

Code of Good Practice Pasqual Maragall Foundation

On transparency and accountability

V1 Approved by the Board 11/06/2014

V2 Approved by the Board 26/02/2020

Contents

1. Aim
2. Scope of Application
3. Fundraising guidelines
4. Activity selection process and guidelines
5. Guidelines for relationships with collaborating companies and organizations
6. Recruitment process
7. Supplier selection guidelines
8. Expenses policy
9. Monitoring and evaluation of activities
10. Environmental responsibility
11. Code of conduct for financial investments
12. Conflicts of interest
13. Entry into force and application
14. Bibliography

1. Aim

The Pasqual Maragall Foundation subscribes to certain values, along with a policy of transparency and accountability, that are intended to guide its conduct through the identification of objectives, guidelines and tools. To this end, and through the present Code of Good Practice, the Foundation and its members shall adopt the principles and commitments detailed herein.

The Foundation is an organization committed to efficiency and precision; it is results-oriented, transparent and dedicated to being accountable to society.

In terms of scientific research, the Foundation is committed to developing activities of the highest quality and integrity.

2. Scope of Application

The present Code is aimed at regulating the conduct of those holding institutional posts and positions of responsibility within the Pasqual Maragall Foundation, together with their workers. It is also aimed at organisations connected to the Foundation, solely within the context of their position, representation, working activity or relation to the Pasqual Maragall Foundation. This includes, in particular:

- Members belonging to the organization's Governing Bodies: Board and Strategic Partners
- Members of the Advisory Bodies: Patronage Council
- Managerial positions within the organization: Director, Managing Director and scientific and technical staff
- Pasqual Maragall Foundation workers
- Volunteers
- Collaborating organizations
- Suppliers

3. Fundraising Guidelines

The Foundation follows general fundraising guidelines based on the 'Ethical Code of Fundraising Practice', produced by the "Asociación Española de Fundraising" (<http://aefundraising.org>), and as detailed below:

- 1) Fundraising must be based on standards of honesty, respect, integrity and transparency so as to build the confidence of society in the Foundation's professional work.
- 2) The fundraising team shall place the mission of the cause and the collective beneficiaries ahead of personal and professional interests.
- 3) The current law shall be respected in all matters relating, both directly and indirectly, to the work of the Foundation.
- 4) The materials used in fundraising must be unambiguous and clearly reflect the mission of the Foundation.
- 5) The wishes of funders or donors regarding the destination of the funds shall be respected at all times, and they shall always be consulted when the destination of their donations may change.
- 6) The Foundation's preferred fundraising techniques and channels are those which, at a low cost, yield the maximum results; fundraising should always follow the guideline of maximum efficiency and return on investment. These techniques and channels are not themselves an aim, but a way to obtain the maximum support possible for the Foundation's causes, activities and projects.
- 7) The Foundation rejects donations, whether corporate or private, when they conflict with the aims and values of the organization.
- 8) Information regarding the management of the funds raised must be public, accurate and truthful, and accountability towards the donors is ensured through follow up reports, activity reports and results.
- 9) Confidentiality of the donors' personal information is guaranteed under the rules set out in the current Data Protection law regarding personal details.
- 10) The Foundation does not enter into any kind of commercial relationship with donors for its own profit, nor does it receive any personal remuneration from a supplier, economic or in kind, as compensation for a commercial relationship.

Furthermore, the Foundation has set a behavioural protocol called the 'Internal Regulation for the Prevention of Money Laundering', of which all employees are aware, to ensure the legal origin of the obtained resources. This protocol is supported in the Law 10/2010, of April 28, on the Prevention of Money Laundering and Terrorism Financing (LPBC).

4. Activity selection process and guidelines

The Pasqual Maragall Foundation abides by guidelines and selection processes for activities approved by the Board. Activities are directed towards achieving the Foundation's aims, promoting and supporting scientific research in the area of Alzheimer's and neurodegenerative diseases.

The evaluation guidelines mainly, but not exclusively, take into account the following features:

- The economic and business viability of the project, that is, the coherence between the available resources, the planned activities and those in development or in progress, as well as an adequate assessment of its risks and barriers and the ability to overcome these.
- The impact and social benefit of the activity, that is, the potential effects or changes which the proposed action will have on the community, including considerations such as the number of beneficiaries and the multiplier effects of the activity.
- The scientific consistency of the activities, where applicable, and their coherence with the Foundation's scientific principles.
- The level of innovation of the activity, such as the development of new approaches or alternative ways of achieving objectives.
- The ethical value of the activity.

