

CODE OF CONDUCT

IDA FOUNDATION

FOR THIRD PARTIES

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Changes from previous version (v1 in M-Files): no changes
Changes from previous version (v2 in M-Files): Reviewed, content not changed.
Changes from previous version (v3 in M-Files): §14 add link to ethics helpline
Changes from previous version (v4 in M-Files): §4 environment expanded



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MESSAGE FROM OUR LEADERSHIP

Dear business partners,

At IDA we feel a strong sense of responsibility to act with integrity and to respect all those who have a stake in our success, including our customers, employees, suppliers and other business partners. This Third-Party Code of Conduct, further referred to as “the Code”, sets forth our standards for business practice and personal conduct, but is also dynamic in the sense that we continuously strive to improve our practices for the good of all our stakeholders and the environment.

A Code of Conduct is defined as “a set of rules outlining the responsibilities of, or proper practices for, an individual, party or organisation”. This Code is not only an essential source of guidance, it is also a reflection of the nature of our organisation and what we stand for, and includes regulations on professional conduct.

Transparency on compliance matters is vital. We trust that you will act responsibly and, when in doubt, will not hesitate to raise concerns or ask questions with respect to ethics and compliance. Business partners who raise concerns in good faith are respected for their honesty.

In our line of work we feel a great sense of responsibility, playing a role in advancing people’s health through the supply of affordable medicines and medical supplies to low- and middle-income countries. We want to create a world with accessible and quality healthcare products for all, while respecting our planet, and preventing pollution to minimise our environmental footprint. Our motivation to achieve our mission has a profound effect on the way we do business, and ensures that our customers can trust us to be an honourable player in all aspects of business.

We believe that a sustainable future is fundamental to our long-term strategy, and therefore our strategic goals are in alignment with the UN Sustainable Development Goals (SDGs) and the UN Global Compact's Ten Principles in the areas of human rights, labour, environment, and anti-corruption. We are committed to moving forward with our sustainability journey and recognise that our business partners are critical facilitators of our sustainable growth and overall success. Whether you are early in your sustainability journey or an industry leader, together, we can be united in our efforts to uphold the highest ethical, social and environmental standards.

Let us collaborate to take our partnerships to and enable us to make a difference in the communities we serve. Thank you for your commitment and support as we collaborate in bridging gaps in access to essential health products.

Wendy Eggen (CEO)
Paul van Ooijen (CFO)
IDA Foundation

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1. INTRODUCTION

The Code sets forth our standards for business practice and personal conduct. It describes IDA's minimum expectations and standards as to what we expect from you as a partner to IDA and to ensure that we act with integrity and respect for the law.

Scope

This Code applies to all the business partners that IDA does business with, including agents, distributors, suppliers, consultants, freight forwarders and other service providers. The Code applies everywhere IDA does business and also applies to your subcontractors when they are handling IDA business. Using a third party or other means to bypass this Code is prohibited.

General principles

Our business partners are expected to comply with the Code and all applicable laws, rules and regulations. If any part of the Code conflicts with applicable law, the law will prevail.

Overall, we expect you to:

- Familiarise yourself with this Code;
- Follow applicable laws and regulations and this Code;
- Act ethically and with integrity in all business dealings;
- Use good judgement and avoid even the appearance of improper behaviour;
- Ask questions and seek guidance if ever unsure or faced with a possible dilemma;
- Speak up if you think the law or this Code has been breached in any way;
- Cooperate with investigations, if there are any.

If you are in doubt use common sense and ask yourself:

- Is it ethical? Is it legal? Is it right?
- Is it consistent with the Code?
- Will it reflect well on me, my organisation and IDA?
- Would I want to read about it in the newspaper?
- Will I feel good about my decision tomorrow?

If the answer is "No" to any of these questions, don't do it!

Neglecting or violating the law or our Code can, however small the violation, have serious consequences for IDA and the business partners involved. A violation may lead to immediate termination of the contract and notification of the appropriate authorities.

The Code does not address every ethical or legal issue that might arise, and does not describe all laws, regulations and policies that apply to IDA and the performance of your duties, or give full details on any individual law. The Code also does not replace your responsibility to exercise good judgement and use common sense. The Code is aimed to provide general guidance. Please turn to your IDA contact person in case you need assistance in making the right decisions.

IDA may revise this Code when relevant. If and when this happens, you will be notified. You will then be responsible for becoming familiar with such revisions. Partners are expected to

make improvements when standards are not met, and to develop to ensure continued compliance with the Code. We endeavour to support partners in improving labour, health, safety, and environmental conditions in the workplace through our collaboration.

