

## Policy on Conflicts of Interest of the Medicines Patent Pool Foundation

### Article I. Purpose

The purpose of this **Policy on Conflicts of Interest of the Medicines Patent Pool Foundation ("Conflict of Interest Policy")** is to set forth principles and policies to prevent and manage potential and actual conflicts of interest, as well as the appearance of a conflict of interest. They thereby aim to safeguard the reputation, integrity and independence of Medicines Patent Pool Foundation and its ability to achieve the purpose for which it was established.

This Conflict of Interest Policy establishes the principles and policies governing conflicts of interest of members of the Board, members of the Expert Advisory Group, Executive Director, and Employees of the Medicines Patent Pool Foundation. They further define the meaning of a "conflict of interest"; identify when a Covered Member (as defined below) must submit a declaration of interest form; explain how the Board should assess the information disclosed; and describe what actions should be taken when a potential conflict appears to exist.

The **Conflict of Interest Declaration Form** can be found attached as Annex 1 to this document.

### Article II. Definitions

**1. Covered Members.** "Covered Member" shall mean any member of the Board of the Foundation, member of the Expert Advisory Group and Employees of the Foundation (defined as a person working under an employment contract with the MPP).

The Board, The Ethics and Compliance Committee (E&C Committee), the Compliance Officer or the Executive Director may determine that this Conflict of Interest Policy shall apply fully or partially to any agent, consultant or other person working for the Medicines Patent Pool Foundation, in particular if they have a material role in shaping the policy or business of the Medicines Patent Pool Foundation or if they regularly have access to material non-public information in connection with their position within Medicines Patent Pool Foundation.

**2. Related Person.** "Related Person" shall mean

- a. Spouses, registered partners or domestic partners of a Covered Member;
- b. Children of minor age (under 18 years old) of a Covered Member;
- c. Any dependent adult family member living in the same household as a Covered Member.

**3. Categories of Conflicts of Interest.** It is expected that Covered Members will conduct their relationships with each other and with the Foundation with candour, and integrity and loyalty.

They all have the duty to avoid business, financial or other indirect interests or relationships which conflict with the interests of the Foundation or which divide his or her loyalty to the Foundation.

Therefore, it is the obligation for all Covered Members to declare any situation in which a Covered Member's own financial or personal interests or, to his or her best knowledge those of

his/her Related Person might conflict or even appear to conflict with those of MPP and would or could influence his/her ability to act exclusively in the interest of MPP in her/his decision or advise.

An actual, potential or apparent conflict of interest arises when a Covered Member or, to his or her best knowledge, any Related Person:

- a. is a party or potential party to, or has a professional interest in, a transaction, arrangement or collaboration with the Foundation;
- b. is a party or potential party, including as a collaborator, to any proposal for support submitted to the Foundation;
- c. has a compensation, ownership or other financial interest in an entity, or is an officer, director, active participant in or an employee of an entity with which the Foundation has or is negotiating a transaction or arrangement;
- d. has a compensation, ownership or other financial interest in an entity, or is an officer, director, active participant or an employee of an entity that has a potential for gain or loss as a direct result of the Foundation's action on a particular matter; or
- e. may receive a financial or other material benefit from knowledge or confidential information acquired as a result of his relationship with the Foundation.

This list is not exhaustive. Even if a particular situation is not expressly mentioned, all situations which may result in an actual, potential or apparent conflict of interest shall be treated as an actual, potential or apparent conflict of interest, as the case may be.

A conflict of interest is actual where the Covered Member faces a real, existing conflict of interest. A conflict of interest is potential where the Covered Member is or could be in a situation that may result in a conflict. A conflict of interest is apparent where the Covered Member is in or could be in a situation that may appear to be a conflict, even if this is not the case.

### **Article III. Duty of Loyalty and Duty to Avoid Conflicts of Interest**

Covered Members should act at all times with candour, and integrity and loyalty in the best interest of the Foundation.

Covered Members have the duty to avoid business, financial or other indirect interests or relationships which conflict with the interests of the Foundation or which may divide their loyalty to the Foundation.

To the extent possible and practicable, Covered Members shall endeavor that actions of Related Persons do not cause actual, potential or apparent conflicts of interest.

### **Article IV. Proceedings**

**1. Duty to Disclose.** Avoiding a conflict of interest may not always be possible or practical. In such circumstances, a Covered Member must notify the Compliance Officer of the existence,

nature, and all relevant facts and circumstances relating to an actual, potential or apparent conflict, if possible, whenever he or she becomes aware that he or she may face an actual, potential or apparent conflict of interest, without delay and in any event before participating in any meeting or acting on a matter which may be affected by such actual, potential or apparent conflict, by submitting a signed Conflict of Interest Declaration Form to the Compliance Officer.

In case the actual, potential or apparent conflict arises with respect to the Compliance Officer or any voting member of the E & C Committee, he or she shall notify the Chair of the Board.

**2. Duty to recuse oneself.** Until the E&C Committee reaches a determination, the Covered Member must recuse himself or herself from any involvement in any discussion or decision in which he or she believes he or she has or may have an actual, potential or apparent conflict of interest. The decision of the Covered Member to recuse him/herself shall be notified to the Compliance Officer. The duty to recuse oneself does not discharge a Covered Member from disclosing the actual, potential or apparent conflict of interest or otherwise following the process for determining whether a conflict of interest exists and how to manage it or from complying with the duty of loyalty more generally.