5. Guidelines on relationships with collaborating companies and organizations

The Pasqual Maragall Foundation's policy on relationships with companies is based on the “Fundación Lealtad¹” model of good practices. This policy must be respected by all companies or organizations who wish to collaborate with the Foundation:

- Companies and organizations must comply with current legislation in the countries in which they operate.
- Companies and organizations must respect human rights, as well as international labour standards.
- Companies and organizations must minimize their impact on the environment, complying with legislation both in the country in which they operate and on an international level.
- Companies and organizations must respect the principles of confidentiality regarding the information they have access to as a result of their relationship with the Foundation.
- Companies and organizations must avoid public controversy or behaviour which could damage the image of the Foundation.
- The Foundation will positively value those companies and organizations that recruit people at risk of social exclusion and/or those with disabilities.
- The Foundation will avoid collaborations with companies and organizations that manufacture or directly sell products that are health damaging.
- The Foundation will avoid collaborations with companies and organizations that manufacture and/or sell munitions and weapons.
- All agreements with companies shall be made with formal contracts where the objective and clauses of the collaboration are set out in writing.
- Except by mutual agreement between the parties, no company or organization shall be given permission to use the Foundation's logo. In the case that use of the logo is given, the conditions of use shall be established in writing through a contract.

¹ Founded in 2001, “Fundación Lealtad” is a pioneer non-profit organisation in Spain. Its mission is to build society's confidence in non-profit organisations with the aim of increase donations, as well as any other type of collaboration.

The Foundation works with external partners wherever possible and appropriate, with the aim of maximizing resources, developing synergies, improving creativity, motivating learning and heightening its impact. These collaborative efforts shall be maintained with the respect and understanding of both parties.

Collaboration with a company or organization does not necessarily mean that the Pasqual Maragall Foundation supports or is responsible for that company or organization's behaviour, or more specifically, its products, policies or services.

The Pasqual Maragall Foundation reserves the right to cancel at any time its contract with a company or organization if it becomes aware that its activities do not respect the guidelines laid out in this contract, or if it compromises or may compromise in any way the prestige and reputation of the Foundation.

6. Recruitment process

During the staff selection and recruitment process, the Pasqual Maragall Foundation maintains a policy based on the general principles of objectivity, non-discrimination, merit, ability and equal opportunities, guaranteeing the right to employment, under conditions of equality, to minority groups.

Prior to the start of selection process, the profiles of the vacant positions are defined, taking into account the requirements of the organization, the complementarity of its members, training, motivation, diversity and identification with the objectives of the Foundation. Therefore, selection, assignment of roles and promotion of staff of all levels are based on ability, qualifications, knowledge and experience, ensuring at all times that no distinction, exclusion or preference is made based on other factors.

The Foundation offers professional development and training opportunities and resources to its employees; periodic performance reviews are also carried out.

Furthermore, employees must comply with the confidentiality and data protection policy. In this way, the organization can guarantee the protection of individuals' personal data, civil liberties and fundamental rights, and especially their personal and family privacy.

7. Supplier selection -criteria

The supplier selection guidelines used by the Foundation, in addition to those used for collaborating companies and organizations (section 5 of this Code) include, but are not limited to, the below:

- Price of the supplier's product or service.
- Analysis of the supplier's general profile, public recognition, background, response capacity, geographical location, size, experience and compliance with quality standards.
- References and clients of the supplier.
- The supplier's way of working. Other features taken into account include customer focus, quality of the product or service, compliance with delivery times, flexibility regarding new requests.
- The supplier's after-sales service, including warranties, technical support and enquiries management.
- The supplier's distribution capacity.
- Level of personalization in the supplier's service.
- Conflicts of interest which could affect the choice of supplier and/or the price and quality of the product.

8. Expenses policy

The Foundation uses pre-established expenses guidelines, with established procedures based on the amount of the expenses.

For general purchases made by the organisation, the 'Internal Procedure for Purchases, Supplies and Expense Claims' applies. For purchases above 3,000 euros, quotes must first be requested from three different suppliers.

Expenses can be authorised either by General Management and/or the CEO if the amount is below €50,000. They are jointly authorised when expenses exceed this amount and for expenses up to €300,000. Expenses above this amount must be approved by the Executive Committee.

These limits do not refer to individual purchases, but the total annual spend for each supplier. Therefore, an annual expenditure forecast must be completed for each supplier.

For purchases where Law 30/2007 on Public Sector Contracting (LCSP) applies, the contracting procedure, found in article 18 of the Internal Contracting Instructions (IIC) of the Pasqual Maragall Foundation, is followed. This can be found at the following link: <https://contractaciopublica.gencat.cat/fpm>

9. Monitoring and evaluation of activities

The Foundation has internal control systems defined in order to monitor the projects and strategic objectives, as well as to ensure the proper functioning of the entity.

We highlight then the most significant mechanisms:

- Annual plan
- Meetings of governing bodies: Board and Executive Committee
- Regular meetings of functional areas
- Ad-hoc meetings for project planning and monitoring
- Dashboards functional areas

Although a meeting schedule is set out in the Activity Monitoring and Monitoring Document, each team meets periodically and by mutual agreement in order to plan and review the status of the projects. Meetings in each area are led by the person in charge of the department. The frequency depends on the needs of each area and the evolution of ongoing projects.

10. Environmental responsibility

The Foundation has voluntarily taken on environmental commitments which go above and beyond its legal obligations. These commitments are part of the organization's global strategy and are incorporated into its day-to-day activity. Specifically, the actions are aimed at doing everything possible to:

- Minimize CO2 emissions.
- Reduce, re-use and recycle waste.
- Encourage responsible consumption of energy resources.
- Use, where possible, recycled and recyclable materials.

