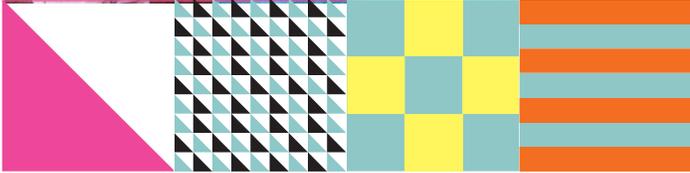
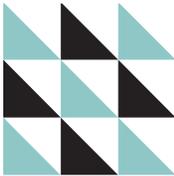


# PSI Global Code of Business Conduct & Ethics



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## Introduction

The Global Code of Business Conduct and Ethics (Code) reflects who we are and what is important for our organization. Our Code sets out our basic expectations for conduct that is legal, honest, fair, transparent, ethical, honorable, and respectful. It is designed to guide the conduct of all PSI employees—regardless of location, function, or position—on ethical issues they face during the normal course of business. We also expect that our vendors, suppliers, and contractors will work ethically and honestly. If you work directly with companies that support us, you have an obligation to make them aware of our Code and our organization’s expectations.

PSI has also made external commitments to what we believe are fundamental corporate responsibilities: upholding human rights, ensuring fair labor practices, protecting our environment, and tackling corruption. These commitments have been made public through PSI’s signature to the United Nations Global Compact. We expect all our employees to be similarly committed to these principles and endeavor to ensure the same from our external partners, vendors, suppliers and contractors.

Acting with honesty requires making decisions based on what is right. We are committed to act at all times in a manner consistent with the laws of the US as well as the laws of the countries in which our staff are working or traveling while on PSI business. However, the Code does not provide an answer to every ethical dilemma you may face on the job. When the answer is not clear, use good judgment. Ask yourself:

- Is it legal?
- Is it ethical?
- Would it reflect well on PSI?
- Would I feel good about it if everyone knew what I did?

If the answer is “no” to any of these questions, then do not do it. If you see others acting inappropriately, report it. If you are still uncertain, ask for guidance from one of the following:

- Your management
- PSI’s General Counsel and other subject matter experts, such as leaders on the Finance or Procurement teams
- Human resources
- Any member of the senior executive team

## PSI’s Values and Code Principles

PSI has six (6) values that can provide a compass and common language for how we approach our work. They are also indispensable guides for behavior and principles for making decisions:

- **Honesty.** We act with integrity, share what we achieve and admit when we fail.
- **Measurement.** Evidence, research, metrics and evaluation inform our choices.
- **Pragmatism.** We strive for excellence, but useful and timely are better than perfect.
- **Collaboration.** Active partnering drives impact.

- **Trust.** We have confidence in our people to make good decisions.
- **Commitment.** We build local capacity and programs that last.

Alongside our core values, PSI's nine principles articulate the foundation that underlines the standards of conduct we expect of our people at all times, especially when ethical or legal dilemmas arise. If you confront uncertainty about the right action to take, let these principles guide you.

### **Principle #1**

Comply with all laws, regulations and other official directives governing your own or PSI's activities in the US and other countries. Laws and customs vary throughout the world, but employees must uphold PSI's obligation to comply with the laws in all countries where it does business. In the case of any conflict or discrepancy between the laws of the US and another country, employees should consult with the Human Resources department.

### **Principle #2**

Avoid any act or omission that might tarnish PSI's reputation or compromise PSI's work. We have a duty of loyalty to PSI, including protecting its people, its resources and using them responsibly. At all times, place your legal and ethical duties to our organization and mission above private gain.

### **Principle #3**

Conduct yourself in a professional, respectful and appropriate manner at all times and in all situations, whether on or off the job – in the physical or virtual environment.

### **Principle #4**

Act fairly and impartially, ensuring that all decisions and commitments of PSI and donor resources are made without corrupt motives, improper influence, bias or conflicts. Make sure that information shared—and representations made—are complete, accurate and clear.

### **Principle #5**

Refrain from improper attempts to influence government officials in the US or abroad.

### **Principle #6**

Deal honestly and transparently with PSI's donors, board members, fellow employees and program partners, making sure that information shared, and representations made are complete, accurate and clear.

### **Principle #7**

Report any illegal, corrupt, unethical, abusive or wasteful activity, negligence or violations of our policies or principles or public commitments; cooperate in investigations of misconduct, and refrain from retaliating against those involved.

### Principle #8

Avoid seeking loopholes, taking shortcuts or relying upon “technicalities” to avoid responsible conduct; reject any notion that unethical behavior is acceptable because others are doing it.

### Principle #9

Avoid any actions creating even the appearance that you are violating any laws or standards of ethics or conduct set forth in this Code.

## Acting with Honesty Around the Globe

### Expectations for All Employees

PSI employees are expected to perform their duties in good faith, with honesty and integrity and in furtherance of the mission and goals of our organization. All employees are expected to understand and comply with the Code and applicable law everywhere in the world. All employees are expected to uphold PSI’s external commitments to conducting our work with a values- and principles-based approach, including those principles outlined in the United Nations Global Compact with regard to human rights, labor, the environment and anti-corruption.

In recognition of the catastrophic global threat posed by climate change, we expect our employees to be environmental stewards to the best of their ability, support PSI’s ongoing green efforts, and seek opportunities to do our work in sustainable ways.

At the time of employment, and thereafter at the request of PSI, all employees are required to read and sign an acknowledgment of receipt of the Code and are required to complete annual Code training.

If employees see or suspect anything illegal, corrupt or unethical, these concerns should be promptly shared. All employees are expected to cooperate fully and honestly in an internal investigation. Violations of the Code could result in disciplinary or corrective action up to and including termination of employment, legal action or both.

### Expectations for Managers

Our people managers have an even greater responsibility to ensure compliance with the Code. First and foremost, managers should lead by example and make sure the team knows that manager and staff are held to the same account in relation to the Code. Additionally, managers should:

- Make sure employees understand their responsibilities under the Code, other PSI policies and public commitments by creating opportunities to discuss the Code and help employees understand the Code.
- Create an environment where employees feel comfortable raising concerns without fear of retaliation.
- Take seriously any concern raised by an employee and take the time to understand if the issue needs to be escalated.

