

CODE OF ETHICS AND CONDUCT FARMACÉUTICOS MUNDI

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FARMAMUNDI

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INTRODUCTION. The reason behind Farmacéuticos Mundi's Code of Ethics and Conduct.

The association Farmacéuticos Mundi was funded in 1991 as a solidarity non-profit organization (NPO) with the aim of providing aid (especially of a pharmaceutical nature) to affected populations in developing countries. Since its creation and until its joining the Coordinating Body for NGDOs at the Spanish state level (CONGDE), as well as the Coordinating Bodies at the level of the Autonomic communities where the NGO was becoming active, the association was organized and governed according to the principles stated in the By-Laws, the Internal Regime Regulations (IRR), and the Law of Associations at the Spanish state level, as well as the ethical principles of the pharmaceutical profession adopted by all the members of the professional associations most of its members belong to.

The evolution that Farmamundi experienced in its early years gradually led to the creation of new principles and to the organizational culture of an emerging sector, still largely unregulated in Spain, as well as to the incorporation of operational management systems comparable to those of other similar non-profit entities, and control measures comparable to those of companies, in order to achieve greater effectiveness in the management of their resources and efficiency in their interventions.

Following the approval by the CONGDE (Coordinating Body for NGDOs in Spain) in 1998 of a code of conduct for the sector, Farmamundi subscribes and incorporates it into its organizational and operating regulations. This Code of Ethics is, thus, a complement in specific areas of activity of Farmacéuticos Mundi.

However, the Third Sector has grown both in the number and the typology of organizations that comprise it, which has caused important changes in the role they play both in the North, and in the countries of the South with and in which we work. Our humanitarian and development activities have become more visible; also, the role of these agents, their influence and their presence in society has increased, as well as their relations with other public and private actors.

For all these reasons and above all for the need for accountability in a clear and transparent way to society, donors, local partners and beneficiaries of our activities, Farmamundi has decided to compile in a document the principles that underpin its organization, performance and relationships, based on transparency, honesty, responsibility and compliance with ethical principles and good practices adopted by its partners, volunteers, leaders, the technical team that constitutes its staff, local personnel and counterparts.

Chapter 1. Identity and organization principles

The entity was created, organized and operates legally and functionally as an NGDO, that is, a non-governmental organization for development and humanitarian action aimed at working in the area of international solidarity and social awareness on the need to promote the value of social justice and solidarity with disadvantaged people. This definition implies that it is independent of any government or intergovernmental agency and that the financial benefit generated by its activities is exclusively devoted to the fulfilment of its mission. In its Vision, Mission and Values statement, the principles and objectives FM pursues are summarized in:

MISSION

Promote universal access to health, through processes of sustainable social transformation.

VISION

Contribute to the fulfillment of the universal right to health for the entire population, from a comprehensive human rights approach, through social transformation and building solidarity among citizens.

VALUES

Coherence, expressed as the congruence between the identification of needs, health cooperation actions, denunciation and political advocacy.

Commitment, understood as solidarity among peoples and individuals to achieve greater equity and opportunities for universal access to quality and sustainable health care.

Professionalism, through the development of capacities and competencies of the technical team and the support of the Governing Board team for the application of high standards of quality, efficiency, efficacy and impact in our management.

Transparency, through accountability, both with donors, partners and beneficiaries of Farmamundi.

Respect, recognizing and valuing diversity in political, social, cultural, ethnic, sexual, religious or philosophical terms.

Chapter 2. Activities of the Organization. Lines of Action

The activities defined in its mission and its concretion within the framework of its strategic planning are developed professionally, effectively and efficiently. The lines of action of the Organization, in order to fulfil its mission, are the following:

2.1. *Development Cooperation Projects (PCD)*. We develop cooperation interventions mainly grouped into three main lines of work: health with equity, participation and governance of the health sector.

We promote prevention, primary care, access to essential medicines and the strengthening of public health services, combating all forms of discrimination and violence against women. We do this through participatory processes that guarantee equity, human rights and cultural appropriation, allowing individuals and peoples to freely choose and lead their own development processes. their own development processes.

2.2. *Humanitarian and Emergency Action Projects (AHE)*. We respond to the social and health situation of the population affected by catastrophes, chronic or complex crises, supporting the coverage of the most urgent needs in humanitarian crisis contexts, guaranteeing health and food humanitarian crises, guaranteeing health and food care, access to water and sanitation, as well as ensuring access to water and sanitation, as well as ensuring shelter and hygiene.

We do this through two main lines of work:

1. To create social and institutional conditions and capacities for adequate humanitarian health care for the most vulnerable social sectors in complex and long-term crisis contexts. complex and long-term crisis contexts.
2. Improve risk prevention and mitigation, particularly vulnerable social groups.

2.3. *Pharmaceutical Consulting, Supply of Medicines and Medical Material (ALH)*. We supply medicines for human use and medical supplies with both EU and extra-EU licenses, in adapted presentations and at the most competitive cost, responding to the demands and therapies needed in the most disadvantaged countries.

We offer pharmaceutical consulting as specialists in pharmaceutical distribution and base our supply on the World Health Organization (WHO) list of essential medicines, prioritizing the use of more cost-efficient molecules and appropriate expiration dates.

We work mainly with non-governmental organizations (NGOs) or humanitarian aid foundations, pharmaceutical laboratories, drug distributors, hospitals, health centers and

governments to supply products to entities that need to support programs in less developed countries.

