



EngenderHealth
for a better life

Fraud & Whistle-Blower Policy

Introduction

The management of EngenderHealth, Inc. ("EngenderHealth") requires its directors, officers, employees and volunteers (each, a "Protected Person"), to act honestly and with integrity at all times and to safeguard the resources of EngenderHealth.

The impact of fraudulent activities may include, but is not limited to, actual financial loss; damage to the reputation of EngenderHealth and its staff; negative publicity; damaged relationships with EngenderHealth's donors and vendors; litigation; and damaged staff morale.

The objectives of this Whistle-Blower Policy are to encourage and enable Protected Persons, without fear of retaliation, to raise concerns regarding suspected unethical, illegal, and/or fraudulent conduct or practices relating to EngenderHealth's financial and business matters on a confidential and, if desired, anonymous basis so that EngenderHealth can address and correct inappropriate conduct and actions.

This policy is not intended as a vehicle for reporting violations of EngenderHealth's applicable human resources policies, problems with co-workers or managers, or for reporting issues related to alleged employment discrimination or sexual or any other form of unlawful harassment, all of which should be dealt with in accordance with EngenderHealth's Personnel Policies and Procedures, as it is those Policies and Procedures that are applicable to such matters.

The matters which should be reported under this policy include suspected fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, misuse of assets of EngenderHealth or suspected regulatory, compliance, or ethics-related issues, concerns or violations.

Reporting Responsibility

It is the responsibility of all Protected Persons to report in good faith any concerns they may have regarding actual or suspected activities which may be illegal or in violation of EngenderHealth's policies with respect to, without limitation, fraud, theft, embezzlement, accounting or auditing irregularities, bribery, kickbacks, and misuse of EngenderHealth's assets, as well as any violations or suspected violations of business and personal ethical standards as such standards relate to EngenderHealth (each, a "Concern"), in accordance with this Whistle-Blower Policy.

Fraud generally involves a willful or deliberate act with the intention of obtaining an unauthorized benefit, such as money or property, by deception or other unethical means. Examples of fraudulent acts include, but are not limited to:

- Theft or other misappropriation of assets, including assets of EngenderHealth, EngenderHealth donors, or others with whom EngenderHealth has a business relationship;
- Intentional misstatement of EngenderHealth's financial status;
- Forgery or alterations of documents (checks, timesheets, contractor agreements, purchase orders, travel expense reports, other financial documents, or electronic files);
- Improprieties in the handling or reporting of money or financial transactions;
- Authorizing or receiving payments for hours not worked;
- Disclosing confidential and proprietary information to outside parties;
- Accepting or seeking anything of material value greater than \$25.00 from vendors or contractors;
- Destruction, removal or inappropriate use of records, furniture, fixtures, and/or equipment; or
- Any similar or related inappropriate acts.

Reporting Procedure

Any Concerns should be reported as soon as shall be practicable in accordance with the procedures described below:

- A Protected Person who wishes to report a Concern in person should report such Concern to his or her immediate supervisor. If the Concern involves the person's immediate supervisor, the staff member or volunteer should report the Concern to the Internal Auditor. A supervisor who receives a report of a Concern shall forward such report to the Internal Auditor.
- A supervisor, Officer, or Director who wishes to report a Concern in person should report such Concern to the Internal Auditor. If a Concern involves the Internal Auditor, such Concern should be reported to the CEO.
- EngenderHealth will make every effort possible to keep confidential the identity of any individual who reports fraud or suspected fraud (a "whistle-blower"). EngenderHealth may need to contact the individual in order to obtain additional information when required.

As an alternative to in-person, non-anonymous reporting, every Protected Person may use one of the methods below to report Concerns on an anonymous basis:

- **Hotline:** EngenderHealth has set up a confidential hotline with Navex Global to which any Protected Person in any office worldwide may make a phone call to report a Concern. The phone number is 1-866-739-4117 from within the United States and Canada. Instructions for calling from any other country in which EngenderHealth operates are available online at <https://secure.ethicspoint.com/domain/media/en/gui/15229/index.html>. All calls to the hotline are strictly confidential.
- **Website:** Alternatively, Protected Persons may use the Navex Global EthicsPoint website to report Concerns. The website for EngenderHealth is maintained on third-party servers and is not linked to, or maintained on, any servers belonging to EngenderHealth. The website allows a Protected Person to report a Concern on an anonymous basis or to disclose his/her identity when reporting a

Concern. The website can be accessed at www.ethicspoint.com. Protected Persons may follow the website's instructions to file reports regarding Concerns relating to EngenderHealth.

All Concerns reported by means of the hotline number and/or through the website will be logged and tracked by Navex Global.

No Retaliation

No Protected Person who in good faith reports a Concern shall suffer retaliation because of such report. Specifically, EngenderHealth will not discharge, demote, suspend, threaten, harass, or in any other manner retaliate against, discriminate or adversely treat any staff member based on the staff member's reporting or providing information related to suspected fraudulent activity. This Whistle-Blower Policy is intended to encourage and enable employees and others to raise serious concerns within EngenderHealth prior to seeking resolution outside EngenderHealth. For purposes of this Policy, a Protected Person acts in good faith when he or she, to the best of his or her knowledge, has reason to suspect that unethical, illegal, and/or fraudulent conduct or practices relating to EngenderHealth's financial matters is taking place, and reports such Concern honestly and without a deliberate intention to defraud.

