

## Code of Conduct

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### Introduction

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CRED promotes economic, social and ecological development. CRED has strong faith in the integrity of its employees. It is important to establish a common set of values that are binding for everyone. These values are anchored in the Code of Conduct (CoC) and supplement present or future policies, guidelines and rules adopted by CRED.

These values are to be recognised and respected by all employees. The objective of the CoC is to provide employees with guidelines concerning their expected conduct at work and in public regardless of their cultural background. Compliance with the CoC ensures a constructive and innovative working climate based on mutual trust and safeguards CRED's reputation and operational efficiency.

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### Scope and application

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The CoC applies to all employees at all times during their service with CRED.

The Code, whether signed or not, shall automatically forms an integral part of all CRED contracts of employment and conditions of service for all employees.

If in a project an additional CoC applies, for example from a donor, then it will not replace the CoC of CRED. In such a case the stricter rules will apply.

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### 1. Abuse of power

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Employees shall conduct all duties with integrity, free from any taint of dishonesty or corruption, including not engaging in any act of favouritism, nepotism, cronyism, or bribery. CRED and its employees must adhere to Vietnam law pertaining to competition. The acceptance as well as the handing over of gifts or other advantages such as but not limited to money, loans, rewards, reduced prices or fares, jobs, contracts etc.), from/to (potential) collaborators, public officials, partner organisations, etc. is prohibited.

The allowed exception is the exchange of symbolic presents of low value in accordance with local customs of courtesy or when the superior has given his/her consent. In case of acceptance, the gift shall be used jointly with other staff members whenever possible. If gifts or advantages have to be declined the person making the offer should be informed of the standards and practices prevailing within CRED.

Abuse of power occurs when a person is directly or indirectly made dependent on another person. Any exploitation of a working relationship is against corporate policy of CRED.

From that perspective the following actions may be examples of power misuse:

- making the dependent person fulfil private tasks and/or favours against his/her will
- allocating undemanding tasks that do not comply with the person's job description
- 'selling' dependent individual's ideas as your own
- threatening to dismiss the person out of spontaneous anger

- generally ignoring CRED rules to the disadvantage of the dependent individual
- threatening to use violence.

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## 2. Organization's core value

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**Respect for people:** All CRED employees are entitled to fair, courteous and respectful treatment by their superiors, subordinates and peers. CRED values the individuality, diversity and creative potential that employees bring into the organisation, and which helps to fulfil its mission.

**Equal rights:** CRED and its employees shall respect all persons equally and without any distinction or discrimination based on gender, colour, religion, culture, education, social status, political opinion, disability, age, sexual orientation, family status or nationality.

**Respect contractual and legal obligations:** CRED as an organisation and all employees shall fulfil their contractual commitments. They are expected to respect the law applicable in Vietnam and in the respective partner countries.

**Loyalty:** Employees acknowledge the purpose, vision and internal regulations of CRED; they are loyal to CRED. This does, however, not exclude providing constructive criticism, which employees express openly within the organisation. It must not be expressed publicly to the outside.

**Transparency:** Openness in the dissemination of information and in decision making is the norm for all employees within the organisation.

**Confidentiality:** All business information is handled confidentially whenever its nature demands discretion or if it is expressly required. Information obtained in the course of employment is not to be used for personal gain or benefit, nor is it passed on to others who might use it in such a way.

**Partnership based cooperation:** Cooperation with partners and target groups is always fair, reliable and based on trust, honesty and mutual respect. The same also applies to the behaviour among employees, whereby a constructive approach to conflict management represents a key component.

**Corporate culture:** Employees understand that, with their work and behaviour, they contribute to the image building of the organisation.

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## 3. Human rights

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Mobbing/bullying is a systematic exclusion and humiliation of someone by one or more persons. It usually occurs repeatedly and over an extended period of time. Typical cases of mobbing are acts that attack a person's reputation or social relationships, impair the possibility to communicate, devalue the quality of work, or even harm people's health. Such behaviour is not accepted by CRED and will be sanctioned. A simple argument or conflict, as may occasionally happen in any work situation, is not considered mobbing. As long as the power struggle between the conflicting parties is even and the conflict is dealt with in an open manner, it is nothing unusual. It might even serve as a trigger for positive changes.

Policies applied, including:

- elimination of discrimination in employment;
- prohibition of child labour;
- eradication of harassment, physical or mental punishment or abuse;

- reasonable wages (including, at least, the minimum wage) and hours of work; and
- freedom of association.

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#### **4. Gender equality**

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All actions or statements that put individuals of different origin, nationality, colour, gender, religion, or other relevant criteria such as looks, disability, age, sexual orientation etc. at a disadvantage, humiliate or ridicule them are regarded as acts of discrimination and hence are not tolerated neither towards colleagues within CRED, nor towards colleagues in partner institutions. Employees involved in the recruitment of staff must ensure that appointments are made solely on the basis of a person's ability and potential in relation to the job requirements.