- Recognize and reward ethical behavior.
- Never encourage or direct employees to achieve business results at the expense of ethical conduct or that would risk non-compliance with the Code or the law.
- Understand that **all people managers are considered mandatory reporters** in the organization and have an obligation to report any perceived or actual wrongdoing to anyone listed in the Raising Concerns section of this Code.

## Unique Nature of PSI's Work

Due to the unique nature of PSI's work marketing condoms and other contraceptives, providing and promoting sexual and reproductive health services and educating people about sexual and reproductive matters, employees who join PSI must understand and acknowledge that business-related discussions regarding sex-based topics and issues are a normal and integral part of accomplishing our mission. By accepting employment at PSI, each employee acknowledges and accepts that they will collaborate in this unique work environment.

PSI recognizes that expectations regarding appropriate workplace conduct are higher and broader than those imposed by the law, such that it is possible for workplace conduct not to violate the "letter of the law" but to still violate our policy and, therefore, such unprofessional conduct may subject employees to corrective action which may, include discharge.

We realize that individuals come to the workplace from a wide variety of backgrounds and with a wide range of personal values and experiences. This Code provides guidance regarding behavior that PSI prohibits, regardless of an individual's position in the organization, length of employment at PSI and regardless of whether the behavior is or was considered acceptable in other workplaces, cultures or settings in which the person engaging in the behavior has lived or worked.

## Raising Concerns

One of our greatest assets is our reputation. PSI is known for operating with high ethical standards everywhere we do business. **If you observe behavior that concerns you, or that may represent a violation of our Code, please raise the issue promptly.** Doing so will provide PSI the opportunity to deal with the issue and correct it. If you see or learn about something you think should be reported, please report the concern to:

- Your management (immediate supervisor, a director, Country Representative, Vice President or Executive Team Member)
- PSI's General Counsel and other subject matter experts, such as leaders on the Finance or Procurement teams, or Global Internal Audit (GIA)
- Human Resources (assigned Human Resources Business Partner, Director/Human Resources or Chief Human Resources Officer).

Employees can also use EthicsPoint Hotline at <http://www.psi.ethicspoint.com> or call toll-free to **888-238-1438** to report in good faith any actual or perceived unethical actions such as inappropriate behaviors, financial irregularities, incidents of human rights abuses, illegal or unacceptable labor practices, such as forced labor, trafficking of persons, environmental negligence, corruption, and any other concerns of improper actions. EthicsPoint reports can be submitted 24 hours a day, seven days a week. This hotline is available to anyone, including employees, partners, vendors, subrecipients, program participants, and beneficiaries.

PSI employees and those outside PSI, such as beneficiaries and customers like Sara and Sam, may also report allegations or concerns about trafficking of persons to the **Global Human Trafficking Hotline at 1-844-888-FREE or [help@befree.org](mailto:help@befree.org)**.

## Whistleblower & Anti-Retaliation Policy

PSI employees are expected to observe the highest ethical standards of business, human rights, labor, environmental and financial ethics and to comply with all applicable laws, regulations, and PSI policies in the conduct of their duties. PSI urges employees to report any suspected financial or accounting impropriety, illegal and unethical business practices and behaviors without fear of retribution. Non-PSI employees, such as partners, vendors, subrecipients, program participants, and beneficiaries may also use the Whistleblower Hotline if they suspect violations.

Should an employee, whether individual contributor or manager of others, become aware of, or be concerned about, financial or other activity, which is believed in good faith to be illegal, dishonest, unethical, corrupt, fraudulent<sup>1</sup>, or in violation of any PSI policy, the employee must immediately report this to anyone listed in the ***Raising Concerns*** section.

Reports made by employees of violations or suspected violations, as well as the identity of whistle-blowers, will be kept confidential to the extent possible, consistent with the need to conduct a due diligence process to review, inquire or investigate as appropriate. In order to maintain the confidentiality of allegations and the fairness of the investigative process, employees should refrain from conducting any investigative activity on their own, such as contacting parties, requesting information from any source, or disclosing allegations to anyone other than those identified in this policy.

If an employee is uncomfortable reporting activity he/she believes to be improper through internal PSI channels, or is not satisfied with the response received, such activity may be reported on a confidential basis or submitted anonymously to EthicsPoint, the outside firm retained by PSI for this purpose, using the contact information below. EthicsPoint will be responsible for passing on reports they receive to PSI management or the PSI Board, so that the appropriate actions may be taken to resolve concerns raised.

PSI does not tolerate retaliation or adverse employment action of any kind against anyone who in good faith reports a suspected violation or misconduct under this policy, provides information to an external investigator, a law enforcement official or agency, or assists in the investigation of a suspected violation, even if a subsequent investigation determines that no violation occurred, provided the employee report is made in good faith and with reasonable belief in its accuracy.

Raising a concern in good faith means that you are sincere in your attempt to provide accurate information, even if the report is not—or cannot be—substantiated.

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<sup>1</sup> PSI considers reportable fraud to be any act or omission that intentionally misleads, or attempts to mislead, a person or entity to obtain a financial or other benefit or to avoid an obligation. Fraud includes, but is not limited to, theft, embezzlement, misappropriation, forgery, diversion, bribery, corrupt practices, and collusion in any of the foregoing. Fraud can also be dishonesty calculated for advantage. Fraud can be either financial or non-financial and can be committed by either individuals or organizations.

Good faith does not mean that you have to be right about the facts; it means that you honestly believe something is wrong and are not deliberately making a false report. We want you to be able to ask questions and raise issues without fear of retaliation, and understand that your concern will be treated promptly, seriously, and fairly.

