

WHISTLE-BLOWING POLICY AND PROCEDURES

FOR

THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS AND MALARIA¹

1. What is whistle-blowing?

To blow the whistle is to alert a third party that a person or entity has done, or is doing, something wrong. So, literally, “whistle-blowing” means that a party, in good faith, conveys or transmits a concern, allegation or information indicating that a prohibited practice is occurring or has occurred in the Global Fund or in a Global Fund-financed operation.

By blowing the whistle on misconduct in an organization, one alerts the organization to the fact that its stakeholders are being wrongfully put at risk or have been, or are being, harmed.

All Global Fund stakeholders, including Secretariat staff, LFAs, Principal Recipients, CCM members, and Board members, have a duty to report misconduct occurring in relation to any of the Global Fund’s activities.

2. The Global Fund’s duty of trust

The Global Fund was formed in pursuit of a humanitarian, moral objective. It directs funds from donors to in-country organizations managing programs to combat HIV, tuberculosis and malaria.

As a conduit of funds designated for addressing global health needs, the Global Fund is the custodian or trustee of the funds entrusted to it.

It follows that it is the Global Fund’s overriding duty to manage those funds responsibly, including proactively protecting those funds from abuse or misdirection so that they can reach their intended destinations for their intended purposes.

For the Global Fund, intentional mismanagement or misappropriation of its funds is a serious breach of trust, for two obvious reasons:

- First, the intended beneficiaries — namely, those affected by AIDS, tuberculosis and malaria — would be harmed as the funds earmarked for their benefit are diverted and not used for their benefit.
- Second, donors cannot be expected to continue donating funds that are managed irresponsibly or wasted.

¹ As adopted at the Thirteenth Board meeting (Document GF/B13/6) and amended at the Twenty-Third Board meeting (Decision Point GF/B23/DP19) and at the Thirtieth Board meeting (Decision Point GF/B30/DP4).

3. Why have a whistle-blowing policy?

The main purpose of this whistle-blowing policy is to help the Global Fund exercise its duty of trust to protect its funds and to protect employees from behavior that does not adhere to the Global Fund's core values or employee Handbook and Code of Conduct. The policy applies both to internal whistle-blowers (Global Fund employees), and to third-parties involved with the programs funded by the Global Fund.

Therefore, this document sets out the Global Fund's written, formal whistle-blowing policy, consisting of effective and confidential procedures for reporting possible misconduct or irregularities so that appropriate remedial action can be taken. A written, formal policy — properly communicated — is also a means of preventing and deterring misconduct that might be contemplated but has not yet taken place.

A written, formal policy is also a transparent method of addressing issues relating to whistle-blowing, such as answering standard questions, giving assurances, providing information, and offering explanations.

With its whistle-blowing policy, the Global Fund calls upon others to assist it with its custodial responsibility of the funds designated for and provided to intended recipients and deserving beneficiaries.

The Global Fund abides by a philosophy that its duties as custodian or trustee of donated funds clearly outweigh possible personal, cultural, or historical objections to a practice of whistle-blowing.

Through this whistle-blower policy, the Global Fund calls on all who care about the worldwide fight against AIDS, tuberculosis and malaria to support this further step to safeguard donated funds intended for benevolent purposes.

In summary, this whistle-blowing policy springs from the duty of the Global Fund to act as a responsible custodian or trustee of funds entrusted to it, by protecting the interests and assets of all its stakeholders — donor countries, recipient countries, or diverse beneficiaries alike.

4. Who are whistle-blower reports made to?

Whistle-blower reports are made to the Office of the Inspector General of the Global Fund (OIG). The OIG is an independent unit of the Global Fund, reporting directly to the Board of the Global Fund through its Audit and Ethics Committee.

The Office of the Inspector General provides the Global Fund with independent and objective assurance over the design and effectiveness of controls or processes in place to manage the key risks impacting the Global Fund's programs and operations, including the quality of such controls and processes.

