

CODE OF ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT

FARMACÉUTICOS MUNDI



**FARMA
MUNDI**
FARMACEUTICOS
MUNDI

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Introduction. The reason behind Farmacéuticos Mundi's Code of Ethics and Standards of Professional Conduct.

The association Farmacéuticos Mundi was founded in 1991 as a solidarity non-profit organisation (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 Autonomous communities where the NGO was becoming active, the association was organised 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 organisational 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 organisational and operating regulations. This Code of Ethics is, thus, a complement in specific areas of activity of Farmaceutical Mundi.

However, the Third Sector has grown both in the number and the typology of organisations 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 organisation, 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.

This Code includes the declaration of intent to fulfil the mission, vision, and values of the entity as summarised in Chapters 1 and 2 of this document.

Chapter 1. Identity and organisation principles.

The entity was created, organised and operates legally and functionally as an NGDO, that is, a **non-governmental organisation 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 summarised in:

MISSION

Contribute to ensuring that health is a universal right for the most vulnerable populations of impoverished countries through cooperative actions that favour sustainable development processes, education for development and advocacy campaigns, with emphasis on access to essential medicines and through the professional distribution of medicines, materials and sanitary equipment, all of this, seeking the involvement and solidarity of their social environment.

VISION

To be a reference and self-sufficient pharmaceutical NGDO, in order to achieve that the most vulnerable people and social groups exercise their right to health and have universal and equitable health care; an important representation in the Spanish pharmaceutical sector; a growing and loyal donor and funder base; an efficient, sustainable, and growing distribution of pharmaceuticals and sanitary equipment; having a relevant role as a pharmaceutical organisation in the system of establishing public health policies, especially regarding access and quality of medicines; and that all this is accomplished directly through the association's good work and results.

VALUES

For this reason, our activity has always been oriented by a series values and guiding principles that can be summarised as follows:

- **Implication**.- Provide a viable future for the populations of impoverished countries, favouring an improvement of their sanitary structures in the medium and long term;
- **Service**.- Provide effective and quality pharmaceutical aid to organisations working in development cooperation health projects, in humanitarian and emergency crises;
- Sectorial and geographical **specialisation** of the interventions, conceiving them as instruments in the service of organisational strengthening and development of local capacities;
- The partnership for development strategy, which is based on the search for a stable and horizontal relationship between Farmamundi and the partner organisations, which are based on trust and mutual demand;
- **Respect** for the culture and customs of our local partners;
- Working model based on **transparency, professionalism, efficiency** and permanent evaluation of management;
- **Quality of service** and Networking;
- **Equity and equal opportunities** for men and women;
- **Defence** of Human Rights.

Chapter 2. Activities of the Organisation. 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 Organisation, in order to fulfil its mission, are the following:

- 2.1 Development Cooperation and Humanitarian and Emergency Action Projects (DC-HEAP)** in the field of health. They are carried out in collaboration with local partners and with the participation and involvement of the beneficiaries when these are FARMAMUNDI's own projects, or by supporting institutions and / or organisations of recognised solvency with which the NGO maintains partnerships based on knowledge, trust and previous experience, always upholding humanitarian principles in all our interventions and making a requirement of their observance by our partners and collaborators.
- 2.2 Provision of medicines, hospital and sanitary equipment (HLA)** and emergency kits approved by the WHO, non-profit and adapted to the needs expressed by the organisation requesting aid or the beneficiaries, who are also advised on logistics or specific regulations of the products that are most suitable for each need and destination.
- 2.3 Education for Development, Awareness and Advocacy (EDAA)** projects and actions in our country on the social problems to the resolution of which the organisation intends to contribute, especially regarding the right to access to medicines for the most disadvantaged populations, the causes of these inequalities and possible solutions, through training, mobilisation and protest activities, as well as through the development of informational materials and dissemination of studies and analyses.

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. Organisational Criteria

3.1 Good governance.

3.1.1 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 organisation 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 organisation, 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 organisation, 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 organisation 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 organisation'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 must 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 organisation, that might identify a situation of conflict of interests, should notify the organisation through the e-mail address ética@farmamundi.org, which immediately activates the protocol of action of the Ethics Committee.

3.2 Transparency Policy.

The organisation 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 organisation 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 organisation'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 behaviour in financial and organisational matters. To this end, Protocol PTBG01 for Detection and Management of Corruption Cases is in place, through which Farmamundi may detect and, if necessary, manage cases of corruption, as well as cases of non-compliance with the Code of Ethics and Standards of 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 combat corruption in all its forms, including extortion and bribery. Through our Protocol of Detection and Management of Corruption Cases we support and inspire the actions of all of us at Farmamundi in the fight against corruption, through awareness, encouragement and challenge. The members of Farmamundi, having acquainted themselves with this Protocol, will extend it to their local partners, counterparts and beneficiary population. This would now be the place to explain how we will act in order to make this protocol known to the local partners, counterparts and beneficiary population, and have the information of what to do in such cases reach them through annexed documents, informative talks etc.