For the purposes of this policy, a reprisal includes the threat of reprisal. In addition to reporting through the internal and external PSI channels described above, PSI does not tolerate discrimination, retaliation, or reprisal of any kind for reporting or disclosing to any US government official information, including confidential or proprietary information, that the employee reasonably believes is evidence of a false claim, gross mismanagement, abuse of authority, or gross waste of funds relating to a federal grant or contract, a substantial and specific danger to public health or safety, or a violation of law, rule or regulation relating to a federal grant or contract. Employees who believe they have been subject to discrimination, retaliation or reprisal for such reports or disclosures may submit a complaint to the Inspector General of the donor agency in accordance with 41 USC. §4712 and / or applicable funder (e.g., USAID, UNITAID, DFID, Global Fund, etc.) If employees experience, witness, suspect or become aware of perceived or actual retaliation after having made a report or participated in any reviews, inquiries or investigations conducted by PSI, they must report immediately through the reporting mechanisms previously defined.

No PSI employee or officer may use their position to influence employees, retaliate against them, or prevent them from exercising their rights as provided in this policy. Any employee or officer who is found to have engaged in such behavior will be subject to corrective action, up to and including termination.

Employee complaints of harassment, retaliation, discrimination, any misconduct, or adverse employment action in violation of this policy will be promptly investigated. If an investigation results in a determination that there has been retaliation or other prohibited action against an employee, appropriate corrective action will be taken.

Employees are expected to exercise sound judgment to avoid baseless allegations. An employee who knowingly or recklessly makes an allegation or disclosure that proves to be malicious or lacking good faith, may be subject to corrective action, up to and including termination.

**The following may result in corrective action, up to and including termination:**

- Failure to adhere to behavioral principles and standards defined in this Code;
- Any behaviors, statements, decisions, or any activity that could create a situation of perceived or actual retaliation;
- Malicious reporting of any incidents, providing false statements or raising false accusations;
- Any reports, accusations or complaints that are reviewed and/or investigated and are concluded to be malicious or not done in good faith;
- Failure to report reportable incidents as determined by inquiries or investigations due to the increased risk in jeopardizing employees' safety, rights and well-being, and compromising funding and PSI reputation.

## Anonymity and Confidentiality

When an employee makes a report directly to PSI or through EthicsPoint, the person may choose to remain anonymous, although open reporting is encouraged to facilitate communication. If so, the investigators will take every reasonable precaution to keep the identities of parties confidential, consistent with conducting a thorough and fair investigation.

Within PSI, the principle of confidentiality broadly applies to any concern or report an employee raises. Specifically, within PSI, a reporting employee's identity and report will be shared only on a need-to-know basis; only a few people in management involved in the response process will know a reporter's identity and details about the report. A reporting employee's name or position will not be revealed without his/her permission unless it is required to do so by law. PSI will also treat the identity of any person suspected of wrongdoing or malpractice as confidential, to the extent that it is able to do so. This Policy encourages reporters to include his/her name when raising concerns wherever possible. If reporting employees do not provide identifying details, it will be much more difficult to protect them, give feedback, or to perform a thorough investigation. However, concerns that are raised anonymously will not be ignored. Anonymous reports are treated with the same seriousness as reports made by a named individual but can be harder to investigate. As such, anonymous reporting is always preferred over silence.

To help maintain confidentiality, avoid discussing these issues, or any investigation, with other employees or anyone else who may be involved in the case.

After a concern is reported internally or via EthicsPoint, a PSI investigator will be assigned to the case. This person will, as much as possible:

- Inform the reporter about whether the concern will be investigated or resolved through another means;
- Give the reporter an approximate timeframe for dealing with the matter;
- Inform the reporter if further assistance is required;
- Update the reporter at the conclusion of the matter; and

Because we strive to maintain strict confidentiality to the extent possible in all investigations, we may not be able to inform the reporter of the outcome of an investigation.

## Investigations

PSI takes all reports of possible misconduct seriously. We will investigate the matter confidentially to the extent possible, make a determination on whether the Code or the law has been violated, and take appropriate corrective action. If you become involved in a Code investigation, please cooperate fully, and answer all questions completely and honestly.

## Acting with Honesty at PSI

### Financial Integrity

We expect everyone at every level of our organization to act honestly and ethically and never engage in any financial misconduct. Financial integrity refers to a system of internal controls that ensure the proper oversight and accountability of all PSI assets, liabilities, income and expenses. All of our financial books, records and accounts follow this system of internal controls as well as generally accepted accounting principles and applicable laws and regulations. All employees have an obligation to comply with the system we have in place as well as the principles, laws and regulations that apply to the work of each employee.

If you are involved in our financial reporting process, make sure that any business information you report is accurate, complete and timely.

- Follow all internal policies and procedures, ensuring that our records accurately reflect our financial position.
- Correctly record and disclose assets and liabilities, revenues and expenses.
- Safeguard our records from unauthorized access, destruction or alteration.
- Make sure written agreements accurately reflect the terms of business deals, are reviewed in accordance with PSI's policies and guidelines, and are signed in line with PSI's authority matrix.
- Use any PSI-provided credit cards appropriately.
- Be candid and forthcoming in making forecasts and presenting outlooks.
- Promptly report suspicious transactions or activities.
- Do not enter information in our books that intentionally hides the true nature of any transaction, result or balance.
- If you are responsible for overseeing or evaluating our internal controls over financial reporting, work in accordance with PSI policies and procedures.

If you are unclear as to how you should handle documentation, record a financial transaction or follow a policy it is your responsibility to consult and ask for guidance.

**Even if you don't play a financial role, you are required to maintain the accuracy of everyday records and transactions such as time sheets, invoices and expense reports. All of these feed into our financial statements and external reporting.**

We expect all employees to cooperate with members of our internal audit, accounting, ethics and compliance and legal teams, as well as with auditors and government investigators.

### Fraud and Corruption

While the precise legal definition of fraud may vary depending on the jurisdiction or applicable law, PSI considers reportable fraud to be any act or omission that intentionally misleads, or attempts to mislead, a person or entity to obtain a financial or other benefit or to avoid an obligation. Corruption is broadly defined as using one's position or influence for one's own benefit or the benefit of a relative or friend and can include the abuse of power to enhance personal or organizational reputation or position.