CRED stipulates that: Employees must not be discriminated against on the basis of their sex, whether directly or indirectly, including on the basis of their marital status, their family situation or, in the case of female employees, of pregnancy. This prohibition applies in particular to hiring, allocation of duties, setting of working conditions, pay, basic and advanced training, promotion and dismissal.

CRED also considers the following behaviours as discriminating:

- putting certain groups (e.g. persons of certain origins, working mothers) at a disadvantage with respect to promotion, training, or bonuses.
- ignoring an individual belonging to a certain group (e.g. cleaning staff).
- xenophobic or racist jokes, statements, and comments.
- homosexual or "gay" jokes, statements and comments.
- offensive imitation of language or posture.

Particularly when discriminating against whole groups, offenders usually feel they can hide behind common prejudices, moods, and opinions. We do not want and must not support this. CRED does not tolerate any discrimination neither against groups nor against individuals.

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#### **5. Sexual abuse**

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Any harassing behaviour of a sexual nature or other behaviour related to the person's sex that adversely affects the dignity of women or men in the workplace is discriminatory. Such behaviour includes in particular threats, the promise of advantages, the use of coercion and the exertion of pressure in order to obtain favours of a sexual nature. In the majority of cases the victims of sexual harassment are female independent of their age, looks, marital status, education, and professional position. Young professional beginners and women who out of fear or insecurity do not defend themselves are more at risk than other women.

Sexual or sexist harassment includes for instance:

- unwelcome body contact
- request for sexual actions or favours
- passes in connection with a promise for advantages or with a threat of disadvantages in case of noncompliance
- presentation or foisting of pornographic material
- suggestive comments, "pushy" behaviour
- obscene jokes (also by email)
- suggestive, meaningful glances.

Sexual harassment at work as well as anywhere else is always a blatant disregard for human dignity and will be sanctioned at CRED.

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## **6. Child and youth protection**

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CRED is keen to prevent children / youth abuse and exploitation while promoting youth participation in the different programs. This applies to all employees, partners, the programs' stakeholders of CRED.

CRED maintains a high level of protection of both children and youth from any form of abuse and exploitation by either employees or other parties working with CRED.

As part of the CoC, CRED requires all employees to identify and address risk factors and prevent abuse, child labour and exploitation of children and youth as well as ensuring total compliance by all employees and partners. Such abuse, child labour and exploitation include physical, emotional and health deprivation that's effects their potential and their dignity, and that is harmful to the physical and mental development.

### **Employees and partners of CRED must never:**

- Abuse or exploit children / youth or behave in any way that places children / youth at risk of harm.
- Engage children / youth in hazardous work, beyond the capability, mentally, physically, socially or morally dangerous and harmful, interferes with schooling or obliging them to leave school prematurely
- Exchange money, gifts, employment, goods or services for sex with children / youth, including sexual favours or other forms of humiliating, degrading or exploitative behaviour or any other behaviour that could be deemed exploitative of children / youth.
- Have children / youth they are working with stay overnight at their home unsupervised or sleeping in the same room or bed with children / youth.
- Do things for children / youth of a personal nature that they can do for themselves.
- Offend, insult, humiliate or degrade children / youth or perpetrate any form of emotional abuse.
- Discriminate or provide favourable treatment to one child / youth.
- Restrain children / youth. Discipline children / youth using any form of physical contact, or emotional or psychological pressure, abuse or intimidation.

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## **7. Working conditions**

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CRED determines labor will have decent and humane working conditions.

All employees have a right to healthy and safe working environment. This means that employees must have proper protective equipment and be sufficiently trained with respect to the tasks they perform.

CRED provides a model of collaboration, accountability, and transparency and serves as a catalyst for positive change in workplace conditions. As an organization that promotes continuous improvement, CRED establishes best practices for respectful and ethical treatment of workers, and in promoting sustainable conditions through which workers earn fair wages in safe and healthy workplaces.

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## **8. Possession and use of drugs**

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CRED provide a safe and drug free work environment for our employees. With this goal in mind and because of the serious drug abuse problem in today's workplace, we are establishing the following policy for existing and future employees of CRED.

The CRED explicitly prohibits:

- The use, possession, solicitation for, or sale of narcotics or other illegal drugs, alcohol, or prescription medication without a prescription on CRED.
- Being impaired or under the influence of legal or illegal drugs or alcohol away from employee, if such impairment or influence adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the CRED's reputation.
- Possession, use, solicitation for, or sale of legal or illegal drugs or alcohol away from the CRED, if such activity or involvement adversely affects the employee's work performance, the safety of the employee or of others, or puts at risk the CRED's reputation.
- The presence of any detectable amount of prohibited substances in the employee's system while at work, while on the premises of the CRED. "Prohibited substances" include illegal drugs, alcohol, or prescription drugs not taken in accordance with a prescription given to the employee.

