



ACHI

ASSOCIATION OF CONSUMER
HEALTH INDUSTRY

CODE OF ETHICS

2022

Association of Consumer Health Industry (hereinafter – «Association»)

Whereas:

- the Association was established, among other things, to create conditions for the development of principles of self-regulation in the field of production and circulation of consumer health products, to promote the development of fair competition in the field of production and circulation of consumer health products, to establish and maintain equal conditions and requirements for all market participants in the field of production and circulation of consumer health products;
- the Association aims to follow the best international practices and seeks to join the Global Self-Care Federation (Global Self-Care Federation, <https://www.selfcarefederation.org/>) (“Global Federation”) in the future;
- taking the Global Federation Code of Ethics (<https://www.selfcarefederation.org/about/our-organisation/code-of-ethics>) into account and as a basis for its own activities;

the Association approves this Code of Ethics, which is binding on all its members in accordance with clause 8.3.1. of the Charter of the Association.

Code of Ethics

INTRODUCTION: THE ROLE OF SELF-CARE

The World Health Organization (WHO) defines self-care as:

“The ability of individuals, families and communities to promote health, prevent disease, maintain health, and cope with illness and disability with or without the support of a health-care provider”.¹

Self-care involves:

- making healthy lifestyle choices—being physically active and eating healthily,
- avoiding unhealthy lifestyle habits—avoiding smoking and excessive alcohol consumption,
- making responsible use of self-care products including non-prescription medicines,
- self-recognition of symptoms—assessing and addressing symptoms, in partnership with a healthcare professional where necessary,
- self-monitoring—checking for signs of deterioration or improvement,
- self-management—managing symptoms of disease, either alone, in partnership with healthcare professionals, or with support from other people with the same health condition.

The benefits of self-care are threefold:

¹ <https://www.who.int/news-room/fact-sheets/detail/self-care-health-interventions>.

Better choice: self-care gives people greater availability of effective healthcare. It saves individuals time and effort, by allowing them to manage many health conditions conveniently and successfully by themselves. It lets individuals address basic needs without the complications and added effort of going to see a doctor.

Better care: Self-care empowers people to take their health and wellbeing into their own hands, giving them the incentive to improve their quality of life. It plays a key role in the prevention of certain conditions and improves treatment and recovery times where total prevention fails.

Better value: Self-care plays an important role in the drive toward achieving Universal Health Coverage. Short-term investments in self-care lead to demonstrable long-term savings for healthcare systems enabling them to allocate resources more efficiently and effectively.

It is important to note that self-care is not equivalent to refusal of medical care, if necessary, but first of all it is aimed at increasing health literacy and a conscious attitude to one's health among the population.

PREAMBLE

- i. The Association of Consumer Health Industry (hereinafter – «ACHI, «Association») – is a corporate non-profit organization incorporated by the decision of founders and validly existing under the Constitution of the Russian Federation, Civil Code of the Russian Federation, Federal Law No. 7-FZ “On Non-Profit Organizations”, dated 12.01.1996 (as amended from time to time), other applicable laws of the Russian Federation and the ACHI Charter. The Association represents manufacturers, importers and other participants of the circulation of over-the-counter drugs, medical devices, food supplements, cosmetics and other consumer health products having proven efficacy or benefit for the normal course of processes in a healthy body (hereinafter - "ACHI members"). Companies in the consumer health industry research, manufacture, distribute, and sell consumer health products, including over-the-counter drugs, medical devices, dietary supplements, and other types of consumer health products (hereinafter referred to as "health products") intended for and labeled for use without supervision by a healthcare professional.
- ii. The consumer health industry operates in many jurisdictions, each with established frameworks of regulatory and/or legal controls.
- iii. Consumers are made aware of consumer health products via patient information leaflets, direct advertising and promotion, education and other means. Consumers purchase such products that are available in pharmacies and, in many countries around the world, in other retail outlets, including on-line channels.
- iv. Recognizing that properly engaging consumers is essential to the safe use of consumer health products, ACHI intends to develop a voluntary code of good practice, which will contain principles, practical recommendations and acceptable approaches that are observed in the activities of ACHI members in the implementation of advertising, information, marketing, promotional, charitable, educational, research and other programs, and notes the importance compliance by ACHI members with legal requirements in the field of labeling in terms of its reliability and the prohibition of misleading consumers.
- v. Several key factors are shaping the future of the self-care industry. The global population is ageing with an ever-greater need for better chronic disease management. At the same time, the consumer journey is rapidly evolving, impacting how individuals interact with healthcare providers and buy self-care products. The explosion in data-driven solutions also means that individuals have come to expect holistic, personalised solutions tailored to address their self-care needs.
- vi. As ACHI seeks to engage with governmental bodies and non-governmental organizations; other industries; healthcare professionals; and consumers to achieve better health outcomes for individuals around the world, it is essential that the industry

encourages members and non-members alike to operate in an ethical and transparent manner.