In this policy, fraud and corruption are defined in a broader sense and include, but are not limited

to, theft, extortion, embezzlement, misappropriation, financial manipulation, bribery, facilitation payments, trading influence, nepotism, and collusion in any of the foregoing. Fraud can also be dishonesty calculated for advantage. Fraud can be either financial or non-financial and can be committed by either individuals or organizations.

## Examples of Fraud and Corruption

- **Theft:** Stealing money or other goods
- **Extortion:** Obtaining something (money or goods) through physical force or threat
- **Embezzlement:** Theft or misappropriation of funds placed in one's trust or belonging to PSI or another organization
- **Misappropriation:** Stealing resources for one's own use, for example, skimming cash receipts, misuse of PSI property, forging PSI checks or creating false expense reports or invoices.
- **Financial manipulation:** Manipulating financial or accounting statements, for example, creating false revenues, hiding liabilities or inflating profit reports.
- **Bribery:** Offering, promising, giving, accepting, or soliciting an advantage as an inducement for an action that is illegal or a breach of trust.
- **Facilitation Payments:** Small amounts paid to public officials to expedite a non-discretionary public service.
- **Trading Influence:** Using one's influence in or connections with government to obtain favors or preferential treatment, usually in exchange for payment.
- **Nepotism:** Giving preferential treatment for family members or friends.
- **Collusion:** Entering into a secret agreement or cooperation, especially for an illegal or deceitful purpose.

## Reporting Fraud and Corruption

Any PSI employee who becomes aware of, or suspects, that any fraud, corruption, or other financial misconduct has taken place, regardless of the context, amount involved, level of person involved, or source of funding, must immediately report the information as directed in "Raising Concerns" section of this policy, including reporting external fraud, corruption or any actual or perceived financial misconduct from partners, subcontractors and others.

## Bribery

PSI takes a strong stance against bribery consistent with the anti-bribery laws that exist in many countries around the world.

## What is bribery?

- A bribe can take the form of cash or cash equivalents, including a check, a money order, a discount or a bonus.
- A bribe can take the form of a gift, including gift certificates, gift cards or contributions made on your behalf to charities or political parties.
- A bribe can take the form of a favor (e.g., use of materials, facilities or equipment), an offer to pay insurance benefits, a loan, or the promise of a job or a business contract.
- A bribe can take the form of entertainment, including expensive sightseeing excursions, tickets to concerts or sporting events, or a trip.
- A bribe can be offered indirectly, such as a scholarship to a family member of a government official or a contribution to an official's favorite charity or organization.
- A bribe can take the form of hospitality, such as meals, drinks, hotel, travel, lodging or transportation when they are unreasonable, disproportionate for actual business needs, or do not support a legitimate business purpose.

PSI strictly prohibit bribes, kickbacks, illegal payments, and any other offer of items of value, either directly or through a third party, that may inappropriately influence or reward a customer to order, purchase or use our products and services, or a government official to act favorably toward PSI or its affiliates or partners. Any employee who is asked to make or accept a kickback or bribe should report this immediately to his/\_her supervisor.

## What are “facilitating payments” and are they okay?

Some countries allow limited exceptions to anti-bribery prohibitions for facilitating payments. Facilitating payments are modest payments which may be common and largely accepted under local law or custom, and are made to low-level foreign government employees for taking care of “routine governmental actions.” These may include:

- Processing governmental paperwork (such as visas or licenses)
- Loading or unloading cargo
- Picking up or delivering mail
- Releasing goods held in customs
- Obtaining utility services, water or power supply

***Facilitating payments, no matter how small, and even if permitted under local law, can violate the anti-bribery laws and are not permitted under our policy.***

Any PSI employee who becomes aware of, or suspects, bribery has taken place, regardless of the context, amount involved, level of person involved, or source of funding, must immediately report the information as directed in “Raising Concerns” section of this policy.

## Gifts, Meals, and Entertainment

Employees may not offer, provide, or accept any form of payment, including monetary compensation, credit, gifts, gratuities, favors, entertainment, meals, transportation, lodging, services, facilities, or any other thing of value, directly or indirectly, to influence, or be influenced by, any person or entity for the purpose of obtaining favorable treatment in connection with a contract, sub-contract, grant, sub-grant or any other benefit to or from PSI. These types of payments are considered kickbacks or bribes, and any employee who is asked to make or accept them should report this immediately to his / her supervisor.

Employees may not give or accept money, credit, gifts, gratuities, favors, entertainment, meals, transportation, lodging, services, facilities, or anything else of value to or from parties to current funding agreements with PSI, other than gifts of nominal value not exceeding \$20<sup>2</sup> per source per occasion, or \$100 to or from any single source in a calendar year, without prior approval from an employee's department director. The onus is on each individual employee to keep track of such gifts up to the limits indicated and to provide adequate proof if required.

## Conflict of Interest

A conflict of interest (COI) can occur when competing obligations—outside financial, family or other interests, or divided loyalties—interfere with job responsibilities or influence decision-making or business judgment. It is important to be aware of and report any **actual, potential or perceived COIs** that you may have, or that you see or suspect others may have. Even the **appearance of a COI** can tarnish the reputation of PSI or cause damage to our work.

Classifications of COIs include:

- Actual: Conflict already exists.
- Potential: Conflict is about to happen or could happen.
- Perceived: Other people may reasonably think that someone has been compromised.

Employees are required to complete a COI disclosure form in the following circumstances:

- Within 30 days of hire for new employees.
- As soon as you become aware of a new actual, potential or perceived COI.
- On an annual basis.

Don't be afraid to disclose a conflict. Many COIs occur without malicious intent and management of such COIs is critical. Disclosure is the first step, allowing PSI to take appropriate measures to mitigate and manage the conflict upfront.

## Conflict of Interest Types

At PSI, we expect all employees to avoid letting other interests affect professional judgment or work performance. Even the appearance of a **COI** should be avoided. While not exhaustive, some areas of potential COI are addressed below:

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<sup>2</sup> All monetary references in this Handbook are referencing US dollars (\$).