Further details on the Office of the Inspector general can be found on the Global Fund's web-pages through the following link: <http://www.theglobalfund.org/en/oig/>

The OIG has been tasked to provide appropriate mechanisms for whistle-blowers to report all irregularities relating to Global Fund activities. The types of matters that should be reported to the OIG and further information on the process of reporting are provided below.

The OIG will ensure all reports by whistle-blowers are reviewed and properly followed-up by OIG or referred to the appropriate entity, as appropriate given the nature of the claims and the mandate and priorities of the OIG.

Allegations to be investigated in areas within the responsibility of the Global Fund's Human Resources department will be considered at the discretion of the Head of Human Resources in consultation with the OIG. In the exercise of this discretion, the factors to be considered will include, without limitation, an assessment of the seriousness of the allegations and the extent to which the allegations can be corroborated by attributable sources.

In all cases however, the Global Fund will maintain confidentiality and/or anonymity of the claimant, as detailed in sections 8 and 9 below.

5. Who should report misconduct and what should be reported?

All Global Fund stakeholders, including Secretariat staff, LFAs, Principal Recipients, CCM members, and Board members, have a duty to report past or present misconduct occurring in relation to any of the Global Fund's activities. This encompasses notably any of the circumstances listed below, occurring in connection to persons and entities involved in the management of the Secretariat or management of funded programs, such as Global Fund Staff, grant recipients, suppliers, contractors or CCM members:

- a. Misconduct by Global Fund staff or contractors;
- b. Theft or diversion of funds or other assets (including embezzlement, theft of assets procured with grant funds);
- c. Fraud against the Global Fund or its grant recipients (e.g. bribery, kickbacks, inappropriate gratuities, forged signatures, false travel claims, travel with no legitimate purpose);
- d. Knowingly communicating false information (including false financial or programmatic reporting and other misrepresentation of information) and inappropriate disclosure of information;
- e. Waste or misuse of resources, assets and monies (e.g. knowingly purchasing expired drugs, supplying faulty test kits);
- f. Unethical conduct (Conduct that undermines universal, core ethical values, such as integrity, respect, honesty, responsibility, accountability, and fairness), including issues related to violations of human rights in relation to Global Fund supported programs;
- g. Actions damaging the Global Fund's reputation and which may lead to an investigation;

- h. Abuse of power or authority;
- i. Mismanagement;
- j. Inappropriate use of program assets;
- k. Non-compliance with the Global Fund Procurement Policies (including irregularities in tender processes);
- l. Maladministration (for example, failure to take proper action to rectify reported problems, failure to respond to complaints);
- m. Conflict of interest;
- n. Product substitution and counterfeit drugs;
- o. And any breach of the Code of Conduct for Suppliers
http://www.theglobalfund.org/documents/corporate/Corporate_CodeOfConductForSuppliers_Policy_en/
- p. Any breach of the Code of Conduct for Recipients.
http://www.theglobalfund.org/documents/corporate/Corporate_CodeOfConductForRecipients_Policy_en/

Any other person who has information relating to any such matter should report the matter to the OIG through one of the services described in section 10 below.

6. Assurances of confidentiality and anonymity

The Global Fund is committed to safeguard whistle-blowers, and provides the opportunity to treat all whistle-blowing reports as either confidential or anonymous. The choice between confidential or anonymous whistle-blowing is that of the whistle-blower alone.

7. What is the difference between confidential and anonymous whistle-blowing?

Allegations notified to the OIG may be made confidentially (in which case the person's identity will be known to the Office of the Inspector General only and will be kept confidential) or anonymously (in which case no one, not even the Office of the Inspector General, will know that person's identity).

If you provide your personal details when making a confidential report, the Office of the Inspector General will not disclose these details to other areas of the Global Fund or to external organizations unless you give your consent. The only exceptions to this assurance may be where the Global Fund is required to comply with a separate legal obligation such as an order issued by a court, or when an allegation has been determined as being malicious and needs to be referred, as stipulated in section 9 below. Importantly, the Global Fund assurance of confidentiality can only be completely effective if the whistle-blower likewise maintains confidentiality.