- vii. Trust is earned and retained over time as ACHI and the consumer health industry operate in a responsible manner. Thus, ACHI and its members are establishing a set of principles of behaviour that reach key aspects of our business ethics. These principles are delineated in this Code of Ethics.
- viii. This Code of Ethics will be promoted to members of GSCF and shared with its stakeholders and partners as a demonstration of its commitment to ethical and transparent behaviour.
- ix. This Code of Ethics does not replace national laws, regulations or codes, which may contain more detailed or additional requirements. In the event of any contradictions between the provisions of this Code and the norms of the current legislation of the Russian Federation, the norms of the current legislation of the Russian Federation shall be applied.



1. PRINCIPLES

GSCF and its members are committed to contributing to the overall health, safety, and well-being of consumers worldwide by implementing the following principles:

1.1. Engaging consumers in an ethical manner

- A. The information the Association and its members provide to consumers through the marketing of consumer health products—via approved labelling; advertising and promotion; education; or other means—must be current, accurate, supported by data and not misleading.
- B. The information provided to consumers must be based on the latest science with the objective of encouraging the responsible and safe use of consumer health products.

1.2. Open collaboration with stakeholders

- A. Engagements with stakeholders will focus on improving the overall health and well-being of consumers around the world.
- B. Engagements with stakeholders will be ethical and transparent, adhering both to local laws and to international standards. In addition, the independence of these organizations will be respected.
- C. The information we provide to healthcare professionals and their representative organizations will be substantiated either by reference to the approved labelling and, where appropriate, by scientific evidence with the objective of supporting the responsible and safe use of consumer health products.
- D. The information we provide to other stakeholders, whether through promotion or other means, will be based on the latest science with the objective of encouraging the responsible and safe use of consumer health products.
- E. Promotion to healthcare practitioners, including pharmacists and pharmacy staff should not unduly influence product recommendations to consumers based on financial interests. Such promotion should recommend products to consumers based on healthcare needs and follow the country Anti-bribery or commercial bribery laws and regulations.

1.3. Transparent cooperation with regulatory agencies

- A. As we represent consumer health products or positions to regulatory agencies, we will present all the relevant facts in an ethical, transparent, and balanced manner.
- B. We will responsibly monitor the use of consumer health products and will be forthcoming to relevant regulatory agencies when we identify issues associated with consumer health products that affect the health or safety of consumers.
- C.

- D. When contacted by a regulatory agency, we will be timely, forthright, and cooperative in providing thorough and balanced responses, seeking first and foremost to protect the health and safety of consumers through a scientific and evidence-based dialogue.
- E. We will work to uphold the credibility and authority of regulatory agencies and encourage the fair and balanced application of their enforcement mandate, including a willingness by the agencies to give fair consideration to science-based challenges.

1.4. Leading by example

- A. We will market Our Products and operate Our Organizations in a highly ethical manner—fair, honest and transparent, accountable to the laws of the jurisdictions in which we operate and to standards of international business practices, including accepted conflict of interest, anti-trust and anti-bribery practices.
- B. We support the development of frameworks of regulatory and/or legal controls that appropriately regulate consumer health products, focusing on giving consumers the tools to safely practice self-care including the use of OTC drugs, while allowing for the development of innovative consumer health products and services. These frameworks should at a minimum meet the principles established herein and include mechanisms to monitor for, identify and appropriately sanction unethical behaviour. In the absence of such frameworks, we encourage our members to work at the jurisdiction-level on the creation of voluntary codes of conduct that both prescribe the principles of behaviour described herein and create self-imposed mechanisms to monitor for, identify, and appropriately sanction bad behaviour.
- B. C. We support the Sustainable Development Goals of the United Nations and promote their implementation in business practices.



2. CRITERIA FOR ETHICAL BUSINESS AND VERIFICATION OF A NEW AND CURRENT PARTICIPANT (MEMBER) OF THE ASSOCIATION

2.1. ACHI member companies may be part of international corporations operating in many countries around the world. Such member companies of the Association should have, as local regulations, various policies and procedures aimed at maintaining a high level of business ethics in doing business, social responsibility to consumers, partners, intolerance to corruption, violations in the field of antimonopoly regulation and other violations of the law.