1. **Absolute Prohibition.** An employee may not participate in the selection, award or administration of a PSI contract, sub-contract, grant, sub-grant, loan, or other funding mechanism if the employee, a member of his/her immediate family, or business associate has any current or prospective interest, financial or otherwise, including current or prospective employment, in an entity being considered or selected for an award.
2. **Other Potential Financial / Representational Conflicts.** If an employee, spouse, domestic partner, or any other member of an employee's immediate family has or is considering a financial or organizational interest (as an employee, consultant, business partner, investor, borrower, lender, beneficiary or paid or unpaid board member or trustee) in a PSI competitor, contractor, consulting firm, customer, vendor, donor or funding recipient, the employee should promptly disclose this interest (investments in the stock of public companies are exempt from this restriction, unless the size of an investment puts the employee in a position to influence the company's decision-making). If PSI determines that the interest disclosed presents an actual or potential conflict with the interests of PSI, the employee may be directed to take appropriate steps to avert or resolve such conflict.
3. **Outside Employment / Board Membership.** An employee of PSI who wishes to: (i) perform services for, or accept employment from, anyone other than PSI, (ii) engage in any other business or professional activity with an outside entity, or (iii) accept a significant leadership position, including board membership, in another organization (with or without compensation), should do so only after obtaining prior written approval from his/her supervisor. Employees may not use PSI time or resources to further non-PSI business. At no time may an employee's outside employment or other activity: (i) interfere in any way with the fulfillment of the employee's duties to PSI; (ii) adversely affect the quality of the employee's work; (iii)<sup>3</sup> compete in any way with PSI; (iv) compromise PSI's reputation; or (v) imply sponsorship or support by PSI of an outside affiliation.

**Note:** COI considerations do not apply, as a general matter, to employees serving on PSI affiliate boards. An employee who serves on the board of a PSI affiliate should recuse him / herself from decision-making at PSI or the affiliate that may affect PSI's overall relationship with that affiliate.

4. **Close Personal Relationships.** PSI seeks to avoid potential internal COIs posed by close personal relationships between employees, including Network Members in PSI and affiliate offices. Close personal relationships include marriage, domestic partnership, close familial relationships (i.e., parent-child, sibling) or consensual romantic or sexual relationships. To ensure that close personal relationships between employees do not influence decisions with respect to hiring, evaluation, compensation, assignment, training, promotion, discipline, termination or any other aspect of employment, any employee engaged in a close personal relationship with another PSI employee, or potential employee, is responsible for disclosing the relationship to a supervisor and Human Resources. Each participant in a close personal relationship is also responsible for

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<sup>3</sup> This does not apply to employees directly hired by Washington, DC Headquarters office and working in Washington, DC, pursuant to and compliant with DC Act 23-563: No employer operating in the District of Columbia may request or require any employee working in the District of Columbia to agree to a non-compete policy or agreement, in accordance with the Ban on Non-Compete Agreements Act of 2020.

notifying Human Resources in writing in the event the relationship ends (if applicable). At a minimum, steps will be taken to ensure that a manager will no longer supervise or participate in decisions, either directly or indirectly, that may affect another employee with whom s/he has a close personal relationship. Human Resources will also review each situation to make sure that there is no evidence of sexual harassment.

PSI encourages staff to participate in professional organizations and community activities, but – unless you have permission or are engaged in protected employee activity – remember:

- Do so on your own time, away from the office and using your own resources.
- Not to use PSI's name to further your activities.
- Not to ask customers or companies with which PSI does business to make charitable donations.

Make sure your participation does not distract you from doing your job.

## Written Approval Requirements

The Conflict-of-Interest Disclosure Form can be found on SharePoint for Domestic and International Staff employees. Network Members should contact their local HR representatives for the platform COI form. HR in PSI Washington, DC manages disclosure and escalation process for US-based employees and International Staff. Network Members are responsible for setting up disclosure and escalation processes aligned with COI policy.

## PSI Assets and Intellectual Property

You are expected to protect PSI's assets—both tangible and intangible—and use those assets in the manner intended. You should not use PSI assets for your personal benefit or the benefit of anyone else within or outside PSI.

- PSI property, facilities and physical resources, including electronic equipment such as computers, phones and fax machines, should be used for PSI business primarily. Employees should exercise good judgment as to when using such equipment for essential personal communications (e.g. when traveling on PSI business), and if uncertain should consult with their supervisor and Technology Integration Team.
- Any employee found to be engaging in, or attempting, theft or other improper use or diversion of PSI property, including funds, credit or debit cards, bank accounts, documents, equipment, intellectual property, personal property of other employees or any other items of value will be subject to immediate discharge and possible criminal proceedings. Employees have a responsibility to report any such activities to PSI management.
- PSI management reserves the right to inspect any employee's assigned workspace, desk, computer, phone or electronic files at any time. PSI management also reserves the right

to allow another employee to use such workspace, computer, desk and phone when the employee is not in the office.

- For more details on IT specific conduct please review the [Acceptable Use Policy](#)

Employees are expected to take all necessary steps to protect PSI intellectual property.

- Any work produced in the course of employment at PSI is the exclusive property of PSI. Employees waive any rights, including intellectual property rights, in such work products, and are prohibited from reproducing, distributing or making any other use of it outside of PSI without express written authorization from the employee's department director.
- Any work developed, designed or authored by or on behalf of PSI or by any of its employees and authorized for external distribution, including any websites or other material posted on the Internet, must include a copyright notice in the form prescribed by federal copyright law.
- All brands and logos developed by PSI must be registered as trademarks in any country in which they will be used in connection with products or services. Employees should consult with the **Global Marketing Department** and **Social Business Unit** concerning trademark registration.
- Employees must avoid the unauthorized use of copyrighted materials of others, including material which may be readily available without charge on the Internet. Employees should confer with their department director if there is any question regarding the permissibility of photocopying, excerpting, displaying, distributing, electronically copying, transmitting or otherwise using copyrighted materials.

## Confidential and Proprietary Information

Note: Nothing in this section or elsewhere in the Code is intended to prevent an employee from exercising legally-protected whistleblower rights, cooperating with a government investigation, or testifying in a legal proceeding pursuant to a subpoena or court order.