Anonymous reports are sometimes difficult to assess where it is not possible to obtain further information from the complainant. Therefore, if an allegation is made anonymously, it should be as complete as possible, providing as much detail as possible to enable the investigator to follow up on information that may be needed to pursue the investigation, and include any supporting documentation. Whistleblowers are therefore encouraged to report misconduct confidentially, as such a report has the greatest likelihood of impact as the OIG will have a greater ability to pursue the complaint, and will be able to seek clarifications from the complainant, if and when, necessary. To be actionable, complaints ultimately must be supported by sufficient evidence to find misconduct has occurred.

For persons nevertheless wishing to report irregularities anonymously while at the same time providing a mechanism for further (anonymous) contact where necessary may use the OIG's Integrity Hotline (<https://www.integrity-helpline.com/theglobalfund.jsp>). By using this method of reporting, a report number and PIN are assigned. The identity of the person making the report is not known to the third-party reporting agency or to the OIG unless the person making the report chooses to pass on this information.

By using the report number and PIN, the person making the report is able to check back at a later time to obtain an update – and this also allows the OIG to pass on any questions that we have or requests for clarification.

8. Whistle-blower protection

Both confidential and anonymous whistle-blowing options are aimed at safe reporting.

The Global Fund is also committed to preventing those who benefit from misconduct from attempting to retaliate against or victimize a whistle-blower for loss, or potential loss, of that ill-gotten benefit. The Global Fund will not tolerate any retaliation, i.e. any act of discrimination, reprisal, harassment or vengeance, direct or indirect, which is recommended, threatened or taken against a whistle-blower or its relatives or associates by any person because the whistle-blower has made a disclosure under this policy in good faith, reasonably believing it to be true.

The reporting process outlined above has been introduced by the Office of the Inspector General to allow confidential or anonymous reports to be made, while at the same time safeguarding the identity of the person making the report to the fullest extent possible.

Where an individual makes a report under this policy in good faith, reasonably believing it to be true, no retaliation against the individual will be tolerated should the disclosure turn out to be misguided or false.

Where retaliation by the Head of the Human Resources Department, the Legal and Compliance Department or other member of the Management Executive Committee is alleged, an assessment of the allegation will be prepared by the OIG, with the participation of an external party to the Global Fund, and presented to the Executive Director for further action or investigation. Where retaliation by the Executive Director or the Inspector-General is alleged, an assessment of the allegation will be prepared by an external party chosen by the Chair and the Vice-Chair of the Audit and Ethics Committee and the assessment will be

presented to the Chair and Vice-Chair of the Audit and Ethics Committee and the Board, for further action or investigation.

In the case of internal whistle-blowers, where it is considered necessary, the OIG or the Global Fund's Human Resources department may recommend the temporary reassignment of a person who has allegedly been the subject of retaliation or other measures appropriate to protect against further acts of retaliation. Any such recommendation will only be submitted with the approval of the staff member involved and appropriate measures will be taken to safeguard employee confidentiality to the fullest extent possible.

Reporting under this policy in no way protects a whistle-blower from sanctions arising from their own wrongdoing. In other words, blowing the whistle is no "escape hatch" for complicity in misconduct.

9. OIG action in the case of retaliation or false reports.

Any staff member of the Global Fund who is alleged to have retaliated against a person who has made a report to the OIG in good faith will be the subject of a disciplinary procedure as outlined in section 17 of the Global Fund's Employee Handbook. Should the allegation be substantiated, it will be considered gross misconduct and the staff member will face disciplinary action including possible contract termination.

Allegations of retaliation by people and entities external to the Global Fund, such as in-country partners and suppliers, will be dealt with through governance mechanisms and other appropriate action including the debarment of suppliers through the Global Fund Sanctions Procedures.