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## **How we make it work**

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### **CRED responsibility**

Director, Officer Manager and the Management Team are responsible for putting in place effective mechanisms to ensure the highest standards of conduct are observed.

Further, they are responsible for regular appraisals of the CoC in order to assess its perception and compliance. These appraisals may result in an updating of the CoC.

#### **Checklist for Management Project**

- When visiting the field, I shall take time to check all.
- When rules/procedures/policies/regulations are modified, I shall inform all parties concerned.

### **Employee responsibilities**

Employees are responsible for ensuring that they have read, understood and comply to the CoC. In case of questions or doubts employees are advised to consult their superior or the HR responsible for further information.

#### **Checklist for employee**

- I have full knowledge of the Code of Conduct and other relevant internal documents (personnel policy, personnel regulations etc.). I understand their content and their implications.
- I shall adhere to them and comply with these principles and rules.
- I shall adopt a proactive behaviour. I may have to modify some of my habits.
- I shall provide my feedback, positive or otherwise, in any situation.
- I know how to react and whom to contact at my office, if I suspect a violation of conduct, receive a hint from a colleague having a problem or feel victimised myself.

### **Director/ Managers responsibilities**

Director/ Managers shall lead by example and are responsible for creating a culture of compliance with the CoC. Superiors are responsible for maintaining a positive, motivating working climate within their team. They encourage feedback.

In order to increase the awareness of the CoC and related topics, the CoC shall regularly be subject of discussion in formal and informal meetings, as well as in staff training programmes. Accountabilities and obligations must be made clear and understandable to all newly recruited or newly appointed staff.

#### **Checklist for Director / Managers**

- Each of my employees has a copy of the CoC and of the relevant key documents (policy, personnel regulations).
- I shall regularly check that their content is understood and well received.
- I am responsible to implement them in my project/office.
- I shall constantly endeavour to increase awareness of specific issues among my employees in meetings, training programmes, etc.
- I shall encourage people to provide feedback.
- I shall regularly take time to inquire how people feel.
- In case of need, I shall ask for support from Leader Board or from an external source. I know whom to contact.

#### **Explanatory Note for recruiting procedure**

When hiring new employees, we look for a professional and systematic approach, individual development capacity, and high compatibility with our organisational culture and guiding principles. As part of the recruitment process, a background check on the applicant must be carried out without exception by an internet research and references. Criminal records must be requested for management positions where applicable.

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### **What to do in case of a suspected breach of CoC**

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Any breach of the CoC may have serious consequences for victims and weaken the integrity of CRED. CRED therefore considers reporting potential breaches of CoC crucial to fight individual misbehaviour or corruption, fraud and conflicts of interest. Victims and witnesses of misconduct related to activities of CRED are encouraged to report cases immediately. Therefore, CRED has defined a reporting mechanism and different reporting channels.

Express yourself clearly and confidently if you feel offended by specific comments or actions or suspect a violation of the CoC by another employee:

- **Ask for a personal conversation:** either one to one between the parties concerned, or in the presence of a person of trust.
- **Write a personal letter:** if you feel uncomfortable about a conversation, express yourself in a letter, listing the remarks and actions you find offensive or suspicious of a violation of the CoC. If the situation does not improve after such a letter you should write a second one and send a copy to the Project Manager /Office Manager, the Director or any other superior of trust.
- **Collect evidence and look for witnesses:** write down what happened when, where and how.
- **Consult the Director/Managers:** (orally or through a confidential letter), who will treat the matter with absolute confidentiality. There will be no retaliation for such reporting.
- **Use our internal reporting channel:** [cred@cred.org.vn](mailto:cred@cred.org.vn)

**Investigation:** In case a violation of the CoC has been reported and could not be solved in the above stated manner, a formal investigation will be undertaken by the Project Manager or the superior approached.

The procedure is to be documented. Those receiving complaints or violation reports are responsible to acknowledge them personally and rapidly, to inform the plaintiffs of the procedure and to solve all complaints received within due time. If needed, he/she is responsible to ask for support from Project Manager. In case of unsatisfactory handling by the management, employees are entitled to involve Director. Depending on the severity of the case, breaches of conduct might result in a written warning, reallocation to a different job, or even dismissal and legal prosecution.

**Confidentiality:** Confidentiality must be guaranteed by Director / Managers who are responsible and all superiors involved.

**False complaint:** A false accusation or misleading information might be subject to disciplinary action of appropriate degree. There will be no retaliation for honest reporting of a suspected breach of the CoC.