2. OVERVIEW

This code reflects IDA’s values and sets forth what is expected from you with respect to the following topics:

- Human rights and Labour Policies;
- Environment;
- Ethical Business Conduct;
- Governance.

The topics in this Code closely align with IDA’s three sustainability pillars: Purpose, People, and Planet.

PURPOSE

All topics related to IDA’s mission of bridging the gap in access to medicines and medical supplies.

PLANET

IDA’s commitments and activities related to the environment



PEOPLE

Capturing all social matters, including human rights, labour and equality issues related to IDA’s employees, as well as people working across the IDA supply chain.

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3. HUMAN RIGHTS AND LABOUR POLICIES

We strongly believe that access to essential medicines and medical supplies is a fundamental human right. Unfortunately, in today's world, essential medicines and medical goods still remain out of reach for too many people. As a supplier of essential medicines and medical equipment, we aim to advance universal access to quality-assured medicines and medical supplies. In addition, we feel a strong responsibility to protect human rights within our organisation and positively impact those of our manufacturers and partners throughout the value chain.

We support fundamental human rights for all people as set out in the United Nations Universal Declaration of Human rights and the core labour standards set out by the International Labour Organization (ILO).

We expect our partners to ensure a welcoming, safe, healthy, and fair working environment for their people, in which there is trust and all people are treated with dignity and respect, and open and honest communication is encouraged to prevent discrimination, harassment, and unsafe practices. We believe this can be achieved by ensuring the following aspects:

Health and Safety

The health and safety of your employees, and the people that you welcome to your workplaces, is a priority. You are responsible for providing a safe and healthy working environment for all your workers, as well as for complying with safety rules and regulations.

We expect you to take the necessary precautions to protect your employees and to have safety systems in place to protect your workers from exposure to chemical, biological, environmental and physical hazards in the workplace. In addition, we expect you to have systems in place for managing and maintaining production processes in accordance with applicable safety standards.

Abolition of Child Labour

We do not tolerate child labour, as defined by the International Labour Organization, by any business partners in our supply chain, and we support the effective abolition thereof.

You are expected to have adequate and verifiable mechanisms for age verification in recruitment procedures. In addition, all young workers (until the age of 18), if hired, must be protected from performing any hazardous work, specifically related to their health, welfare, safety or education, work that interferes with the child's education or work that harms the child's health or development.

Fair Treatment

We expect you to treat your employees equally and in a consistent manner. You shall provide a workplace free from harsh and inhumane treatment, without any harassment, sexual

harassment, sexual abuse, physical punishment or torture, mental or physical coercion or abuse of employees, or the threat of such treatment.

We specifically ban sexual harassment, which includes any sexual advances or requests for sexual favours which are unwelcome or where submission to or rejection of such conduct is used as the basis for employment decisions. Sexual harassment also includes verbal, visual or physical conduct of a sexual nature which create an intimidating, hostile or offensive working environment.

Freely Chosen Employment

We are committed to freely chosen labour and support efforts to eradicate human trafficking. We do not tolerate any form of forced, compulsory, or debt bounded labour practices, or human trafficking by any of our business partners. All work must be voluntary, and employees should be free to leave in accordance with established rules. Procuring commercial sex acts during the period of performance of our contract is prohibited.

Practices such as withholding personal property, passports, wages, training certificates, work or any other document for inappropriate reasons are not acceptable.

Equality, Diversity and Inclusion

We are committed to the promotion of equality, diversity, and inclusion. Discriminatory behaviours and practices undermine people's skills and potential and are unacceptable to us. You are required to sustain an environment free from discrimination, where no person shall be subjected to discrimination in any aspect of employment (i.e., recruitment, hiring, compensation, benefits, work assignments, access to training, etc.) on the basis of race, religious belief, colour, gender, age, national origin, ancestry, sexual orientation, gender identification, physical or mental disability, medical condition, illness, genetic characteristics, pregnancy, marital status, socioeconomic situation, political opinion, union affiliation, ethnic group, illness, or any other classification protected under applicable law. All employment decisions must be made based on the principle of equal employment opportunity.

Working Hours, Wages, and Benefits

You are required to comply with all applicable local wage and labour laws. We expect you to provide your employees with fair compensation and benefits, including minimum wages, overtime hours, and other benefits mandated by law. Working hours for employees will not exceed the maximum set by the applicable laws and regulations.

Employment Contract

Your employees are required to have an employment contract, recruitment agreement or other required document in writing. You are not allowed to destroy, conceal, confiscate or otherwise deny access to identity or immigration documents, nor to charge recruitment fees to employees. If you provide or arrange housing, then this housing should meet the host country housing and safety standards. And if you employ somebody who is brought into the country for the purpose of working on IDA business, then you should provide return transportation upon the end of employment.

