

# Code of Conduct

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## BSR Code of Conduct

BSR is a global nonprofit business network and consultancy dedicated to sustainability that works with member companies and other partners to build a just and sustainable world. BSR's purpose as an organization is to promote ethical and purposeful behavior and objectives on the part of business. It is essential that we both promote such behaviors and put them into practice ourselves in all that we do.

It is vitally important for everyone to understand the ethical behavior we expect at BSR. This Code, as well as already-established principles outlined in our staff handbook (including specific principles applicable in the regions in which we have offices), provide essential guidance on how we undertake our work, and engage with each other as colleagues.

In addition, it is crucial that we ensure ethical principles and behaviors are applied by all those working on our behalf. We have established this Code of Conduct to create a clear set of expectations for all those who perform work for or on behalf of BSR, whether on a permanent or temporary basis, paid or unpaid. We expect all those working for or on our behalf to behave responsibly, legally, and ethically and to be respectful of all internal and external parties.

Every one of us has the opportunity and responsibility to build an ethical culture of which we can be proud, which reflects the values of the organization and creates a strong foundation for us to achieve our mission. This Code enables us to extend the approach to how we conduct business to all those with whom we work, I know that all of us will pursue both the letter and the spirit of this Code; reinforce its importance with our project partners, and should there be instances where the Code is not being followed, find effective ways to report any such issues.

Aron Cramer, CEO

**Violations of this Code may be reported to BSR management or via the EthicsPoint Hotline.**

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In the conduct of its activities, BSR is committed to complying with all applicable laws, regulations, and conventions in the locations in which it operates, as well as with best practices, with regard to ethics, social responsibility, and protection of the environment.

This Code of Conduct defines the baseline behavior we expect of employees and is supported by our organization's core values—integrity, respect, and leadership. It is important that all employees read and follow this Code. In doing so, we do our part to ensure the success of BSR.

Our employees agree to comply with the requirements of this Code of Conduct. In the furtherance of our work, our employees should also be guided by human rights principles found in external bodies such as the Conventions of the International Labour Organization, the Universal Declaration of Human Rights, the United Nations Global Compact, the OECD Guidelines for Multinational Enterprises, and the United Nations Women's Empowerment Principles, to the extent such guidance is consistent with applicable laws of the relevant jurisdiction.

Our employees are empowered and expected to ensure that BSR suppliers and contractors deliver high quality work and adhere to the principles of this Code of Conduct. Violations of this Code by our employees will result in disciplinary action up to and including termination of employment, consistent with applicable laws, and, where appropriate, reporting the violation to relevant legal authorities. Violation of many of these rules, e.g., anti-corruption or money laundering, may entail criminal liability for both BSR and the employee. In the event of any violation of this Code of Conduct by suppliers, sub-guarantees and/or contractors, BSR reserves the right to review the business relationship and possibly terminate it in conformity with applicable law, even if there is no written contract formalizing this relationship, without prejudice to the other rights of BSR or remedies it might seek.

## 1. LABOR STANDARDS

- **Prohibition of child labor:** Work by children under the age of 16 is strictly prohibited. In countries where local laws set a higher age for child labor or set an age for completion of compulsory education higher than 16, the highest age is applicable. We always adhere to the legal minimum age requirements in all countries in which we operate and only support the development of legitimate workplace internship and fellowship programs for the educational benefit of young people.
- **Prohibition of forced labor:** Any use of forced labor, slavery, servitude, or trafficking in human beings, as well as requiring candidates to pay recruitment fees in order to obtain employment, withholding identity papers or work permits, or requiring workers to deposit a bond or the use of any other constraint is strictly prohibited. All employees are entitled to accept or leave their employment freely. BSR may not require employees to work to repay a debt owed to them or to a third party.
- **Prohibition of illegal, clandestine, and undeclared employment:** We are required to comply with all applicable regulations to prevent illegal, clandestine, and undeclared employment.
- **Prohibition of harassment:** BSR prohibits unlawful harassment as defined by applicable laws and will not tolerate unlawful harassment in its working environment.
- **Prohibition of Abuse and Bullying:** BSR strives to treat its employees with respect and dignity. BSR does not tolerate bullying and abusive conduct in the workplace. Workplace bullying can appear in various forms but typically includes repeated and severe conduct of an employer or employee in the workplace, with malice, that a reasonable person would find hostile, offensive, and unrelated to the BSR's legitimate business interests. It may include repeated infliction of verbal abuse, such as the use of derogatory remarks, insults, and epithets; verbal or physical conduct that a reasonable person would find threatening, intimidating, or humiliating; or the gratuitous sabotage or undermining of a person's work performance. This type of behavior negatively impacts the victim and the workplace and has no place at BSR.