**3. Determining Whether a Conflict of Interest Exists.** Following the declaration of the actual, potential or apparent conflict of interest and all material facts, the E&C Committee shall, without undue delay, determine, without the participation of the Covered Member(s) affected by the actual, potential or apparent conflict, whether an actual or potential conflict of interest exists.

**4. Management of Conflicts.** The E&C Committee, shall assess the risks arising out of or in connection with the actual, potential or apparent conflict of interest and decide on appropriate measures to manage the actual, potential or apparent conflict of interest.

To the extent possible, such determination must be made, if only as an interim measure, before the Covered Member participates in any transaction or matter affected by the actual, potential or apparent conflict of interest.

In determining whether an actual, potential or apparent conflict exists and how to manage such conflict, the E&C Committee may consider a variety of factors including: (i) the type of interest or relationship that creates the conflict, (ii) the identity and function of the person whose interests are at issue, (iii) the ability of the Covered Member to continue to act objectively and in the best interest of the Foundation, (iv) the uniqueness of the Covered Member's qualifications and (v) the extent to which the financial interest will be affected by the actions of the Medicines Patent Pool Foundation.

The E&C Committee may decide:

- a. that the nature of the actual, potential or apparent conflict is such that the Covered Member can continue to act in the best interest of the Medicines Patent Pool Foundation;
- b. that the Covered Member may not participate in the deliberation and/or the decisions regarding a particular transaction or matter;

- c. that the Covered Member must take certain actions to mitigate or eliminate the conflict of interest;
- d. that the Covered Member is no longer in a position to carry out his or her activities on behalf of the Medicines Patent Pool Foundation; or
- e. some other means of managing the conflict.

The E&C Committee shall inform the Covered Member of its decision without delay and take appropriate steps to ensure that the Covered Member understood the decision and will effectively comply with the decision.

The E&C Committee shall hold minutes of its deliberations and decisions and retain any records relating to its decision.

#### **5. Violations of the Conflicts of Interest Policy**

- a. If the Compliance Officer, directly or indirectly has reasonable cause to believe a Covered Member has failed to disclose an actual, potential or apparent conflict of interest in a timely manner or otherwise failed to comply with this Conflict of Interest Policy, articles 17 to 20 of the By-Laws of the Foundation, or applicable laws governing conflicts of interest applicable to not-for-profit organizations in Switzerland, it shall inform the Covered Member of the basis for such belief and afford the Covered Member an opportunity to explain the alleged issue.
- b. If, after hearing the Covered Member's response and informed the E&C Committee, and after making further investigation as warranted by the circumstances, the E&C Committee determines the Covered Member has failed to disclose an actual, potential or apparent conflict of interest or otherwise failed to comply with his or her duties, the E&C Committee shall take appropriate disciplinary and corrective action, including if proportionate termination of his or her mandate or employment agreement.

#### **Article V. Public Disclosure of Conflicts**

Where the Covered Member is excluded from a decision and/or publication that is made publicly available consistent with the Medicines Patent Pool Transparency Policy (e.g., Board decision summaries or Expert Advisory Group reports) the fact that the Covered Member did not participate shall be noted in such document.

#### **Article VI. Annual Declaration and Statements**

Each Covered Member shall annually sign a **Conflict of Interest Declaration Form** which discloses actual, potential or apparent conflicts of interest of the Covered Member or, to his or her best knowledge, those of any Related Person.

If at any time during the year, the information in the annual statement changes materially, the Covered Member shall submit, without delay, a new signed Conflict of Interest Declaration Form.

New Covered Members must disclose all actual, potential, or apparent conflicts of interest during the hiring process and at the latest upon entering into office shall submit a signed Conflict of Interest Declaration Form.



The E&C Committee shall regularly and consistently monitor and enforce compliance with this Conflict of Interest Policy by reviewing annual statements and taking such other actions as are necessary for effective oversight.

#### **Article VII. Interpretation**

If Covered Members are uncertain of the interpretation of their rights and obligations under this Conflict of Interest Policy, they may submit the matter to the Compliance Officer who may refer the matter to the E&C Committee. For the avoidance of doubt, any information provided shall be for the sole benefit of the Medicines Patent Pool Foundation and shall not create an attorney-client relationship between the Covered Member and the Compliance Officer or the Medicines Patent Pool Foundation.

#### **Article VIII. Awareness and Training**

Covered Members must familiarize themselves with this Policy. Medicines Patent Pool Foundation will regularly organize training sessions. Covered Members are required to participate in training sessions.

#### **Article IX. Entry in Force and Relation with other Instruments**

This Conflict of Interest Policy enters into force on 15 February 2017 and supersedes the Guidelines for Acknowledgment and Conflict of Interest Declaration Form for the members of the Board, members of the Expert Advisory Group, Executive Director and Senior Managers adopted by the Medicines Patent Pool Foundation Board on 19 September 2014, which are hereby repealed.

This Conflict of Interest Policy is intended to supplement, but not replace, the conflict of interest regulation set forth in articles 17 to 20 of the By-Laws of the Medicines Patent Pool Foundation, as well as any applicable laws governing conflicts of interest applicable to not-for-profit organizations in Switzerland. This Conflict of Interest Policy is further supplemented by the MPP's Policy on Gifts and Financial Investments Policy.

[Adopted by the Medicines Patent Pool Foundation Board on 19 September 2014, and amended on 15 February 2017, 20 of September 2017, 26 March 2018 and 15 October 2019]