PSI confidential and proprietary information should never be given to an outside firm or individual without appropriate prior authorization. As a condition of employment at PSI, all employees must agree not to disclose any PSI confidential and proprietary information during or after employment to anyone outside PSI, except as authorized by PSI, or as otherwise required or protected by law. PSI confidential and proprietary information includes, without limitation, any information regarding PSI's employees, operations, products, services, strategies, research, policies, systems, budgets, proposals, finances, programs, plans, donor or business relationships or any other information not generally known to the public that is learned by the employee as a consequence of employment by PSI. Any improper transfer or disclosure by an employee of material containing PSI confidential and proprietary information, even though it is not apparent that the employee has personally gained by such action, constitutes unacceptable conduct. Participation in such a practice may result in disciplinary action, up to and including termination of employment, and possible legal action.

Employees who leave PSI are required to return all documents (including any hard copies or electronic versions) that belong to PSI, relate to PSI or its employees, activities, finances, systems or operations or that contain PSI confidential and proprietary information.

## Political Activity

Any political activity or contribution that might create even the appearance of a contribution or endorsement by PSI is prohibited unless approved in advance by the Executive Office, specifically Chief Executive Officer (CEO).

No PSI funds, property, assets, services or facilities may be used—directly or indirectly—to participate or intervene in any political campaign on behalf of, or in opposition to, any candidate for public office, or contributed to or used by any political party, campaign, political action committee or public office holder.

No US government funds may be used—directly or indirectly—to influence or attempt to influence the:

- Outcome of any federal, state or local election; referendum; initiative or similar procedure.
- Introduction, enactment, or modification of federal or state legislation (i.e., lobbying).

PSI employees, with the approval of Executive Team, may provide technical or factual information, analysis and research results to legislators or their staffs in response to documented requests for such information.

The prohibition on lobbying does not apply to the activities of PSI staff that are not charged to the US government, and which are conducted within special legal guidelines applicable to authorized lobbying activities.

Prohibitions on political activity by PSI employees do not extend to:

- Making voluntary personal contributions to political candidates, organizations or causes.
- Engaging in political activities on an employee's own time, off of PSI premises, and at the employee's own expense.
- Expressing views on legislative or political matters.
- Participating in any other lawful political events or activities.

## Discrimination, Sexual Harassment, and other Forms of Harassment

Every PSI employee and external partner has the right to be free from discrimination and harassment. PSI is committed to establishing and maintaining a work environment that fosters harmonious, productive working relationships, supports internationally recognized human rights, and encourages mutual respect among team members. PSI does not tolerate discrimination or harassment of our job applicants, employees, contractors, suppliers, customers and other third parties by another employee, supervisor, manager, vendor, supplier, customer, donors, sub-recipients, board members or any third party. Any form of discrimination or harassment on the

basis of race, religious creed, color, age, sex, sexual orientation, gender identity or expression, national origin, ancestry, citizenship status, religion, disability, marital status, personal appearance, family responsibilities, political affiliation, matriculation, military service or veteran status, genetic information or any other classification is prohibited in PSI. It will be treated as a disciplinary matter, and in accordance with local applicable laws as PSI strictly follows and abides by applicable local and international laws.

**What is NOT considered bullying, discrimination, harassment, microaggression, retaliation or other misconduct?**

- Corrective action aligned with PSI policies and procedures.
- Reasonable work assignments to meet tasks, deliverables and goals.
- Routine check-ins and feedback about work performance and areas of improvement.
- Non-abusive exercise of managerial obligation to maintain goal setting and delivery.
- Application of any legitimate and fair performance or corrective measure.

## Promote an Ethical Workplace Environment

### Respect and Professional Conduct

PSI is a global organization filled with employees representing diverse ideas, experiences and backgrounds. We value all contributions and expect that everyone will do their part to build a diverse, inclusive and respectful workplace. PSI respects and upholds the internationally recognized human rights of every PSI employee and external partner doing business with PSI. PSI promotes a productive work environment in which professional and appropriate conduct is expected of all employees. While it is not possible to compile a complete list of all of the possible actions or behaviors that might violate standards of professional conduct, examples of misconduct include the following:

1. Engaging in conduct that is detrimental to the development of a cooperative teamwork environment or otherwise disruptive of harmonious working relationships.
2. Insubordination or argumentative reluctance.
3. Threatening, intimidating, or coercing any employee or external partners on or off the job.
4. Behavior which interferes with operations or brings discredit to PSI or other employees.
5. Theft or destruction of property belonging to PSI or to other employees.
6. Willful disregard or lack of cooperation with PSI's environmental sustainability efforts.
7. Engaging in corruption, fraudulent, collusive, anti-competitive or coercive practices either directly or indirectly.
8. Engaging in embezzlement, misappropriation, or misuse of donor resources.
9. Engaging in money laundering activities.
10. Engaging in any form of physical, sexual or verbal discrimination or harassment.

# Respect Framework

## What is bullying and microaggression?

### **Bullying Definition**

Bullying is a pattern of deliberate abusive conduct such as humiliating, threatening, and intimidating others through repeated attempts to cause harm over a period of time. This pattern of behaviors can occur from one or more individuals against one person or a group of people. Bullying can be manifested through (but not limited to) verbal, non-verbal, physical, gestures, exclusion behaviors.

### **Some examples of bullying:**

- Repeated verbal abuse in the workplace, including derogatory remarks, insults, and epithets.
- Verbal, non-verbal, or physical conduct of a threatening, intimidating, or humiliating nature.
- Sabotage or undermining an employee's work performance.
- Persistent singling out one person or group of people.
- Intentionally ignoring or interrupting the individual when they are trying to express themselves.
- Unwanted physical contact, physical abuse, threats, name calling, abuse of an individual's property.
- Deliberate exclusion and / or isolation of a person or a group of people from relevant work-related activities.