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Freedom of Association and Collective Bargaining

We respect the right of employees to freedom of association and collective bargaining as permitted by and in accordance with applicable laws and regulations, without harassment, interference, or retaliation. You are expected to respect the rights of your employees to associate freely, form and join labour unions, seek representation, join works councils, and engage in collective bargaining.

No substance misuse

You are expected to maintain a work environment that is free from drug and alcohol abuse. Misusing controlled substances or being under the influence of alcohol or other intoxicating substances during work is prohibited.

4. ENVIRONMENT

Through identification of environmental aspects throughout the supply chain, we are committed to preventing and limiting pollution, waste and emissions. We comply with all applicable environmental laws, regulations, guidelines and industry codes and we expect our partners to do to the same.

Compliance with environmental regulations

You are expected to have an effective environmental policy and to - at a minimum - comply with all applicable environmental laws and regulations. Required environmental permits, licenses, information registrations, and restrictions shall be obtained, and their operational and reporting requirements complied with. Moreover, IDA expects its partners to undertake initiatives to (internally and externally) promote greater environmental responsibility and to implement environmentally friendly technologies for continuous improvement.

Resource Efficiency and reduction of greenhouse gas emissions

You are expected to have identified and measured your organisation's resource use. We expect that you limit your energy and water usage as much as possible, as well as to reduce use of non-renewable natural resources. We ask partners to track greenhouse gas emissions and to set science-based greenhouse gas reduction goals that are in line with the Paris Agreement.

Pollution prevention

You shall take reasonable steps to prevent pollution, reduce waste and take reasonable control over waste treatment. Especially for partners with a manufacturing operation we expect conscious and documented efforts to:

- Contain harmful gas/liquid/solid waste in case of emergencies;
- Measure, control and reduce exhaust of pollutants into the air;

- Measure, control and reduce any polluting impact on wastewater;
- Ensure responsible handling of (semi-)solid and liquid waste either on-site or off-site.

All substances presenting an environmental risk are identified, labelled and stored in order to prevent any risk of pollution in the event of accidental emission or discharge. Emergency preparedness personnel and procedures are in place to treat any accidental event presenting an environmental risk to the air, site property or to ground water.

Waste Minimisation

You are expected to make reasonable efforts to prevent and reduce levels of waste and wastewater. Wherever feasible, waste is re-used or recycled. Any potentially and adversely impactful material should be appropriately managed, measured, controlled and handled prior to release of any substance into the environment. In addition, you are required to have systems in place to prevent or mitigate accidental spills and releases of waste into the environment.

Partnering for Sustainable Innovation

We encourage you to participate in the development of environmentally friendly technologies and to make environmental commitments a priority when initiating business partnerships. We encourage you to promote environmentally sustainable business and engage with other businesses who are committed to the environment, we can create maximum environmental and social impact.

5. ETHICAL BUSINESS CONDUCT

We are committed to upholding the highest ethical standards in all aspects of our business. We expect you to also act with integrity and conduct your business in an ethical manner, in compliance with this Code and all applicable laws and regulations. Ethical requirements include the following:

Product and service quality

While we are subject to many rules and regulations, our number one commitment will always be to the people who use our products. We are ethically and legally obligated to ensure that the quality of our products meets the highest safety standards. Because we are a global organisation, the laws and regulatory requirements of one country may apply to activities in another country. In the event of local laws and regulatory requirements differ, the stricter requirements generally apply. We expect you to adhere to high quality standards.

Conflict of interest

We expect that you act in the best interest of IDA Foundation. You must avoid conflicts of interest in your relationships with IDA Foundation and other related business partners. If your

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think that you may have a conflict of interest, please engage with your contact person at IDA to discuss the matter.

Anti-corruption

IDA acts with integrity and complies with applicable anti-bribery and corruption laws including, but not limited to, the US Foreign Corrupt Practices Act and the UK Bribery Act.

IDA understands that giving and receiving gifts or entertainment is part of the business and social world. You should evaluate whether a gift, meal, hospitality or entertainment is reasonable and proportionate. You are not allowed to pay money to one of our employees in their personal capacity. IDA employees are only allowed to accept unsolicited, modest gifts.

We expect partners to work against corruption in all forms, including bribery, fraud, extortion, and embezzlement. You shall not offer/accept bribes or other unlawful incentives to/from your business partners or any entity to retain or gain an advantage in obtaining business.

IDA will not tolerate any form of bribery or corruption, including facilitation or facilitating payments, irrespective of whether or not local law permits them. We expect the same from our business partners. We may conduct risk-based due diligence on our business partners and will only do business with partners that comply with this Code.