- **Prohibition of discrimination:** BSR prohibits discrimination as defined by applicable laws and will not tolerate discrimination in its working environment.
- **Safeguarding of children and vulnerable adults:** BSR is committed to conduct its programs and operations in a manner that is safe for the children and vulnerable adults we serve and those we may come in contact with as a result of our work. All BSR representatives are explicitly prohibited from engaging in any activity that may result in any kind of abuse including physical, emotional, negligent treatment and sexual abuse or exploitation.
- **Personal relationships and conflict of interest:** BSR must attend to potential conflicts of interest or other harms that could arise from personal relationships within the workplace or with outside partners and beneficiaries of our programs. Conflicts of interest could be real or perceived. Personal relationships are defined in this policy as the relationship between relatives or the relationship between individuals who have or have had a relationship of a romantic or intimate nature. Such personal relationships can be problematic when individuals with a personal relationship are in a reporting relationship, where one individual is in a position of influence over the other, where the existence of the relationship could compromise the integrity of BSR's internal controls, or where an actual or perceived conflict of interest arises. All personal relationships (as defined herein) must be disclosed to the Head of People & Culture (Human Resources). For the purposes of this Code, relatives include the following: spouse, parent, child, sibling, in-law, grandparent, grandchild, aunt, uncle, cousin, step-relative, or any individual with whom an employee has a close personal relationship, such as a domestic partner, co-habitant, or significant other.
- **People with disabilities:** BSR is committed to equal opportunity for persons with disabilities. BSR provides reasonable accommodations to both applicants and employees in accordance with applicable law.
- **Human rights:** BSR respects international human rights standards and frameworks and works to ensure that we do not infringe on fundamental human rights through our operations, products, services, or business relationships; we believe every employee should be treated with respect and courtesy.
- **Drug-free workplace:** In compliance with country-specific laws in countries in which we work, BSR maintains a drug-free workplace.
- **Freedom of association:** BSR respects and recognizes the right of workers to negotiate collectively and to create or join labor organizations of their choice without any sanction, discrimination, or harassment.
- **Health and safety:** BSR strives to provide our employees with a safe and healthy workplace environment in order to avoid accidents or bodily injuries which may be caused by, related to, or result from their work or during work-related travel. BSR is committed to operations and practices that are aiming to detect, avoid and mitigate as much as possible any hazards that constitute a risk to the health, hygiene and safety of staff. BSR complies with all applicable local and international regulations and laws in this regard. Our employees are responsible for conducting themselves in a safe and responsible manner and are never expected to take any safety risk, whether in the office or while on business travel, which they are not comfortable with.

## 2. ENVIRONMENTAL REGULATIONS AND PROTECTION

BSR respects local and international environmental regulations and standards to protect the environment. As an organization, BSR attempts to reduce environmental footprint through resource-efficient practices. We acknowledge the need for responsible and sustainable environmental management at all levels, and we strive to incorporate good environmental practices into all our decisions and operations.

- BSR expects its employees, suppliers and business partners to share this commitment and reduce the environmental impact of their activities, e.g. by using resources in an efficient and prudent manner and reducing usage where possible, preventing pollution, conserving energy and water, reducing waste and participating fully in recycling, composting, and similar programs where they exist.
- BSR is committed to contributing to achieving the global goals of the Paris Agreement. We recognize the urgency of the global climate crisis and understand our role in addressing it. As part of our commitment to sustainability, we implement measures to minimize our GHG footprint across all facets of our operations and value chain. In 2023, BSR set an emission reduction target in line with climate science, with information publicly available [here](#). We recommend that our suppliers calculate and publicly share their GHG emissions footprint and work towards the goals of the Paris Agreement by reducing their GHG emissions in line with climate science.

## 3. BUSINESS INTEGRITY REQUIREMENTS

BSR requires exemplary integrity from its employees and that employees act in full compliance with local, national, and international laws, across the scope of their activities. In addition, we expect that third parties working on our behalf adhere to the same standards as BSR, both as a matter of principle, and to ensure that BSR does not incur legal liability based on the actions of third parties working on our behalf.