2.4. Education for Development and Global Citizenship (EPD). We develop educational, sensitization and awareness processes through work on values, with the aim of promoting the necessary social change to create committed, supportive, conscious and responsible citizens with respect to global inequalities in the fulfillment of the right to health. These processes are materialized in workshops, exhibitions, lectures, documentaries, courses and other actions aimed at both formal education and the general public.

We critically analyze the global reality and propose an exercise of reflection, awareness, and if necessary, action measures for social transformation for the fulfillment of Human Rights.

We do this through 3 main lines of work:

1. Promoting access to essential and priority medicines for public health as a determining factor in the fulfillment of the right to health,
2. The promotion and defense of gender equity, especially in relation to the fulfillment of the right to health,
3. The study and analysis of health inequalities at the global level and the defense of the right to health as a frame of reference for the development of the right to health.

FARMACÉUTICOS MUNDI analyses and, if appropriate, regularly reviews the efficiency, effectiveness and feasibility of its activities in the context of fulfilling its mission, assessing the opportunity to maintain the continuity of its programs, cancel or renew them where needed.

Chapter 3. Organizational Criteria

3.1. Good governance.

The structure and system of governance are clearly specified in the organic documents (By-Laws and Internal Regime Regulations), and available to all parties involved. These documents contain the rules governing the operation of governing bodies (General Assembly, Governing Board and Executive Board), their responsibilities, the procedure for electing and appointing members, as well as the conduct of this body.

The organization develops these and other guidelines through the documentary system (manuals and procedures) introduced in 2010 that facilitate, among other measures, regular and permanent monitoring by the governing body of the operational and technical functioning of the entity based on planning strategic and annual meeting proposed by management and approved by the Board annually.

The Governing Body is made up of individuals who voluntarily commit themselves to the values and objectives of the organization, devoting their time, knowledge and skills to make possible the fulfilment of the mission. Likewise, they are expected to be able to offer considerable contributions to the organization, be they economic, material, self-dedication or third-party support.

The indicators of good governance that Farmamundi accepted to uphold since 2011 are included in the Transparency and Good Governance Tool of the Spanish NGDO Coordinator. It is an evaluation document containing more than 100 recommendations with their corresponding indicators to promote Transparency and Good Governance of partner NGOs and, without questioning other tools, aims to adapt to the characteristics of the sector and promote its continuous improvement.

The Good Governance indicators stated in the By-Laws are:

- Minimum number of members of the governing body (GB): 5 people.
- The maximum proportion of members of the governing body who have a relationship of kinship up to the second degree should be 20%.
- No member of the GB can receive any financial compensation from the NGO.
- The election and replacement of positions of the GB takes place every 4 years. No member can be re-elected in more than two periods (8 years).

Conflict of interests. A Member's personal interests should never influence their judgment or the decisions they make on behalf of FARMACÉUTICOS MUNDI. The organization establishes and defines in its management system the corresponding policies and procedures on how to avoid or resolve such conflicts. To this end, it has developed the procedure PTBG 02 for Conflicts of interests, published on the organization's website and available to any interested person. This procedure defines courses of action in order that the interests of the entity prevail over the personal interests of its members, and establishes rules on the way to avoid or solve such conflicts. The personal interests of a Member must never influence their judgement, nor the decisions they may make on behalf of Farmacéuticos Mundi. This procedure defines under which circumstances a Member must:

- Refrain from carrying out specific actions;
- Inform their supervisor of such actions;
- Obtain written approval from a superior

Any person, both within and outside the organization, that might identify a situation of conflict of interests, should notify the organization through the e-mail address etica@farmamundi.org, activating immediately the action protocol established in the Conflict of Interest Control Procedure.

3.2. Transparency Policy.

The organization will annually publish on its website the results of the financial audits, which are available to all and any who request them.

- ✓ Annually publish information on the activities, programs, available resources and destination of the activities, detailing the distribution of their expenditures, specifying the amounts allocated to administrative expenses.
- ✓ With regard to promotional materials, the organization will ensure that they are correct and clearly and truthfully represent the mission and programs of the NGO. They will not include exaggerations of facts or omission of information, nor any communication or images that might create a false or misleading impression.
- ✓ In accordance with the legislation applicable to it as a Public Utility entity, the destination of non-finalist funds will be distributed in such a way that 70% of these funds are allocated directly to the accomplishment of the organization's mission. These are intended to cover the direct expenses of the mission areas of the entity. The remaining 30% will go to the Social Fund of the entity or to the creation of statutory reserves that it may consider convenient to establish.

3.3. Combating fraud and corruption.

Farmamundi strongly opposes and denounces corruption, bribery, and any other improper or illegal behavior in financial and organizational matters. For this purpose, it has a Policy against Fraud and Corruption through which Farmamundi can detect and, if necessary, manage cases of corruption, as well as those breaches of the Code of Ethics and Conduct.

Neither Farmamundi, nor any of its affiliates shall offer, promise, give or solicit, directly or indirectly, illicit payments or other improper advantages to obtain or retain any benefit. Neither will they request nor expect such advantage from any Entity, by any means.

Farmamundi will work against corruption in all its forms, including extortion and bribery. It will respect applicable legislation on anti-money laundering and combating the

financing of terrorism. Based on our Anti-Fraud and Corruption Policy, we support and inspire the actions of all of us who form Farmamundi in the fight against fraud and corruption, through awareness, encouragement and challenge. The members of Farmamundi, aware of this Policy, will extend it to their local partners, counterparts and beneficiary population.