There is a Sustainability Commission composed of employees of the entity that brings together proposals and actions to make our consumption more sustainable.

11. Code of conduct for financial investments

The Pasqual Maragall Foundation follows the guidelines set out in the Code of Conduct for non-profits organizations approved by the National Securities Market Commission on February 20, 2019.

The Code of Conduct applies to temporary investments in securities and financial instruments that are under the supervision of the National Securities Market Commission, in particular: shares, fixed-income securities, holdings in securities institutions 'collective investment (mutual funds), deposits, loans, temporary cession of financial assets or other analogues that carry the obligation of restitution (term deposits).

For the selection of financial investments, the security, liquidity and profitability offered by the different investment possibilities are evaluated, looking for the balance between the three objectives and the market conditions. The following inspirational principles for financial investments will be considered:

- Consistency: Investment strategy should be consistent with the profile and duration of liabilities and cash flow forecast.
- Liquidity: The ability to transform financial assets into liquid is assessed without paying significant cost or loss of capital.
- Diversification: The investments are distributed between different issuers and between assets of different nature and with different characteristics from the point of view of their risk.
- Preservation of capital: Investment policy will attach special importance to the preservation of capital.

Whenever financial investments are made, the Foundation will prepare a detailed annual report on compliance with the principles and recommendations of the Code of Conduct, which will be submitted to the Foundation Protectorate and made available publicly via the web.

12. Conflict of interests

A conflict of interest is a situation in which the personal, economic or institutional interest of a member of the Board, a member of the management, or an employee of the organization holding a post of responsibility can inappropriately influence or interfere with that person's opinion, responsibilities and decision-making in relation to the interests of the Pasqual Maragall Foundation.

Conflicts of interest must be managed publicly and transparently. Because of this, the Pasqual Maragall Foundation adopts the following resolutions and tools:

- 1) Members of the Board and those in managerial positions cannot be involved in decision-making or the adoption of agreements on issues in which they have a conflict of interest with the Foundation. Equally, they abstain from participating in all negotiations and financial activities which could compromise objectivity in the management of the Foundation.
- 2) The members of the Board of Trustees, the people with management functions and any other employee of the Foundation cannot carry out operations with the Foundation without the prior adoption of a responsible declaration by the Board which must be submitted to the Protectorate within the period of a month, where the need and the prevalence of the interests of the foundation over the individuals of the trustee or similar person are proven. The same scheme will be applicable in the event that one of the trustees wishes to establish a paid employment or professional relationship with the Foundation, which in any case will have to be different from the position of the trustee.

The completion of the act or contract subject to the responsible declaration must be accredited to the Protectorate with the presentation of the document formalizing it, within three months from the date on which the responsible declaration was submitted to the Protectorate.

- 3) Members of the Board and any other person linked with the Foundation will advise the Board of any conflict of interest, direct or indirect, that they may have with the Foundation. Before an agreement is adopted in which there may be a conflict between a personal interest and the interest of the organisation, the person concerned will provide the governing body with the relevant information and will abstain from, in this case, deliberation and voting.
- 4) For the purpose of assessing the existence of a conflict of interest, the personal interest shall be compared with the interests of the following persons:

- a) In the case of individuals: those of the spouse, those of persons linked through emotional ties, those of direct relations and those related collaterally, up until the third degree of consanguinity and the second degree of kinship by election, and those of the legal bodies in which they hold an administrative position or with whom they form, either directly or through another party, a decisive unit, in accordance with commercial legislation.
- b) In the case of legal bodies: those of the persons who hold administrative positions or positions of authority, those of control partners or of the organisations who make up a decisive unit, in accordance with commercial legislation.

13. Entry into force and application

The first version of the Code of Good Practice was approved by the Board on June 11, 2014, the date from which it came into force. This update was approved on February 26, 2020.

The code is communicated to the people and entities linked to it referred to in point 2 of the present, and is publicized through the Foundation's website.

The contracts, agreements and relationships formalized by the Foundation with the people subject to the prescriptions contained in it, include it as part of its content.

14. Bibliography

- Statutes of Pasqual Maragall Foundation
- "The transparency Policy of the Pasqual Maragall Foundation", standard operating procedure (SOP) FPM
- "Internal Regulation for the Prevention of Money Laundering", standard operating procedure (SOP) FPM
- "Internal Procedure for Purchases, Supplies and Expense Claims", standard operating procedure (SOP) FPM
- "Internal Contracting Instructions (IIC)", standard operating procedure, (SOP) PMF.
(<http://fpmaragall.org/wp-content/uploads/2015/05/Instruccions-internes-de-contractaci%C3%B3-FPM.pdf>)
- "Principles of Transparency and Good Practices", Fundación Lealtad (<http://www.fundacionlealtad.org>)
- "Principles of Good Practices EFC", European Foundation Centre (<http://www.efc.be>)
- "Fundraising Ethical Code of Conduct", Spanish Fundraising Association (<http://aefundraising.org>)
- "Good Practices F2F fundraising manual" Spanish Fundraising Association (<http://aefundraising.org>)
- "Code of Conduct for non-profit organizations, Council of the National Securities Market Commission (February 20, 2019).