- **Prohibition of all forms of corruption:** BSR applies a zero-tolerance policy concerning corruption – no matter how small the amount – and BSR will not offer, authorize, or accept facilitation payments, bribes, kickbacks, or anything of value for obtaining or retaining business or any other improper advantage. BSR expects its employees to respect all applicable laws concerning corruption and to take appropriate measures to prevent, detect, and sanction any corruption, directly or indirectly, across the scope of their activities. This means that our employees should reject and oppose any form of bribery or facilitation payment and never initiate such payments. No one working for or on behalf of BSR will ever accept, give, or promise anything that could be interpreted as an attempt to improperly influence a governmental or commercial decision.
- **Gifts and entertainment:** While normal hospitality is not problematic, we do not offer or accept monetary benefits or gifts where the intention or effect is to achieve business advantages which we would not otherwise be entitled to receive. It is a violation of the Code of Conduct if the intention of any gift or entertainment is to receive something in return.
- **Interacting with government officials:** Interacting with government officials can sometimes be a necessary part of doing business. BSR promotes transparent and lawful

interaction with government officials. Some countries impose strict procedures and rules on how organizations can interact with government, and the definition of a government official is wide. Knowledge of local regulations is important.

- **Interacting with suppliers, sub-guarantees and contractors:** We are responsible for third parties acting on behalf of BSR. We only engage with third parties where there is a legitimate business need and where background checks (when relevant and conducted in accordance with applicable law) do not result in any reasons for concern about their record or activities.
- **Prevention of conflicts of interest:** We require our employees to comply with all applicable laws and this internal policy concerning conflicts of interest. Where possible, employees should make efforts to avoid creating real or perceived conflicts of interest. When it is not possible to completely avoid real or perceived conflicts of interests, the conflicts should be disclosed to management or to People & Culture so that BSR can consider whether and how the conflict could be managed.
- **Financial Reporting and Control:** Financial integrity is key to our reputation with donors and member companies. We have a control framework to ensure reliable internal and external financial reporting, as well as compliance with law and accounting standards. Our employees are accountable for the records of BSR's projects or tasks. This means all submissions must be accurate, complete, and processed in accordance with law and BSR's internal policies.
- **Fraud:** Fraud can take many forms, for example: theft, embezzlement, misrepresentation, and falsification of records. BSR does not tolerate fraud. It is a crime and exposes us to significant financial, legal, and reputational risks. In case of fraud, BSR may pass the information to law enforcement agencies for investigation to determine whether criminal charges may be warranted. BSR seeks to prevent, detect, and investigate any dishonest behavior that may affect the organization. It does so by requiring all employees to report suspicions of fraud and by maintaining a fraud detection and prevention program.
- **Prohibition of money-laundering:** Money-laundering can occur where an action is taken to mask the true origin of money or assets that are connected to criminal activity. Anti-money laundering laws are strict and may operate to impose criminal liability on BSR or individual employees who assist in or enable money-laundering to occur.
- **Respect of competition:** Our employees must be committed to compliance with competition laws applicable in their host countries. This includes prohibiting abuse of dominant position, concerted practices, or unlawful agreements between competitors.
- **Confidentiality:** Our employees must abide by the confidentiality obligations detailed in their respective employment-related agreements and in accordance with applicable law.
- **Protection of personal information:** We require our employees to comply with all applicable laws and regulations concerning the protection of personal information. Personal information may include personally-identifiable information about past or present employees, members, clients, or other individuals, such as Social Security numbers, background information, credit card or banking information, health information, or other non-public information entrusted to an organization. BSR has implemented technical and organizational security measures to protect personal data. All employees of BSR are prohibited from improperly using or disclosing personal information.

#### 4. VIOLATION OF THE GUIDELINES

Employees, suppliers, sub-guarantees and contractors are expected to report any and all possible violations to this Code by bringing them to the attention of BSR management or by reporting via BSR EthicsPoint reporting system.

<https://bsr.ethicspoint.com>

**Whistle-blower protections:** BSR will strive to handle reports of a violation of this Code and the resulting investigation confidentially, to the extent possible, consistent with its need to investigate and remediate. However, BSR cannot promise complete confidentiality, and identify may have to be disclosed to conduct a thorough investigation or to comply with law. Employees (or complainants) making complaints are expected to cooperate fully with the person or persons designated to investigate the complaint. BSR will not retaliate against anyone who makes a good faith report of a possible violation of this Code in accordance with applicable regional laws.