On the website of the organization, any individual or collective person, internal or external to the organization can know the Anti-Fraud and Corruption Policy of Farmacéuticos Mundi, and if they consider it convenient, they can file a complaint about corruption with the organization - through the following channels:

1. A written report addressed to the organization, presenting the case to the attention of the Ethics Committee.
2. An e-mail to the address etica@farmamundi.org
3. An anti-corruption form, published on the web together with the Code of Ethics and Standards of Professional Conduct, which is automatically forwarded to the Ethics Committee.

From that moment on, an investigation process is opened that guarantees the independence of the parties that will carry it out, as well as the confidentiality and integrity of both the complainant and the accused, ensuring that the conclusions and recommendations adopted in the investigation will be followed up in a timely manner.

Chapter 4. Performance criteria.

4.1 Human Resources HR.

For Farmamundi, the people who make up the team are its greatest strength and the organization maintains a determined commitment to the development and professionalization of the human team, through the application of a competency-based and results-oriented human resources management model, ensuring equal treatment and non-discrimination on the grounds of race, gender, age, religion, sexuality, culture or disability materialized in Farmamundi's Human Resources Policy.

The different functions of the Human Resources area are framed in the competence-based management model and are listed below:

- Selection.
- Reception and Induction.
- Staff development.
- Remuneration and reward system.
- Performance evaluation.
- Knowledge management.
- Prevention of Occupational Hazards.
- Equal opportunities and respect for diversity.
- Transparency and anti-corruption.
- Communication and participation.

4.2. Data Protection DP.

In terms of data protection, Farmamundi complies with the provisions of Regulation 2016/679 of the European Parliament and of the Council of 27 April on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

To this end, the necessary technical and organizational measures have been taken to ensure that the process of implementing the protection of personal data is properly managed.

On the organization's website any person can access the Farmamundi Privacy and Data Protection Policy, which is shared in all our relations. Likewise, all persons who join the organization as employees or volunteers are informed of the Personal Data Protection Policy of the Farmamundi team, through the Privacy Notice and Confidentiality and Secret Duty Agreement.

4.3. Material and economic resources: Transparency, Public Trust.

The organization's main financing sources come from the social contributions and the general or finalist contributions of its collaborators for the different campaigns carried out by the association.

The projects are financed with public and private subsidies and with co-financing that the entity collects through its fundraising campaigns. Through the Humanitarian Logistics Area, the entity also carries out a series of non-profit commercial activities, through which it offers a supply of medicines and medical and sanitary products or logistic services. The clients are generally private or public entities mainly dedicated to providing humanitarian aid or health supplies to developing countries.

This activity is an intrinsic part of the mission of the organization and is complemented by donations of medicines which, as a recognized entity of public utility, the NGO receives from the industry and channels towards the final beneficiaries of the aid through humanitarian shipments.

Farmamundi facilitates the external control of its activities and resources, its relations with other organizations and all contacts with public administrations, the public, donors, partners, beneficiaries and other interested parties. Therefore, it ensures that:

- The governing body, staff and volunteers do not maintain any relationship with the donor or potential donor of a personal benefit or any relative, friend, associate, colleague, and so on.
- Confidential information regarding a donor or donation is not disclosed to unauthorized parties.
- The information disclosed is accurate and presented in an appropriate context, as defined in the CONGDE Code of Conduct, and respects the guidelines of the communication, advertising and image use code.
- Annually, Farmamundi prepares and makes available to the public information about its programs, services, relationships with other public and private bodies, composition of the management and technical team, and funding, in a timely and truthful manner.

This information is published on its website, in the activity report which is also published on paper and accessible to all partners, as well as the complete report with the annual accounts submitted to an external audit. This information is also presented in the Mercantile Registry and therefore this information has been fully accessible since 2006.

General Principles of Fundraising and Management

- ✓ Farmamundi only accepts funds that are consistent with its mission, and that do not compromise its fundamental principles, nor its ability to handle relevant matters with total freedom, depth and objectivity. It does not tolerate unethical activities.
- ✓ The principles of transparency, ethics and accountability that govern the organization in the management of economic resources and investments will ensure that:
 - The provenance of funds does not prevent the free action, nor condition in any way the attainment of the entity's mission objectives.

- The donor's will in relation to the final destination of the finalist funds is respected at all times.
- ✓ The relations of collaboration with companies, respect at all times the values of independence, transparency and effectiveness established by this policy and professional codes of ethics.
- ✓ The transparency and coherence of all economic activities.
- ✓ In the case of finalist and non-finalist contributions, the donor or financier is informed of the activities that are developed and the results that are obtained, through the report, as well as through the corresponding justification reports prepared for each intervention are duly informed.
- ✓ Fundraising activities will always respect the guidelines of truthfulness, avoiding misleading messages. Funds will be requested only for the activities to which the organization can respond adequately, always avoiding the use of pressure or blame-attributing tactics.

ETHICAL INVESTMENT CODE

Farmamundi, as a recipient of funds for specific purposes and as a guarantee to donors, partners and collaborators, will safeguard these funds in a transparent, ethical, safe and effective manner, giving priority to the basic criteria of security, liquidity and profitability. Therefore, it considers that investments in financial products issued by public or private entities that are engaged in activities contrary to those of Farmacéuticos Mundi are not eligible. In general, financial investments will not be acceptable in:

- Securities or other negotiable products that are not listed on secondary markets.
- Shares of companies.
- Mutual funds or equity financial products, unless they guarantee the "Security" criterion.
- Any other similar financial product that does not meet the basic criteria of security, liquidity and profitability.