### **Microaggression Definition**

Microaggressions are the everyday verbal, non-verbal, and environmental slights, snubs, or insults, whether intentional or unintentional, which communicate hostile, derogatory, or negative messages to target persons based solely upon their marginalized group membership.

They tend to be subtle, less intentional, but more related to unconscious bias or hidden prejudice. They are not unlawful, but certainly have the potential to undermine a person's well-being and confidence.

### **Some Examples of Microaggressions:**

Some of the following may be meant as intended compliments, innocent questions or comments, but the impact is different. There may be unconscious assumptions based on an individual's appearance or background.

- **Ethnic or cultural**
  - Where are you really from?
  - "Is that your natural hair? Can I touch it?"
  - "You look so exotic!"
  - "Whitesplaining"
- **Sexual Orientation or Gender Identity**
  - So, what are you?
  - "Mansplaining"

- **Disability**
  - “Really? You have a disability? You seem perfectly normal to me!”

## PSI’s Expectations of all Employees

PSI is committed to establishing and maintaining a work environment that fosters harmonious, productive working relationships, supports internationally recognized human rights and encourages mutual respect among team members. PSI will not tolerate any type of bullying and abusive conduct.

While other unprofessional behaviors are not unlawful and may not fall under any of the behaviors defined in this code, lack of professionalism and respect is not acceptable.

Such behaviors do not align with the PSI Global Code of Business Conduct and Ethics, PSI Values, and PSI commitment to Diversity Equity and Inclusion. Any employee found to be in violation will be subject to disciplinary action, up to and including termination.

### **Who should you go to if you experience or witness bullying or microaggression(s)?**

Employees may, but are not required to, clearly and directly advise the individual that the behavior is unwelcome, and request that the behavior discontinue. This action alone may in some cases resolve the problem. If an employee does not feel comfortable approaching the individual or if the behavior continues, the employee should report the incident as follows:

1. An employee should report the concern promptly to his or her manager or supervisor or Human Resources (HR Business Partners, Employee Relations Lead, HR Director or CHRO).

NOTE: Any manager who receives a complaint, or who learns of an employee’s concern – whether formally or informally—must immediately report the issues raised to Human Resources.

2. If an employee is uncomfortable reporting their concern in person, they may do so anonymously through our [EthicsPoint](http://www.psi.ethicspoint.com) Reporting Tool (888-238-1438 or <http://www.psi.ethicspoint.com>).

### **What will PSI do once informed about a potential bullying or any abusive behavior?**

PSI will investigate promptly the facts and circumstances of any claim. Confidentiality is kept to the extent possible. Where appropriate, PSI may use outside experts to investigate.

During the investigation, PSI will:

- Conduct interviews with reporter, target, potential witnesses (if available) and alleged perpetrator.
- PSI may decide if placing anyone on leave may be appropriate pending an investigation.
- Document findings and analyze them.
- Document recommendations.
- Inform relevant participants of the conclusion of the investigation.

Upon completion of the investigation, PSI will take the applicable corrective measures, including but not limited to counseling, suspension, or immediate termination, regardless of position or title in PSI.

## Safeguarding

PSI is committed to serving Sara with respect. Essential to this commitment is protecting the safety and well-being of our program beneficiaries, particularly women and children. PSI maintains zero-tolerance for child abuse, sexual abuse, or exploitative acts or threats by our employees, consultants, volunteers, vendors, subrecipients, partners, or anyone associated with the delivery of our programs and services and takes seriously all complaints of misconduct brought to our attention. The PSI Safeguarding Policy summarized below is designed to extend protection from our own personnel to the people and communities we serve. It builds upon existing PSI Policies against Discrimination, Harassment, Sex Trafficking and Forced Labor. This policy incorporates PSI's commitment to the human rights and labor principles of the United Nations Global Compact and the ideals outlined in the UN Convention on the Rights of the Child, as well as the Inter-Agency Standing Committee (IASC) Rules on Sexual Conduct for Humanitarian Workers. As such, it also follows international standards and best practices, donor obligations, and national laws including the UK Modern Slavery Act of 2015 and the US Government Counter-Trafficking in Persons Policy. PSI's full Safeguarding Policy can be found on the Safeguarding SharePoint page <https://psiorg.sharepoint.com/sites/Safeguarding><sup>[1]</sup>

## Preventing Sexual Exploitation and Abuse

PSI does not tolerate any form of sexual exploitation or abuse under any circumstances. All PSI employees and anyone else working with us will be held to the following standards of conduct toward our program beneficiaries and anyone else they come into contact with at any time or in any location, whether on the job or otherwise:

- Sexual exploitation and abuse constitute human rights violations and acts of serious misconduct, and are grounds for disciplinary measures, including summary dismissal.
- Sexual activity with children, which includes anyone under the age of 18, is prohibited regardless of the local age of majority or consent. Mistaken belief in the age of a child will not mitigate the severity of the offense.
- Paying money or exchanging employment, goods or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior, is prohibited. This includes any exchange of assistance that is due to beneficiaries.

- Sexual relationships between PSI staff or implementing partners and beneficiaries of assistance are based on inherently unequal power dynamics, undermine the credibility and integrity of PSI's work and are strictly prohibited.
- Any PSI staff member who develops a concern or suspicion regarding sexual exploitation or abuse by a fellow worker, whether a PSI employee or not, must report the concern or suspicion as directed in our reporting policies.
- PSI staff members are expected to create and maintain an environment that prevents sexual exploitation and abuse. Managers at all levels have a particular responsibility to support and develop systems that maintain this environment.

## Child Safeguarding

PSI programs may involve children, or situations in which PSI personnel come into contact with children, so PSI has adopted core child safeguarding principles. Definitions of terms follow the statement of principles. These principles apply to all PSI employees at all times and locations, whether on or off the job:

- PSI staff must comply at all times with host country and local child welfare and protection legislation or international standards, whichever gives greater protection, and US law where applicable.
- Engaging in any form of child abuse, exploitation or neglect is absolutely prohibited.
- All project planning and implementation should determine potential risks to children associated with project activities and operations, promote child-safe screening for personnel, especially those who come into direct contact with children, and train project personnel to recognize and report all child abuse, exploitation or neglect.
- PSI staff must apply measures to reduce the risk of child abuse, exploitation or neglect, including: (i) limiting unsupervised interactions with children; (ii) prohibiting exposure to pornography; and (iii) complying with applicable laws, regulations and customs regarding photographing, filming or other image-generating activities involving children.
- PSI staff and any other project personnel must report any suspected child abuse, exploitation or neglect in accordance with our reporting policies. All such allegations must be investigated, and appropriate action taken including, but not limited to, dismissal of anyone found to have engaged in such conduct. All allegations will also be reported to the appropriate authorities.