On the organisation's website, together with the Code of Ethics and Standards of Professional Conduct, any interested person may consult Farmacéuticos Mundi's protocol for the detection and management of corruption cases. Also, should any individual or collective entity, both internal or external to the organisation, consider necessary presenting a non-anonymous report for corruption, the following channels are available:

- A written report addressed to the organisation, presenting the case to the attention of the Ethics Committee.
- An e-mail to the address ética@farmamundi.org.
- 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.

Chapter 4. Performance criteria.

4.1. Human Resources (HR).

For Farmamundi, the people who make up the team are its greatest strength and the organisation maintains a determined commitment to the development and professionalisation of the human team, through the application of a competency-based and results-oriented human resources management model, 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 Material and economic resources: Transparency, Public Trust.

The organisation'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 organisation and is complemented by donations of medicines which, as a recognised 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 organisations 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 unauthorised 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 organisation 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 organisation 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.

4.3. 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 organisation 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 workers' and children's rights, environmental protection, etc.

4.4. Relations with other Southern NGOs: local partners and beneficiaries.

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 optimise 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 organisation 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

organisations are verified, and common work guidelines are established based on shared objectives.

- Projects and counterparts are analysed 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 organisations 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 organisation 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 organisations*: contribute their financial and in-kind contributions to the realisation of projects and programs.
- *Beneficiary population*: participate through contributions and input in the "participatory workshops" organised, as well as during the different phases of the projects. This can be translated into tangible contributions in labour 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 local partners – counterparts, and with beneficiary population, the provisions of the Anti-Harassment Protocol will be taken into careful account. These provisions state the observation of all people's rights, including children, thus contributing to the creation of a work environment characterised by mutual respect, integrity, dignity, and non-discrimination. Inappropriate behaviour or bad practices detected should be reported to the Equality Commission.

4.4 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 organisation over its projects and in no case as a tool to promote its sustainability.
- ✓ The Organisation 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 organisation, 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 optimise 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 summarised 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:

- *By beneficiaries*: entities or persons whose purpose is not profit.
- *By means*: from whom and how resources are obtained.
- *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.
- *By distribution*: delivering aid is correctly and professionally defined and managed, thus:
 - o The organisation has specialised as a non-profit provider of medicines and health advice for all non-profit organisations and guarantees maximum control and monitoring of drugs (traceability).
 - o Selects products and provides professional counselling to applicants on the appropriate type of medication for each need.
 - o 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:

- o It is beneficial to the achievement of its objectives and does not compromise the independence or self-governance of the organisation
- 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 labour or use any type of economic exploitation on their workers, and take special steps to respect the rights of minors.
- 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 organisation.
- 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, colour, 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 neighbouring 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 realisation 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 organisational and management processes of a community nature.
- ✓ Incorporating and taking advantage of the diversity (specialisation, complementarity) of organisations as a strengthening factor.
- ✓ Dynamics of mutual learning that, as a critical reflection on one's own practice, favours collective and shared elaboration.
- ✓ Favours 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 NGOs 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 and Human Rights.

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 organisation 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 strive to reduce the inevitable impact that any human activity has on the environment. To this end, all our interventions in the South consider the minimisation of the impacts that our activity will have on the environment in which they are developed. Our projects and actions contemplate the effect on natural resources, emissions, discharges, and waste generated, always taking into account not only the national environmental protection policies, but also the recommended best practices

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

- Minimising the consumption of energy resources by installing clean electricity production systems and savings measures in our facilities.
- Minimising the consumption of material resources.
- Reducing the emission of greenhouse gases, promoting public transport in our work trips.
- Minimising and improving the management of waste and discharges generated.

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

8.2 Gender policy and harassment prevention

In order to move forward in reducing inequalities and attaining gender equality, the Organisation has implemented a number of actions within the framework of its Strategic Directions:

- Establish a different / operative relationship with women's organisations at different levels (NGOs, community organisations, 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 organisational and institutional work.

Farmamundi has in place an Anti-Harassment Protocol, which aims to defining guidelines that allow the identification of situations of moral, sexual, or gender-based harassment, with the objective of resolving discriminatory situations and minimising their consequences, and guaranteeing the rights of the parties involved. This protocol will be applied not only in the professional relations of staff and volunteers, but also in the relations with local partners, counterparts and beneficiary population.

Through the Anti-Harassment Protocol, Farmamundi commits to the following:

- Under no circumstances to allow, nor tolerate conducts, attitudes or situations of sexual or gender-based harassment.
- Not to ignore complaints, claims, and reports of cases of sexual or gender-based harassment that may occur in the organization.
- Rigorously and promptly receive and process any complaints, claims, and reports, and ensure the parties' proper legal certainty, privacy, impartiality and right to defence.
- Ensure that there is no retaliation against people who lodge complaints, claims, or reports, nor against those who participate in the resolution of such cases.
- Sanction harassers according to the circumstances and constraints of their behaviour or attitude.