4.4. Ethical Purchasing-Procurement.

- ✓ Farmamundi selects its suppliers as partners for the development of its work, and therefore we select suppliers that work in accordance with this Code of Ethics and Standards of Conduct, and will apply the same principles defined in the relationship with suppliers. The organization will particularly consider the suppliers who subscribe to this code of ethics.
- ✓ In the execution of the purchases, FARMACÉUTICOS MUNDI applies the principles of: Transparency, Legality, Conflict of interests that govern this code,

promotes local consumption and fair trade and guarantees through the management system implemented the Equality of treatment and proportionality between potential suppliers.

- ✓ In the relations with suppliers not located in Spain, the international recommendations and regulations, as well as the principles of Social Responsibility will be applied in this respect, such as: protection of employees' and Child's rights, environmental protection, etc.

4.5. Relations with other Southern NGOs: local partners and beneficiary population.

Relation with local partners-counterparts

The construction of the relationship with its counterparts and beneficiaries is for Farmacéuticos Mundi the basic element of any joint work, and its objective is to develop a relationship of trust, mutual learning, and knowledge exchange in order to optimize the planning and execution processes between institutions and ensure the strategic objectives defined in the joint work. Thus:

- In the first contact between a local organization and Farmamundi, institutional strategic planning documents are exchanged, considering as the fundamental framework from which to evaluate the relevance of future joint actions
- The relation is established as a partnership, where the synergies and vision of the organizations are verified, and common work guidelines are established based on shared objectives.
- Projects and counterparts are analyzed based on a series of criteria included in the Technical Assessment Sheet for Counterparts and Cooperation Projects.
- For the identification of its counterparts, Farmamundi establishes a series of previous criteria that determine the field of action in Cooperation and the organizations with which it intends to work, all previously defined and communicated to the parties involved.
- Initiatives supported by Farmamundi must meet the requirements of quality and technical coherence in terms of their identification, formulation, participation of the beneficiary population and their viability.
- Farmamundi will inform the counterpart in a timely manner of the status of the project and of the different steps necessary for its achievement, formulation, request, follow-up, etc., so that the latter can act accordingly at any time.

Relation with the beneficiary population.

The organization ensures the participation of the beneficiary population throughout the life cycle of the projects, both in the initial needs identification phase, the formulation and design phase of the proposals, the implementation of the proposals and at the end of the intervention, with the evaluation of the results achieved and the compilation of lessons learned. To this end, participatory methodologies are applied, with the objective of involving community members to obtain and consider their opinions and expectations. It is important to clearly inform of the role played by each of the actors involved:

- **Farmamundi:** NGDO responsible for the coordination of the different stages with the actors involved and, ultimately, responsible for accountability to the donor, for achieving the expected results, and for the execution of the allocated economic resources.
- **Donor organizations:** contribute their financial and in-kind contributions to the realization of projects and programs.
- **Beneficiary population:** participate through contributions and input in the "participatory workshops" organized, as well as during the different phases of the projects. This can be translated into tangible contributions in labor or in carrying out training activities, among others.

Both the technical offices of Farmamundi in the intervention countries (local or cooperating technical staff) and technical staff in the Project Area who travel to countries where there is no office, are responsible for disseminating the role and function of each one of the actors in the development of the projects, such as the planning, execution and expected and obtained results, always upholding humanitarian principles in all our interventions and making a requirement of their observance by our partners and collaborators.

In our relations both with the local partners - counterparts, and with the beneficiary population, we will take very much into account what is established in the "Six basic principles of the IASC related to sexual exploitation and abuse, as well as in the Protocol of Prevention Against Harassment", where it is indicated that the rights of all people will be respected, also of the children, contributing to generate a work environment characterized by mutual respect, integrity, dignity and non-discrimination, having to denounce the behaviors or bad practices that are detected before the Commission of Equality of Farmamundi.

4.6. Relations with Public Administrations.

- ✓ Farmamundi establishes agreements with public administrations only when it is to the benefit of the achievement of its mission and does not compromise the independence or control of the organization over its projects and in no case as a tool to promote its sustainability.
- ✓ The Organization presents its projects or proposals to the public calls of the different administrations in which it has capacity and experience, in conditions of concurrence with other actors of cooperation.
- ✓ Relations with public donors are in accordance with the terms of the calls for proposals and the functions assigned to them in the framework of the committees of advisory bodies in which one of its members participates as technical experts as in representation of collegiate platforms or bodies (Cooperation Councils, Advisory Committees for Humanitarian Action and Emergencies).

Chapter 5. Collaboration with companies, customers, suppliers.

5.1. General Principles of Collaboration.

- ✓ Farmamundi collaborates with other entities only if the collaboration is consistent with its mission, based on shared values, in common areas, for the good of society and on an equitable basis of mutual benefit for each organization, promoting transparency in mutual flow of information, ideas and experience. The entity considers important to maintain a link with the health sector in which its fundamental activities are framed.
- ✓ The ultimate goal of this link is to improve the effectiveness of their interventions to guarantee the right to health of all citizens, to optimize material and human resources, to share knowledge and experiences, and to achieve cultural changes that impact on the achievement of social development more equitable and sustainable.

5.2. Relation with clients and entities receiving donations in kind.

- ✓ Farmacéuticos Mundi works with public entities (Hospitals, Associations, Social Enterprises, Foundations, Missions or Professionals that carry out humanitarian activities) and private, to which it supplies and advises on the logistic suitability and conditions necessary to execute its services efficiently.
- ✓ Farmacéuticos Mundi manages the donations it receives, after verifying their suitability for the destinations to which they are addressed, donations of

medicines received from the pharmaceutical industry in the framework of established collaboration agreements.

To avoid misuse or improper or fraudulent use of these supplies Farmamundi has established limitations and controls that are summarized in the following Ethical Code of Supplies.