## Human Trafficking

PSI has a zero-tolerance policy with respect to modern-day slavery and trafficking in persons (TIP). PSI prohibits employees, consultants, partners, subrecipients, subcontractors, vendors and volunteers—and all of their employees, consultants and volunteers—from engaging in sex trafficking or procuring commercial sex acts, engaging workers through forced labor, services or practices similar to slavery, soliciting workers under false pretenses, charging workers recruitment fees, removing workers' organs, confiscating or denying worker access to his / her identification documents, providing unsafe or sub-standard housing, or using threats or deception to exploit people in any way. Any violation will result in corrective action, up to and including

termination. PSI will also report any violations to the appropriate authorities and as required under donor agreements.

## Global Regulations

Both national and international laws endeavor to combat human trafficking. PSI follows applicable laws wherever we operate, and does not permit the use of forced or involuntary labor in any of our operations—whether it is in our own facilities or those owned and operated by business partners. If you ever have questions or are unsure of the proper course of action, seek clarification from your supervisor or Department Director.

## Integrity Starts with You

As an employee, you are the eyes and ears of our organization. You interact with other employees and may interact with our business partners. We rely on you to help us spot signs of human trafficking and human rights abuses in our operations or those we do business with and report possible violations of our policies. You are the key to ensuring that we continue to do business with integrity everywhere we operate.

## Third Parties

For many organizations, the most vulnerable part of their business is their **supply chain** or overseas facilities. The actions of third parties working on our behalf can pose a significant risk to our organization and have a lasting impact on our reputation and ability to do our work. We want to ensure that everyone we work with represents our organization with integrity and complies with our high standards, including our public commitments to human rights, fair labor, environmental sustainability and anti-corruption.

A third party or business partner can be an independent agent, a consultant, a sub-contractor, sub-recipient or program partner, a recruiter or an employee working for one of our affiliates or partners—essentially, it is anyone working on our behalf.

As you evaluate and select business partners or other third parties, you have an obligation to:

- Know and follow our policies and our corporate commitments
- Verify through due diligence that all of our third parties meet our high ethical standards
- Require third parties to certify their efforts to combat human trafficking and slavery
- Select third parties that are committed to doing business ethically and sustainably

Some common warning signs that a third party may be engaged in questionable activity include the following:

- Organizations with a reputation for engaging in human rights abuses, unfair labor practices, or environmentally destructive practices
- Use of international labor recruiters who charge employees recruitment fees

- Third parties with employees who appear to be victims of human trafficking
- Organizations that refuse to sign agreements prohibiting the use of forced or trafficked labor or refuse to certify their efforts to combat human trafficking in their organization

If at any point you spot any of the warning signs listed above or any other concerning activity, report it immediately as indicated in the sections **Raising Concerns** and **Whistleblower & Anti-Retaliation Policy**.

Our responsibilities continue after a third party is selected. We must continue to monitor the third party and watch for warning signs. We do this by:

- Auditing third parties as required by our policies to ensure they continue to meet contractual requirements and follow the law and PSI policies and corporate commitments
- Ensuring our records are accurate and complete
- Maintaining open lines of communication with the third party throughout the life of our relationship with them
- Reporting any concerns as indicated in the sections **Raising Concerns** and **Whistleblower & Anti-Retaliation Policy**
- Taking corrective action if compliance issues arise, which can include addressing violations up to ending the business relationship

## Due Diligence

Due diligence includes:

- Asking questions to determine whether a prospective third party has a reputation for operating honestly, with integrity and respect for human rights
- Determining whether the third party's activities and behaviors are consistent with our core values and corporate commitments
- Making sure appropriate certifications and background checks are obtained

Proper due diligence also involves maintaining a thorough document trail and staying up to date on any changes of third-party ownership or legal concerns that might present a risk. Keeping accurate records, holding others accountable for their actions and providing trustworthy information about our organization are critical to preserving our reputation and preventing our operations or supply chain from being used to support human trafficking and human rights abuses. We depend on you to help us continue doing business openly and transparently by:

- Keeping accurate books and records
- Disclosing only truthful, accurate and complete information in our public statements
- Reporting violations of the law or our policies

## Final Thoughts on the Code

Now you know why we have a Code and what's in it. Now, let's talk about your specific responsibilities. We count on your compliance with—and commitment to—our Code.

### **Follow the law, regulations and PSI commitments.**

You have a responsibility to comply with the law, any regulations associated with your job and PSI's public commitments.

### **Comply with the Code.**

You have a responsibility to read, understand and follow the Code and to ask questions if there is anything in it you don't understand.

### **Observe the letter and the spirit of the Code.**

We count on you to follow not only the letter of the Code—the actual words—but also the spirit of the Code, by doing business honestly and ethically.

### **Make ethical decisions.**

Remember, the Code provides a few examples—not an exhaustive list—of ethical problems you may encounter. If your concern is not addressed, be sure to use good judgment and seek help if you're unsure of what to do.

### **Speak up about misconduct.**

Sometimes you may be tempted to ignore violations or to look the other way, but failing to speak up is, in itself, a violation of our Code and can result in serious consequences for you and for our organization.

### **Cooperate with investigations.**

You have a responsibility to cooperate with any investigations our organization conducts to uncover unethical or illegal acts, as well as with outside law enforcement personnel conducting investigations.

### **Ask questions if you are ever unsure.**

If, after checking our Code and our policies, the proper course of action is still unclear, you have a responsibility to seek guidance before taking action.