Regardless of whether the companies have the policies and procedures in place above, each participant must strictly follow the principles provided for in this Code of Ethics.

When checking a potential new member of the Association, the authorized body of ACHI ensures that it is checked for compliance with the specified principles in accordance with the internal procedure.

2.2. The authorized body (representatives) of ACHI evaluate and analyze information regarding each participant (a new potential member when making a decision on admission to the Association, as well as an active member of the Association when periodically checking² compliance with the principles and criteria provided for by this Code of Ethics), contained in open sources. In addition, the Association checks the available official information resources of the authorized state bodies of the Russian Federation, including the register of legal entities held administratively liable for illegal remuneration, international organizations and foreign states for the adoption of relevant acts indicating that the participant has signs specified in p.p. 2.3.1.- 2.3.9 below.

2.3. The criterion of proper business reputation implies the absence of signs of corruption in the participant's activities, as well as compliance with the rules of business ethics, including:

2.3.1. Absence of facts of committing corruption crimes (including giving or receiving a bribe, committing commercial bribery or other crime) by the sole executive body, member of the collegial executive body, member of the Board of Directors, chief accountant or other official of the ACHI participant, established by a court decision that has entered into force (with the exception of persons for whom such a conviction has been extinguished or withdrawn).

2.3.2. Absence of facts of bringing the participant of ACHI or its officials to administrative liability for committing offenses related to corruption, money laundering, or financing of terrorism.

2.3.3. Absence of violations by the ACHI participant, its officials, members of the Board of Directors of the Russian anti-corruption legislation, confirmed by acts of authorized state bodies of the Russian Federation.

2.3.4. The consent of the ACHI participant to confirm the readiness to follow the principles of the Association on combating corruption, compliance with the rules of business ethics, the requirements of antimonopoly legislation and the current legislation.

2.3.5. Lack of information from bona fide sources based on the results of an audit conducted by ACHI on possible corruption, antimonopoly offenses involving a member of

² Periodic inspections are carried out at least once every 2 years or if necessary (for example, upon receipt of a complaint)

ACHI, its employees, which were not the subject of consideration by the authorized state bodies of the Russian Federation. If such information exists, the Association has the right to notify the authorized bodies of the existence of such information, to suspend the audit and not to make a decision to admit a new member to the Association (or make a decision to suspend membership in the Association) until the relevant authorized body adopts an act on bringing to criminal, administrative, civil and disciplinary liability or an act to terminate the consideration of these circumstances.

2.3.6. Over the past 5 (five) years, no violations have been established by a valid court decision in relation to the ACHI participant in the supply of counterfeit, falsified and substandard OTC drugs, medical devices, dietary supplements and other types of health products.

2.3.7. Absence of information based on the results of the audit on the existence of a conflict of interest, namely:

- persons holding positions in the state (municipal) service and having a conflict of interest in the exercise of their official duties;
- persons holding positions in state/municipal or government-controlled/municipal entities;
- officials of a political party or candidates for elective office;
- officials of publicly funded or public international organizations (UN, IMF, etc.).

If the above persons are among the managers or employees of the ACHI participant, the Association may take into account the documentary evidence of the participant about the absence of personal interest of these persons in the course of the participant's business activities and membership in the Association and the organizational measures taken to eliminate the conflict of interest.

2.3.8. Absence for the last 5 (five) years of violations of Art. 11 and Art. 11.1 of the Federal Law on Protection of Competition, established by the antimonopoly authority and confirmed by a judicial act that has entered into legal force (in the event of an appeal against the decision of the antimonopoly authority).

2.4. In the event that there are cases initiated by the authorized state bodies of the Russian Federation or other states due to the circumstances specified in paragraphs 2.3.1 - 2.3.6 of this Code, the Association has the right to suspend the audit and not to make a decision to include a new member in the Association (or to suspend membership in the Association) until the adoption by the relevant authorized body of an act on bringing to criminal, administrative, civil and disciplinary liability or an act on termination of consideration of these circumstances.

3. IMPLEMENTATION

ACHI and its members maintain responsibilities for implementing the principles of this Code. In this regard ACHI:

3.1. Creates the Ethics Committee to take measures aimed at implementing the principles of this Code and its further development. The Ethics Committee operates in accordance with the ACHI Committee Rules.

3.2. Promotes the implementation of international best practices through collaboration with the Global Federation.

3.3. Measure and report impact

ACHI is committed to measuring and reporting on progress the industry makes to meet the principles of this Code of Ethics. In addition, ACHI will conduct periodic surveys of stakeholders and consumers to measure trust in the industry. It will both publicly report the results of these surveys and utilize the results to modify the Code of Ethics.

