and presents must be notified to management and appropriate resolution will be decided upon. For material or immaterial gifts offered by our people to third parties, we refer to the “travel and hospitality guidelines” of IDH.

Bribery

A bribe is giving or offering to give to any third party, or to accept from a third party, anything of value to influence a discretionary decision. In order to protect reputations and adhere to the law, it is essential that we avoid bribery and improper advantages in any way or form.

8. Where to get help

Buddy system

IDH has a buddy system, in which newly hired people are paired with a more experienced colleague 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.

Confidant

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 confidant. The confidant will listen and help to find a solution to the issue where possible. The confidant 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 confidant is a generally trusted person whose role as confidant 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 a exemplary position regarding compliance with the Code of Conduct.

Escalating an issue – what to do

When our people see or hear anything they believe is illegal or a violation of the principles set out in this Code of Conduct, there is the possibility to raise these concerns confidentially with their people manager or a member of the management team. This person can – keeping the whistle blowers identity confidential - escalate all relevant concerns to the rest of the management team, the Executive Board and then to the Supervisory Board. The whistle blower him- or herself can also escalate the issue directly to the Executive Board or even the Supervisory Board if he or she feels the issue is not addressed or is of such a scope that these parties need to be involved immediately.