In order to ensure the effectiveness of this Protocol, an Equality Commission composed of two legal representatives of the workers, an Equality Agent, and a member of HR, with the following objective:

- Ensure that Farmamundi's Direction area take measures to prevent harassment.
- Ensure the development of Gender Policies consistent with the strategic guidelines defined.
- Carry out enquiries into complaints made, following the guidelines of the Protocol.

The e-mail address igualdad@farmamundi.org has been created with a view to channeling all complaints, queries, and suggestions that stakeholders may want to take before the Equality Commission.

The Anti-Harassment Protocol will be published on the organisation's webpage together with the Code of Ethics and Standards of Professional Conduct so that any individual or collective entity, both internal or external to the organisation, consider necessary presenting report on this issue to the Equality Commission, they may do so through the form for "Formal complaint of sexual or gender-based harassment".

8.3 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 organisation and in its internal management processes.
- Regarding other stakeholders such as suppliers or collaborators, the obligation to adhere to the Organisation'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.
- 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.

We pay special attention to the commitment to children's rights, considering children a full interest group and applying internationally recognised standards of protection of their rights, especially ILO conventions and UNICEF recommendations for organisations. Farmamundi staff will identify the main risks facing the organisation in relation to children's rights and will be thus trained to prevent them.

Chapter 9. Quality System

*"The Management of Farmacéuticos Mundi, aware of the obligations imposed by Quality Management according to the UNE-EN-ISO 9001: 2008 standard, and in the pharmaceutical quality assurance standards applicable to distribution warehouses (Good Distribution Practices for Pharmaceutical Products) of the WHO, reaffirmed in the existing business philosophy from its funding, publicly declares and discloses to all its organisation and all its Clients, its **Quality Policy** consisting in working towards:*

- *Defending the right of every human being to health and contributing to the fight against hunger and malnutrition in the world. To this end, the organisation will provide humanitarian aid at the pharmaceutical and human levels, will carry out development cooperation, social awareness, health education and non-profit fair trade activities in favour of charitable Organisations and Entities, developing countries, people in precarious situations, victims of natural or human disasters and war situations, without any discrimination of race, sex, religion, philosophy, political affiliation, as well as without economic or corporative discrimination, using the necessary technical and human means, with the highest possible efficiency.*
- *To professionally organise the management and distribution of medicines, material and equipment of sanitary aid, as well as to give way to the donations of these, in order to meet the needs outlined above.*
- *Promote assistance, training, prevention, education and information in the health field both in the national territory and in the international sphere where the association's missions are carried out, ensuring logistics and permanence.*
- *Ensure compliance with the regulatory requirements that apply to it.*
- *Achieve a degree of involvement of the Farmamundi human resources that might guarantee the continuous improvement of processes.*
- *In short, focus all our activities on the main objective, that is, the satisfaction of our clients and of the beneficiaries of our projects and activities."*

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. Implantation, dissemination and follow-up of this code of conduct.

The present Code of Ethics and Standards of Conduct applies to all individuals associated with Farmacéuticos Mundi, irrespective of their association.

Disseminating the Code has the following objectives:

- Clarifying Farmamundi's misión, objectives and (practical) interventions.
- Ensuring the principles of transparency, internal democracy and austerity in the organization's conduct.
- 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 Standards of Conduct, having signed the Contract of Adherence to the Code of Ethics and Standards of Conduct (Annex I):

- Farmamundi's staff 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:

- Foster the dissemination and inform about Farmacéuticos Mundi's Code of Ethics and Standards of Conduct.
- Foster monitoring of the Code among stakeholders.
- Ensure compliance with the Code among the groups that must adhere to it.

- Interpret the Code and offer stakeholders counselling on its application.
- 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.

With the aim of channelling 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. Violations of the Code by 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, psychological, 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:

- 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.
- 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 the 28th of April 2018.

ANNEX I
CONTRACT OF ADHESION
TO FARMACÉUTICOS MUNDI'S CODE OF
ETHICS AND STANDARDS OF PROFESSIONAL CONDUCT

The undersigned, _____ holder of Spanish Identity Number nº _____ declare under my own responsibility that I have received Farmacéuticos Mundi's Code of Ethics and Standards of Professional Conduct, 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:

- ✓ Working with integrity with a view to ensuring that the Mission of Farmamundi is carried out while respecting its values.
- ✓ Treating all people with respect, dignity and equality, and questioning any type of harassment, discrimination, intimidation, exploitation that I might identify..
- ✓ 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.
- ✓ Making a responsible use of the installations, money and resources I will have access to due to my working relation to Farmamundi.
- ✓ Cooperating with Farmamundi on the development of the Risk Prevention Plan, with a view to protecting the health and safety of the organisation's staff, voluntaries and external personnel.
- ✓ 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 behaviour in financial and organisational matters that one might identify.
- ✓ Fomenting human rights and the protection of the environment through my conduct.

In Valencia the _____ of _____, 201

Signed,

