

DIRECT RELIEF INTERNATIONAL WHISTLEBLOWER POLICY

General

Direct Relief International (“Direct Relief”) requires directors, officers, employees and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. All employees and representatives of Direct Relief are to practice honesty and integrity in fulfilling their responsibilities and to comply with all applicable laws and regulations.

Purpose: The purpose of this policy is to ensure that a clear process exists through which concerns, complaints, or allegations of wrongdoing may be raised, reviewed, and if necessary investigated by an independent source to resolve the matter.

Relation to other Policies: Matters involving terms and conditions of employment, professional conduct, or other such employment-related matters may be addressed through the employee grievance procedures. This policy is intended to provide another avenue through which any concerns or complaints, including employment-related concerns may be raised. However, matters raised under this Whistleblower Policy may be addressed through Direct Relief’s employee grievance procedure as appropriate.

Reporting Responsibility

It is the responsibility of all directors, officers, employees and volunteers to comply with Direct Relief’s policies and procedures and such persons are encouraged to report violations or suspected violations or suspected fraudulent or dishonest conduct (i.e., to act as a “whistleblower”) in accordance with this Whistleblower Policy. In keeping with the policy of maintaining the highest standards of conduct and ethics, Direct Relief will investigate any suspected fraudulent or dishonest use or misuse of Direct Relief’s resources or property by employees, directors, officers, consultants, or volunteers.

Illustrative Types of Concerns

The following is a non-exhaustive list of the kinds of improprieties that should be reported:

- Supplying false or misleading information on Direct Relief’s financial or other public documents, including its Form 990;
- Providing false information to or withholding material information from Direct Relief’s board or auditors;
- Destroying, altering, mutilating, concealing, covering up, falsifying, or making a false entry in any records or computer files;
- Altering, destroying, or concealing a document, or attempting to do so, with the intent to impair the document’s availability for use in an official proceeding or otherwise obstructing, influencing, or impeding any official proceeding, in violation of federal or state law or regulations;

- Embezzling, self-dealing, private inurement (i.e., Direct Relief earnings inuring to the benefit of a director, officer, or senior management) and private benefit (i.e., Direct Relief assets including product inventory being used for personal gain or benefit);
- Pursuing a benefit or advantage in violation of Direct Relief's Conflict-of-Interest Policy;
- Authorizing, paying or receiving compensation for services or goods that are not rendered or delivered;
- Using remarks or actions of a sexual nature that are not welcome and are likely to be viewed as personally offensive, including sexual flirtations; unwelcome physical or verbal advances; sexual propositions; verbal abuse of a sexual nature; the display of sexually suggestive objects, cartoons, or pictures; and physical contact of a sexual or particularly personal nature;
- Using epithets, slurs, negative stereotyping, and threatening, intimidating, or hostile acts that relate to race, color, religion, gender, national origin, age, or disability;
- Circulating or posting written or graphic material in the workplace that denigrates or shows hostility or aversion toward an individual or group because of race, color, religion, gender, nationality, age, or disability;
- Discriminating against an employee or potential employee due to a person's race, color, religion, sex, sexual orientation, national origin, age, physical or mental impairment, or veteran status;
- Violating Direct Relief's Harassment Policy or Equal Employment Opportunity Policy;
- Facilitating or concealing any of the above or similar actions.

No Retaliation

No director, officer, employee or volunteer who in good faith (as described below) reports a violation of Direct Relief's policies and procedures shall suffer harassment, retaliation, or adverse employment consequence because of such a report. Reports of retaliation will be investigated promptly in a manner intended to protect confidentiality as much as practicable, consistent with a full and fair investigation. The party conducting the investigation will notify the employee of the results of the investigation. An employee who retaliates against a person who has reported a violation in accordance with this Whistleblower Policy is subject to disciplinary action up to and including termination of employment. This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within Direct Relief prior to seeking resolution outside Direct Relief.

Reporting Violations

Employees and others may communicate suspected violations, fraudulent acts, dishonest conduct or alleged retaliation by contacting the Compliance Officer. If the reporting individual wishes to remain anonymous, it is not necessary that he or she give a name or position in any notification.

Whether or not the reporting individual identifies himself or herself, for a proper investigation to be conducted, the reporting individual must provide the Compliance Officer with as much information as possible, sufficient to conduct a proper investigation, including where and when the incident occurred, names and titles of the individuals involved, and as much other detail as can be provided.

Direct Relief has an open-door policy and allows employees to share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, an employee's supervisor is in the best position to address an area of concern. However, if an employee is not comfortable speaking with the supervisor or is dissatisfied with the supervisor's response, the employee is encouraged to speak with the Director of Human Resources or anyone in management to whom the employee is comfortable approaching. Supervisors and managers are required to report suspected violations of Direct Relief's policies to the Compliance Officer, who has specific and exclusive responsibility to investigate all reported violations. In cases involving suspected fraud or when a reporting employee is not satisfied or comfortable with Direct Relief's open-door policy, the employee should contact the Compliance Officer directly.

Compliance Officer

Direct Relief's Compliance Officer is the chair of the Audit Committee of Direct Relief's Board of Directors. The Compliance Officer is responsible for investigating and resolving all reported complaints and allegations concerning violations of Direct Relief's policy and, at his or her discretion, shall advise the President and CEO and/or the Audit Committee. The Compliance Officer has direct access to the Audit Committee and is required to report to the Audit Committee at least annually on compliance activity.

Accounting and Auditing Matters

The Audit Committee shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The Compliance Officer shall immediately notify the Audit Committee of any such complaint and work with the Audit Committee until the matter is resolved.

Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation of Direct Relief's policies and procedures must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of Direct Relief's policies and procedures. Individuals making any allegations which prove to have been made maliciously or knowingly to be false may be subject to disciplinary action by Direct Relief and or legal claims by individuals accused of such conduct.

Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the reporting individual or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent necessary, consistent with the

need to conduct a complete and fair investigation, for review of Direct Relief's operations by its Board of Directors, its Audit Committee, the independent public accountants, and its legal counsel.

Handling of Reported Violations

The Compliance Officer will notify the reporting individual and acknowledge receipt of the reported violation or suspected violation within five business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

Chairman
Direct Relief International

President and CEO
Direct Relief International