ETHICAL CODE OF SUPPLIES

The entity establishes limitations in the supply of drugs and medical equipment for cooperation and humanitarian aid identified as follows:

1. **By beneficiary population:** entities or persons whose purpose is not profit.
2. **By means:** from whom and how resources are obtained.
3. **By products:** those that are essential for health and that meet the usual quality requirements reflected in the pharmacopoeias and / or reference treaties will be selected.
4. **By distribution:** delivering aid is correctly and professionally defined and managed, thus:
 - a. The organization has specialized as a non-profit provider of medicines and health advice for all non-profit organizations and guarantees maximum control and monitoring of drugs (traceability).
 - b. Selects products and provides professional counselling to applicants on the appropriate type of medication for each need.
 - c. Provides medicines and offers counselling to applicants on their suitability to different geographical areas of developing countries in order to facilitate access to the health and medicine for their populations.

5.3. Relation with For-Profit Corporations

Farmamundi only cooperates with for-profit corporations when:

1. It is beneficial to the achievement of its objectives and does not compromise the independence or self-governance of the organization
2. o The conditions stated in the code of supplies and donations of drugs previously mentioned are fulfilled.

In sponsorship or marketing campaigns with a cause, an agreement will be established to ensure that collaborating companies respect and protect the human rights guaranteed by international law and national legislation, as well as the rights and interests of indigenous peoples and other vulnerable population groups.

Obligatory conditions for collaborating with other entities:

- ✓ They do not benefit from or participate directly or indirectly in any war.
- ✓ They do not resort to forced or compulsory labor or use any type of economic exploitation on their employees, and take special steps to respect the rights of Child.
- ✓ Ensure the safety and quality of the goods and services they provide, including observing the precautionary principle.
- ✓ They do not violate any of the principles on which Farmamundi's mission is based, nor any of the activities of the organization.
- ✓ They do not threaten the conservation of the environment, nor public health and safety, bioethics and, in general, will carry out their activities in a way that helps sustainable development.
- ✓ Ensure equality of opportunity in order to eliminate any discrimination based on race, ethnicity, color, sex, language, religion, political opinion, national or social origin, disability or age.
- ✓ Their safety provisions are compatible with international standards of Human Rights and with the country's professional laws and standards.
- ✓ They will provide a healthy environment for their employees and neighboring populations that may be affected by their activity.
- ✓ They do not manufacture, nor sell health-endangering products (e.g., tobacco, alcohol, etc.) or products of non-demonstrable toxicity (transgenic products).
- ✓ Ensure freedom of association to a workers' union and recognition of the right to collective bargaining.
- ✓ Respect the applicable rules of international law, national laws and regulations, as well as administrative practices, rule of law, public interest, development goals, social, economic and cultural policies, including transparency, accountability, the prohibition of corruption, and the authority of the countries where they will carry out their activities.
- ✓ Do not knowingly offer, promise, give, accept, condone, or take advantage of, or seek bribes from governments, officials, candidates for elected positions, armed forces or security. They will abstain from carrying out activities that support, solicit or encourage the violation of Human Rights. In addition, they will ensure that the goods and services they provide are not used to violate Human Rights.
- ✓ Respect and contribute to the realization of the social, political, economic and cultural rights of the countries where they operate.

- ✓ Provide quick, effective and adequate compensation to individuals, businesses or communities who have been harmed by non-compliance with these standards, including, among others, compensation, rehabilitation, restitution for any damage that has occurred or has been suffered.

Chapter 6. Relation with Northern and Southern NGOs and Networking

Farmamundi's policy in this respect is based on:

- ✓ Supporting or reinforcing the work in advocacy networks on the common set of problems in which we act and, especially in the Southern countries, strengthen the organizational and management processes of a community nature.
- ✓ Incorporating and taking advantage of the diversity (specialization, complementarity) of organizations as a strengthening factor.
- ✓ Dynamics of mutual learning that, as a critical reflection on one's own practice, favors collective and shared elaboration.
- ✓ Favoring the processes and mechanisms of accumulation of experience: evaluation for change and improvement.
- ✓ Respect all people's rights, including children, thus contributing to the creation of a work environment characterized by mutual respect, integrity, dignity, and non-discrimination.

Chapter 7. Communication guidelines

Farmamundi shares, adheres to and applies the communication code and rules for the use of images and messages Stated in the Code of Conduct approved by the Spanish Coordinator of NGDOs in this respect. These codes are applied in official communications such as informative, advertising or education and awareness materials, as it has been pointed out in the corresponding previous sections (Transparency, Accountability, Minutes and web).

Chapter 8. Cross-Cutting Issues: Protection of the Environment, Gender, Children and Human Rights.

Farmamundi demands not only for its staff but also for the communities where it develops its activity, zero tolerance to situations of sexual exploitation, abuse and harassment, as well as any kind of unethical behavior, such as discrimination, forced and child labor, modern slavery, exploitative practices towards staff, partners, contractors or beneficiaries, illegal employment and intentional environmental damage. Zero tolerance means that any situation that is detected or reported as a result of the above points will be investigated by the Ethics Committee and, if necessary, referred to the competent administration to resolve the case in question.

8.1. Environmental conservation and improvement

The conservation and improvement of the environment is one of the transversal lines of the work carried out by the organization through its projects, given the influence of this variable in the fight against poverty and the consequences that environmental degradation has on the capacity for human development.

At Farmamundi we work to reduce the inevitable impact that any human activity has on the environment both at the headquarters and in the local community with which we work. By committing to:

1. Respecting high environmental standards in its acquisition and waste management
2. Alert in case of imminent risk of damage to the environment of the local or host community.