EngenderHealth will undertake all measures necessary to ensure that retaliation does not occur. Whistle-blowers who believe they have been retaliated against may file a written complaint with the CEO. A proven complaint of retaliation shall result in the proper remedy for the person harmed and the initiation of disciplinary action, up to and including termination, against the retaliating person. This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

Acting in Good Faith

Any Protected Person reporting a Concern must act in good faith and have reasonable grounds for believing that the information disclosed may indicate a violation of law and/or ethical standards. Any allegations that prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense. Where a Protected Person files a report knowing that it is false and with the sole aim of vilifying, destroying, or causing harm, pain or other social discomfort to the affected person, such Protected Person shall be subject to disciplinary action up to and including dismissal from EngenderHealth (if an employee) or termination of any other relationship with EngenderHealth.

Managers' and Supervisors' Responsibilities

While all Protected Persons have a responsibility to report Concerns, managers and supervisors at all levels have the additional responsibility of exercising due diligence to prevent fraud by staff members. The due diligence responsibilities of supervisors and managers include, but are not limited to:

- Understanding EngenderHealth's policies and procedures, including attendance of mandatory training on fraud prevention, detection and reporting;

- Adhering scrupulously to EngenderHealth's policies and procedures, including those designed to ensure good stewardship of organizational resources;
- Securing regular, confidential feedback from peers and subordinates of those for whom the manager has supervisory responsibility;
- Modeling integrity and respect for the organization's resources, policies and procedures.

Fulfilling these managerial responsibilities is the best protection against intentional fraud or unintentional lapses that can harm the organization.

Due to the potentially sensitive nature of Concerns, appropriate professional follow-up is critical. Managers should not, under any circumstances, perform any investigative or other follow-up steps on their own. All relevant matters must be referred immediately to the Internal Auditor. The investigation procedure is more fully addressed below.

Investigation Responsibilities and Procedures

Procedure for investigation

When any Concern is reported to the Internal Auditor, whether directly or indirectly, the Internal Auditor will review such Concern and will consult with the CEO to determine the appropriate course of action. This may involve direct investigation of the Concern by the Internal Auditor individually or with a selected team, or it may involve assigning to other members of the EngenderHealth management team, such as the COO or Director of Finance, the task of investigating the Concern and reporting back to the Internal Auditor and CEO. If a Concern relates to the Internal Auditor and, for this reason, is reported to the CEO, the CEO will review such Concern and will select and supervise a team to investigate such Concern.

The investigation team selected will have:

- Free and unrestricted access to all records of EngenderHealth as relevant to the investigation;
- The authority to examine, copy and/or remove all or any portion of the content of files, desks, cabinets, and other storage facilities (whether in electronic or other form) without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of investigative or related follow-up procedures; and
- Authority to obtain the advice of an attorney at any time throughout the course of an investigation.

In addition, the Internal Auditor (or, if the Internal Auditor is the subject of a reported Concern, the CEO) or other member of the management who may be assigned responsibility to respond to a Concern may request the assistance of an independent auditor in any investigation, including the evaluation of internal control, with the agreement of the CEO.

All investigations of alleged wrongdoing will be conducted in accordance with applicable laws and agency procedures. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to EngenderHealth. Anyone found to have engaged in

fraudulent conduct is subject to disciplinary action by EngenderHealth up to and including termination, if appropriate, and civil or criminal prosecution when warranted.

Whether or not the investigation results in a finding that fraudulent activities have occurred, the investigation team will issue a report to the Internal Auditor and the CEO. The investigation team will also consider whether there has been any failure of supervision that may have contributed to the fraud or other misconduct, and their findings will be part of such report.

Internal Audit Committee

An Internal Audit Committee, composed of the Internal Auditor, the Chief Operating Officer, and the Chief Executive Officer (who will serve as Chair of such Committee), and other members of management as appointed by the CEO, will meet at least three times per year to address all reported Concerns. The Internal Auditor will report to the Committee on all reported Concerns and on the status of all investigations into such Concerns, including any reports from investigation teams as described above. The Internal Auditor and CEO will subsequently prepare a report to be presented to the Board of Directors of EngenderHealth, including the proceedings of the Committee.

Discipline (or Disciplinary Actions), Prosecution and Recovery of Losses

After proper investigation, in case of proven fraud, or suspected fraud of a serious nature, EngenderHealth will take disciplinary/legal action, where appropriate. The decision about whether to prosecute or refer the investigation results to the appropriate law enforcement and/or regulatory agencies will be made by the CEO.

If the report from the investigation team discloses a failure of supervision that contributed or led to fraud or other misconduct, disciplinary action may be initiated against those responsible and may include staff termination.

EngenderHealth will take appropriate steps, including legal action if necessary, to recover any losses arising from fraud, theft, or misconduct. This may include action against third parties involved in the fraud or those whose negligent actions or inaction contributed to the fraud.

Administration

The CEO is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed and distributed annually, and revised as needed, and a copy of this Policy will be provided to all Protected Persons. EngenderHealth considers fraud to be a serious offense. All instances will be investigated rigorously and promptly and appropriate action will be taken.