Making allegations through the whistle-blowing mechanism that the individual knows to be false or with an intent to misinform will also be investigated by the OIG and may result in disciplinary or other action (such as the sanctions procedures in the case of suppliers or referrals to local law enforcement agencies in the case of third parties).

10. How do I report fraud or abuse?

There are two ways to make a complaint.

i. Through a third-party reporting service

You can make a complaint by telephone or internet through a reporting service provided by a compliance reporting company, Navex. This service will provide the details of your report to the Office of the Inspector General. It will ask if you wish to be anonymous or if you wish to provide your contact information.

If you provide your contact information, the Office of the Inspector General will contact you directly for more information.

If you choose to be anonymous, Navex will provide you with a report number, a PIN number and a follow-up date. Because Navex will not have your contact information any further contact will need to be initiated by you.

Reports can be made by internet (web-reporting) or by telephone:

Web-reporting:

The third party compliance reporting company, Navex, can be contacted by through the OIG's Integrity Hotline (<https://www.integrity-helpline.com/theglobalfund.jsp>). This service is operated in 21 languages.

Reporting by telephone:

You can call Navex free of charge from any country in the world on the following US collect call telephone number +1 704 541 6918. If you do not speak English, an interpreter will be arranged while you are on the line.

ii. Directly to the Office of the Inspector General by telephone, fax, email or letter

Telephone: +41-22-341-5258 (24 hour secure voicemail)

Fax: +41-22-341-5257 (dedicated secure fax)

Email: inspector.general@theglobalfund.org

Mail: Office of the Inspector General,
The Global Fund to Fight AIDS, Tuberculosis and Malaria
Chemin de Blandonnet 8, 1214 Vernier, Geneva, Switzerland

11. What details should I include in my report?

Please make your complaint as specific as possible and include details such as:

- a. The type of alleged wrongdoing you are reporting;
- b. Where and when did these events occur;
- c. Who are the people involved and who has knowledge about the matters you are reporting;
- d. How the individual, organization or company committed the alleged wrongdoing;
- e. Why do you believe the conduct should be investigated and why are you reporting the matter; and
- f. All documents and references to other sources that support the complaint.

Complainants are strongly encouraged to submit all supporting documents, or advise the OIG where such documents might be located, and identify other possible witnesses who

could provide relevant information. Disclosure of further information or evidence (for example, documents) that you believe will enable us to make a proper assessment, should be provided to the Office of the Inspector General as soon as possible.

12. What happens after I make a report?

All reports to the OIG are acknowledged within one day of receipt wherever possible and all reports are reviewed by OIG staff.

To determine whether a matter falls within the Charter of the OIG, an initial screening will be made, resulting in a determination of the most appropriate action. This may lead to an investigation by the OIG, or a referral of the matter, for example to national authorities for prosecution in the event of a breach of national criminal laws. Alternatively, where appropriate, the matter may be communicated for management action to other areas of the Global Fund if there is no apparent conflict of interest with that area and if confidentiality can be maintained.

Issues of misconduct by Global Fund staff may fall within the responsibility of the Global Fund's Human Resources Department. In such cases the OIG will refer the matter to the Head of HR for assessment and action. It is important to reiterate that the OIG will not pass on the identity of a person making a report of irregularities unless that person has consented to the OIG doing so.

An investigation is a professional, systematic and analytical process designed to gather information in order to determine whether wrongdoing occurred and, if so, the persons or entities responsible.

Investigations are conducted by the OIG and the Global Fund's Human Resources Department in a diligent, complete, focused and objective manner. All reasonable steps are taken to ensure that pertinent issues are sufficiently examined. The OIG exercises complete independence from other parts of the Global Fund in conducting investigations.

Periodic reports are provided by the OIG on the number and nature of matters reported to the OIG. The OIG also analyses reports and the results of investigations to identify any systemic issues, which are passed to the Secretariat to assist in the development of more robust controls where appropriate.

13. Need more information?

We hope that this document has provided a useful overview of the Global Fund Whistle-blower process. Should you have any questions, please contact the OIG through any of the contact mechanisms listed above.