To this end, all of our interventions in the south aim to minimize the impact that our activity will have on the environment in which they are carried out. Our projects and actions consider the effect that will be caused on natural resources, emissions, discharges and waste generated, always taking into account not only national policies for environmental protection but also the best recommended practices.

In the development of our activity, and limited to our sphere of responsibility, this is embodied in the following working guidelines:

- ✓ Minimizing the consumption of energy resources by installing clean electricity production systems and savings measures in our facilities.
- ✓ Minimizing the consumption of material resources.

- ✓ Reducing the emission of greenhouse gases, promoting public transport in our work trips.
- ✓ Minimizing and improving the management of waste and discharges generated.

This policy is applicable to all activities and delegations of the organization and comes to complement national, regional and local environmental legislation.

8.2. Gender Equality Plan and harassment prevention.

In order to make progress in reducing inequalities and achieving gender equity, the Organization has implemented a Gender Equality Plan, based on the following principles:

- ✓ Establish a different / operative relationship with women's organizations at different levels (NGOs, community organizations, etc.) and make women's participation and prominence increasingly possible.
- ✓ For Farmamundi, gender equity is not only fair, but also provides us with a broader and more inclusive vision, which will give more coherence to our interventions and institutional work.
- ✓ In the development of the programs and projects that we support, we incorporate the gender perspective with specific indicators that allow us a disaggregated analysis of the intervention context.
- ✓ Farmamundi consolidates the gender equity approach in its work, which leads us to promote an institutional culture that actively promotes gender equity
- ✓ Farmamundi mainstreams this vision and, above all, this practice, to all the mission efforts it promotes: cooperation programs and projects, humanitarian action, awareness, and all its organizational and institutional work.

Farmamundi has a Prevention Protocol against Harassment, whose objective is to define the guidelines that allow us to identify a situation of moral, sexual or gender-based harassment, in order to solve a discriminatory situation and minimize its consequences, guaranteeing the rights of the people involved.

This protocol will be applied not only in the labor relations of the employees and volunteers, but also in the local community where they carry out their activity. Together with the provisions of the Prevention of Harassment Protocol, the Farmamundi team must also comply with the 6 basic principles of the IASC (UN Inter-Agency Standing Committee) related to sexual exploitation and abuse, which are compulsory for all the organization's employees and volunteers, as well as for the local community where they carry out their activities:

1. *"Sexual exploitation and abuse by humanitarian workers constitute acts of serious misconduct and are therefore grounds for termination of employment.*
2. *Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or the age of local consent. Mistaken belief regarding the age of a child is not a defense.*
3. *Exchange of money, employment, goods or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior, is prohibited. This includes the exchange of assistance that is due to the beneficiaries.*
4. *Any sexual relationship between those providing humanitarian assistance and protection and a person benefiting from such assistance and protection that involves the misuse of rank or position is prohibited. Such relationships undermine the credibility and integrity of humanitarian aid work.*
5. *When a humanitarian worker develops concerns or suspicions regarding sexual abuse or exploitation by a co-worker, whether in the same agency or not, they should report these concerns through the agency's established reporting mechanisms.*
6. *Humanitarian workers are obliged to create and maintain an environment that prevents sexual exploitation and abuse and promotes the implementation of their code of conduct. Managers at all levels have particular responsibilities to support and develop systems to maintain this environment."*

Farmamundi is committed to the Prevention of Harassment Protocol in the following terms:

- Not to allow or tolerate under any circumstances behavior, attitudes or situations of sexual harassment and harassment based on sex.
- Not to ignore complaints, claims and reports of cases of sexual harassment and harassment by reason of sex that may occur in the organization.
- To receive and process all complaints, claims and reports that may arise in a rigorous and swift manner, as well as with the due guarantees of legal security, confidentiality, impartiality and the right to defense of the persons involved.
- To guarantee that there will be no reprisals of any kind against those who make complaints, claims or denunciations, or against those who participate in the resolution process.
- To sanction the people who harass depending on the circumstances and conditions of their behavior or attitude.

For the effectiveness of this Gender Equality Plan, the Prevention of Harassment Protocol and the provisions of the 6 basic principles related to sexual exploitation and

abuse, an Equality Commission has been created, made up of two legal representatives of the workers, an Equality Officer, and the technical person from HR, whose objective is:

1. Ensure that the Farmamundi management takes measures to prevent harassment situations.
2. To guarantee that a Gender Policy is developed in accordance with the defined strategic guidelines.
3. To carry out the investigation of the complaints following the guidelines of the Protocol.

The e-mail igualdad@farmamundi.org, is created with the intention of channeling all the complaints, consultations and suggestions that any interest group wishes to submit to the Equality Commission.

The Gender Equality Plan and the Prevention of Harassment Protocol will be published on the organization's website, together with the Code of Ethics and Conduct, so that any individual or group, internal or external, may be aware of it and, if they deem it necessary, may submit a complaint on this subject to the Equality Committee, using the form "Formal Complaint for Sexual or Gender-based Harassment".

8.3. Child Protection

Farmamundi pays special attention to child protection, thus has developed a Child Protection and Safeguarding Policy, which requires to all its employees and the local community where it operates to comply with the UN Convention on the Rights of the Child (CRC). This is an International treaty where the human rights of children are included.

Likewise, attention will also be paid to what has been established by the ILO (International Labor Organization) to abolish child labor, the WHO (World Health Organization) to eradicate diseases and so many other organizations through which the UN organizes its protection of children.