3.4. Inform stakeholders

ACHI will continue to communicate to stakeholders and the wider community about our commitment to adhering to the principles outlined herein and to implementing the Code. And, as ACHI measures progress toward achieving the principles described herein, it will incorporate these metrics.

3.5. Can apply to the authorized state bodies for clarification of the current legislation of the Russian Federation

In particular, ACHI may send requests to the Federal Antimonopoly Service (FAS of Russia) for clarifications, consultations in areas related to the implementation of the principles set forth in this Code and within the competence of the FAS of Russia, as well as invite representatives of the FAS of Russia to take part in particular meetings of the Ethics Committee of the Association.



4. VIOLATION OF THE ACHI CODE OF ETHICS. RESPONSIBILITY.

- 4.1. Violation of the Code of Ethics of the Association by an ACHI member includes ignoring the provisions set forth in it, intentionally misinterpreting them or violating them. Violation of the Code of Ethics of the Association by its members may be the subject of a complaint.
- 4.2. A complaint about a violation of the Code of Ethics of the Association by an ACHI member may be submitted to the ACHI Committee in writing by any individual and / (or) legal entity, an ACHI member. Consideration of complaints and making decisions on them is carried out in accordance with the established procedure by the ACHI Ethics Committee, taking into account a thorough, comprehensive study and analysis of all documents confirming the fact of violation.
- 4.3. In case of revealing, establishing and confirming the facts of violation of the Code of Ethics by ACHI members, such ACHI member shall be liable in accordance with the provisions of this Code of Ethics.
- 4.4. The Ethics Committee may make a recommendation on the application of liability measures to an ACHI member that has violated the provisions of the Code of Ethics.
- 4.5. As a measure of responsibility against an ACHI member that violated the Code of Ethics of the Association, the following can be applied (subject to the provisions of the Charter of the Association):
 - ✓ reprimand (oral or written) if the violation is committed for the first time and is minor;
 - ✓ a warning if the violation may harm the activities or business reputation of the Association and is recognized as serious or significant by the decision of the ACHI Ethics Committee. It also applies in case of repeated violations;
 - ✓ suspension of membership or exclusion from the Association in cases (1) if the member of the Association that violated the provisions of the Code of Ethics did not take appropriate measures to eliminate the violation; (2) the continued violation harms the activities or business reputation of the Association; (3) in case of repeated significant breaches of the provisions of the ACHI Code of Ethics; (4) in other cases by decision of the General Meeting of the Association.
- 4.6. A member of the Association has the right to appeal against any decision of the Ethics Committee at the General Meeting of the Association.

Glossary

Responsible self-care – the ability of individuals, families and communities to promote health, prevent disease, maintain health, and cope with illness and disability with or without the support of a health-care provider.

Committee rules – internal document of the Association that defines the rules for the work of committees and working groups in accordance with Art. 12.4.4. of the ACHI Charter.

Consumer health products – over-the-counter drugs, medical devices, food supplements, cosmetics and other pharmacy goods as defined by part 7 of Art. 55 of the Federal Law No. 61-FZ of April 12, 2010, "On the Circulation of Medicines".

Participant (member) of the Association – legal entity that shares the purposes and principles of the Association, meets the requirements of the Charter and the Regulation on Admission to and Exclusion from the Association, has a registered membership in the Association in the manner prescribed by the documents of the Association and pays the appropriate membership fees and participates in the work of the Association.

Ethics Committee – a structural subdivision of the Association, functioning on a permanent basis in accordance with the Charter and the ACHI Committee rules. The Ethics Committee is composed of authorized representatives of the ACHI member companies and the ACHI Executive Director.



SIGNATURES

List of members signing on to this Code of Ethics:

Bayer AO

GlaxoSmithKline Healthcare AO

Johnson & Johnson LLC

Nizhpharm AO

Opella Healthcare LLC

Reckitt Benkiser Healthcare LLC

SOLGAR Vitamin LLC



Annex 1
to the Code of Ethics of the Association of Consumer Health Industry

DECLARATION OF ACCESSION³
(company letterhead)

We _____ (legal entity), represented by _____ (full name and position), hereby accede to the Code of Ethics of the Association of Consumer Health Industry (edition 2022).

We _____ (legal entity) undertake to follow the provisions of the Code and confirm that the representative whose signature is indicated below has full authority to sign the Declaration of Accession to the Code.

Date _____

(position)

(signature, stamp)

full name

³ The originals of the Declaration of Accession to the Code of Ethics signed by the participants are deposited by the Association of Consumer Health Industry.