Money laundering

'Money laundering' is the process by which persons or groups try to conceal or disguise the proceeds of illegal activities or try to make the sources of their illegal funds look legitimate. IDA will not tolerate, facilitate, or support money laundering and therefore we request you to:

- Follow appropriate due diligence procedures to understand the business and background of your prospective business partners and to determine the origin and destination of money transactions.
- Report suspicious transactions or incidents to your IDA contact person.
- Only do business with us through bank transfers. IDA does not accept or make cash payments.

Information Confidentiality and Security

Safeguarding the confidential and proprietary information of IDA Foundation, as well as any personal data is fundamental to our success and the preservation of our reputation. We manage our information assets in compliance with applicable privacy laws. You have the responsibility to respect and maintain the confidentiality and security of this information. While you may use confidential or proprietary information as needed to perform your job, you are responsible for protecting that information from improper/unauthorised disclosure, misuse, theft, or accidental disclosure. This means you should:

- Use confidential information only for its intended and permitted purpose(s).
- Access or use personal data only to the extent it is related to and needed for legitimate business purposes, in line with EU GDPR regulations.

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- Not provide confidential or proprietary information or personal data to a third party without appropriate authorisation from IDA and an adequate confidentiality agreement; if in doubt, check with your IDA contact person.
- Any loss of confidential information or personal data needs to be reported immediately to your IDA contact person.
- We protect the Intellectual Property (IP) that is owned by IDA or licensed from others. IDA's IP includes copyrights, patents, trademarks, product and package designs, brand names and logos, images, and research and development. You are expected to support the protection, maintenance and defence of IDA's IP rights.

Fair Competition

Most countries have anti-trust or competition laws that are intended to protect consumers and to promote fair and healthy competition. You are required to conduct business in line with fair market competition laws, complying with all applicable anti-trust laws and regulations.

Customs and Trade Controls

Our transactions are subject to various national and international customs, trade, import, and export control regulations, boycotts, and trade restrictions. We are committed to complying with all applicable customs, trade, import and export control regulations, which are complex and may change quickly as governments adjust to new political and security developments. Sanctions for non-compliance can be severe, including fines and imprisonment for responsible individuals. We expect you to adhere to the following standards:

- Respect applicable trade laws and restrictions, including all import and export regulations, and follow all expert guidance to ensure adherence to such laws and regulations.
- Give accurate and truthful information to all customs authorities, never make any false statements in any trade documentation in order to get around trade restrictions, import, and export regulations;
- Make sure that all necessary import and export licenses are obtained;
- Take extra care with exports of goods that could be used for military or nuclear purposes or to military or governmental customers. This also applies to products that can be used to manufacture biological or bacteriological weapons, to torture people or to manufacture narcotics;
- Due to the international character of our business, multiple trade sanctions and export controls regimes may apply. When in doubt, please check with your contact person;
- When handling IDA business, make sure that you are not dealing with any entities that are on the prohibited party lists of the United Nations, the European Union, the United Kingdom, the United States of America or debarred persons lists of the World Bank or one of the international development banks.

6. GOVERNANCE

We expect you to implement adequate actions to facilitate continual improvement and compliance with the expectations of this Code. The provisions as set forth in this Code provide the minimum standards expected of all our business partners. We expect you to strive to exceed both international and industry best practices. Elements of governance include:

Documentation

You are expected to demonstrate commitment to the concepts described in this Code by implementing an appropriate and auditable reporting and documentation system. You shall present this documentation as evidence of complying with applicable policies and regulation. The documentation can be in the form of an annual report or in checklist format. We may conduct risk-based due diligence on our partners.

Business and financial records

You should maintain accurate books and records that fully and accurately reflect your business transactions in accordance with applicable laws, accounting standards and your internal controls. Your invoices to us need to have an accurate and concise description of the products or services that you provided and reflect the true nature of any transaction.

Legal principles

You shall comply with all applicable laws, regulations, standards, and relevant requirements. We reserve the right to exclude suppliers whose practices, policies, or procedures do not conform to the standards outlined in this Code or who are not willing to demonstrate good faith efforts on the path of improvement.

Identification and reporting of Concerns

All workers should be encouraged to report concerns or illegal activities in the workplace. We expect partners to provide platforms for their employees to report concerns or potentially unlawful activities in the workplace in a confidential manner without fear of retaliation. This involves performing due investigations and implementing necessary corrective actions.

Any suspected or actual violation of this Code, our contract or any applicable law must be reported immediately to your IDA contact person or via an online report at <https://www.bkms-system.com/ida-foundation>.

We encourage you to come forward with any work-related questions or concerns about any specific activity. We will not retaliate against anybody who raises a concern or asks a question in good faith.

Signatures:

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