All personnel who, throughout their working life, may develop an activity that implies being in contact with children (persons under 18 years of age), must provide, before the beginning of said activity, a certificate of offences of a sexual nature, where the competent administration has certified that they do not possess criminal offences in this sense.

Through the Ethics Committee, any situation that violates the provisions of all the regulations governing the protection of children will be resolved, and those situations that

exceed the Ethics Committee's power to resolve will be referred to the competent authority.

8.4. Human Rights

The adoption of a human rights-based approach to development as a conceptual framework for the human development process is one of the fundamental pillars of both Farmamundi's mission activities and its work processes.

The reasons for establishing this policy are:

- ✓ Farmamundi commits to incorporating the Human Right to Health in a transversal way in its interventions, as well as within the organization and in its internal management processes.
- ✓ Regarding other stakeholders such as suppliers or collaborators, the obligation to adhere to the Organization's codes of ethics and conduct, including the fulfilment of human rights in its own activities, applies.
- ✓ We consider the recognition of the right of all people to enjoy the highest attainable standard of physical and mental health as obligatory in our interventions in the South.
- ✓ Respect basic social rights and working conditions based on international labor standards.
- ✓ We believe that the right to health is an inclusive right, which includes not only timely and appropriate health care, but also the main factors that determine health, such as:
 - access to clean drinking water and adequate sanitation,
 - adequate supply of healthy food, adequate nutrition, adequate shelter,
 - safe conditions at work and the environment,
 - access to education and information on health-related issues, including sexual and reproductive health.

Chapter 9. Quality System

Farmamundi provides health services with the highest quality, innovation, professionalism, respect, information and efficiency. **With the aim to introduce a culture of continuous improvement in the Organization, Farmamundi's Quality Policy** consists of:

To implement and maintain an adequate quality management system to identify and meet the needs of internal and external users in a timely, reliable and safe manner, with

a talented, committed and competent team, ensuring quality health services at the service of society.

This commitment of Farmamundi is articulated through the following premises:

- ✓ Act always with responsibility and transparency, guaranteeing impartiality, confidentiality and commitment to the satisfaction of internal and external users.
- ✓ Establish a systematic planning, performance, evaluation and review of the quality management system.
- ✓ To promote continuous and sustained qualitative improvement in Farmamundi in all areas of action. for all areas of action. This implies the development of a systematic of process management.
- ✓ To act under the fundamental precept of respect and compliance with regulations and legal requirements in the activities that affect Farmamundi as well as all suppliers, customers and stakeholders.
- ✓ To collaborate with the Organization towards a common objective, easily adhered to by the whole team of professionals working in it and promoting co-responsibility in the improvement process.
- ✓ To obtain external verification of the quality levels achieved.
- ✓ To give Farmamundi prestige by differentiating it for the quality of its services.
- ✓ To favor the motivation of the human team.
- ✓ Improve efficiency.
- ✓ To create a culture of safety for both internal and external users, and to achieve a progressive involvement of the team of professionals and citizens.
- ✓ To apply the Child Protection and Safeguarding Policy in a cross-cutting manner, in accordance with the six basic principles related to the sexual exploitation and abuse proposed by the Inter-Agency Standing Committee (IASC) Working Group on Protection from Sexual Exploitation and Abuse of the United Nations.
- ✓ Apply transversally the Environmental Policy that ensures that our activities respect the environment both at headquarters and in the field.
- ✓ Apply the Gender Equality Policy in a cross-cutting manner.
- ✓ Position Farmamundi as an organization recognized in society as a reference in the field of health, leading policies and strategies, consolidating the values of the organization and generating services with the highest levels of efficacy, efficiency and quality, achieving the involvement, competence and participation of its professionals, developing the central strategic criterion: "people come first".

Chapter 10. Legislative framework

Farmamundi fulfils its obligations by submitting to the laws of the nation in which it executes its works. It also guarantees in all its activities the strict compliance with the applicable regulations, at national, regional and local as well as international levels when applicable.

Chapter 11. Implementation, dissemination and monitoring of the code of ethics and conduct of Farmacéuticos Mundi.

This Code of Ethics and Conduct is applicable to all persons linked to Farmacéuticos Mundi regardless of their relationship. Employees, volunteer, members of the board, local implementing partners (counterparts) and its employees, must know it and subscribe it, by means of an Adhesion Agreement.

Disseminating the Code has the following objectives:

1. Clarifying Farmamundi's mission, objectives and (practical) interventions.
2. Ensuring the principles of transparency, internal democracy and austerity in the organization's conduct.
3. Informing society about Farmamundi's performance standards accepted by all stakeholders associated with Farmamundi.

The following categories must be acquainted with Farmacéuticos Mundi's Code of Ethics and Conduct, having signed the Contract of Adherence to the Code of Ethics and Standards of Conduct (Annex I):

- Farmamundi's employees and volunteers.
- Partners and members of the Board.
- Local staff.
- Counterparts.
- Public administrations collaborating with Farmamundi and all others interested in such collaborations.
- Media, companies and any other institutions that have a regular collaboration with the organization.
- The general public.
- Regional and Local Coordinators.

The dissemination of the Code of Ethics and Standards of Conduct is the responsibility of the NGO Farmacéuticos Mundi itself.

With a view to ensuring correct monitoring and observance of this Code by all stakeholders, an Ethics and Conduct Committee has been established.

Tasks of the Ethics and Conduct Committee are:

1. Foster the dissemination and inform about Farmacéuticos Mundi's Code of Ethics and Standards of Conduct.
2. Foster monitoring of the Code among stakeholders.
3. Ensure compliance with the Code among the groups that must adhere to it.
4. Interpret the Code and offer stakeholders counselling on its application.
5. Know and resolve adequately all complaints and suggestions made with respect to the Code, acting on the basis of the urgency, impartiality, and confidentiality principle.

The Ethics and Conduct Committee shall be composed by a member of the Board, the General Director, Area Managers, Human Relations, and a Representative of the Workers.

The Committee meets on its own initiative, at the request of stakeholders, or in case of a formal report of specific information about the non-observance of the Code.

The Committee may offer recommendations or proposals addressed to all stakeholders on aspects of the Code considered to be especially notable.

When acting with respect to a specific stakeholder, the Committee shall:

- ✓ Establish an in-depth dialogue with said stakeholder and listen to their arguments. As a result of this dialogue, the Committee may draw up recommendations so that said stakeholder may adapt their activity to uphold the Code.
- ✓ When there are difficulties in establishing this dialogue and the recommendations made have not been taken into account, the Committee shall decide the type of sanction that is imposed as a result of said conduct.

The Ethics Committee shall refer to the competent authority those situations that warrant it.

With the aim of channeling all Code-related communications, the e-mail address etica@farmamundi.org has been established, where any and all stakeholders may send the Ethics and Conduct Committee reports, complaints, and suggestions.

The Code has been published on Farmamundi's webpage www.farmamundi.org, where it is available for all individuals who may wish to consult it.

CHAPTER 12. DISCIPLINARY REGIME.

With a view to ensuring compliance with Farmacéuticos Mundi's Ethics Code and Standards of Conduct, the following Disciplinary Regime has been established. Violations to the Code are classified as minor, major, and severe, and sanctions will take into account and will be based on:

- Degree of intentionality.
- Damage to the organization's principles or interests.
- Reiteration or repeat violations

12.1. Level of severity

Minor violations:

- Misuse of the organization's equipment and resources for personal or private matters.

Major violations:

- Reiterated neglect in dealing with beneficiaries and / or work colleagues.

Severe violations:

- Serious verbal offence or physical, psychical, or moral abuse towards beneficiaries of Farmamundi's services or their families, towards coworkers, or towards professionals of other entities collaborating in the intervention.
- Undue appropriation of material, documental, economic goods pertaining to the beneficiaries, the entity, or other members of staff.
- Sexual harassment as defined in the Criminal Code.
- Workplace harassment.
- Reiterated major or severe violations, although of different nature, during the span of a year, when sanctions have been imposed.
- Serious infringements of the Code of Ethics and Standards of Conduct of Farmacéuticos Mundi, as well as all others the organization has adhered to
- Homophobic / biphobic / transphobic harassment.

12.2. Sanctions

According to the classification of violations by severity, the following sanctions may apply:

For minor violations:

- Verbal warning.
- Written warning.

For major violations:

- Written warning.
- In the case of staff, suspension from duty without pay from 3 to 14 days.

For severe violations:

1. In the case of staff:

- Suspension from duty without pay from 15 to 30 days.
- Forfeiture of promotion to a higher level for no longer than one year.
- Termination of employment.

2. In all other cases:

- Temporary suspension of collaboration.
- Permanent suspension of collaboration.

The General Assembly of FARMACÉUTICOS MUNDI approves this update to this Code of Ethics and Standards of Conduct in Valencia on June 25th 2021.

ANNEX I. Contract of Adhesion to the Code of Ethics and Conduct of Farmacéuticos Mundi.

The undersigned XXXXX holder of Spanish Identity Number nº XXXXXXXX declare under my own responsibility that I have received the Code of Ethics and Conduct of Farmacéuticos Mundi, and through the signature of this Contract of Adhesion to Farmacéuticos Mundi's Code of Ethics and Standards of Professional Conduct I hereby commit to:

1. Working with integrity with a view to ensuring that the Mission of Farmamundi is carried out while respecting its values.
2. Treating all people with respect, dignity and equality, and questioning any type of harassment, discrimination, intimidation, exploitation that I might identify.
3. Using the information provided by Farmamundi while respecting the General Data Protection Act (Spanish acronym, RGPD) of May 2016, and / or the legal framework on data protection in place in the area where the working relation is carried out.
4. Making a responsible use of the installations, money and resources I will have access to due to my working relation to Farmamundi.
5. Cooperating with Farmamundi on the development of the Risk Prevention Plan, with a view to protecting the health and safety of the organization's staff, voluntaries and external personnel.
6. Upholding Farmamundi's management principles in order to comply with its commitment to Transparency and Good Governance, by reporting corruption, bribery and any other type of improper or illegal behavior in financial and organizational matters that one might identify.
7. Fomenting human rights and the protection of the environment through my conduct.

With regard to the ethics of care that we promote at Farmamundi, understood as the daily affective and material well-being of people through the different practices carried out by the entity, I am committed to:

1. To create spaces and relationships free from any kind of violence in all areas and spheres affecting children.
2. To know and identify the situations of risk for the physical, psychic and sexual integrity of the participants in order to prevent them and attend to them if they have occurred.
3. To respect the interpersonal and intimate spaces of each staff member.
4. Denounce actions that violate the rights of the participants, bad practices or violent behavior in order to facilitate the implementation of the procedures established to correct this violation.
5. To detect and report any situation of violence that may occur. In a legal and ethical responsibility to communicate these situations.
6. To avoid actions or behaviors that are inappropriate for the attention, protection and participation of the population participating in our projects.

In Valencia the XXXX of XXXX 202X

Signed. XXXXXX