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Code of Ethics

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Justification:

A Code of Ethics is a set of norms that aims to reflect the institutional culture through statements of principles and values as well as the description of practices and patterns of conduct and behavior of people working or connected with an organization.

The Code of Ethics of Fondo Acción has been built base on its Mission, Strategy and Values, which lead and inspire its reason of being and its action.

It comprises a set of behavioral guidelines that should be completely followed by the organization's employees (regardless the type of affiliation or work they perform), the suppliers and contractors, the executing organizations, the members of the Executive Council and the donors, in both internal and third parties relationships they may establish.

Fondo Acción is responsible of the disclosure of this Code of Ethics with all the people working in the organization and all those with whom it relates, and shall ensure compliance with its lines as a sign of its commitment to respect for human rights, ethics, integrity and transparency that characterize it.

Any act, which constitutes an alleged violation of its guidelines, will be object of investigation and disciplinary sanctions when appropriate, always considering the principles of objectivity, due process and legitimate defense to ensure a fair trial process.

Fondo Acción:

The Fondo para la Acción Ambiental y la Niñez (Fondo Acción) is a legal person of public service, nonprofit, with private status and with full capacity to exercise rights and contract obligations, which advance its social mission.

Fondo Acción was created in the year 2000 within the framework of the Bilateral Agreement of the Americas Initiative. This agreement was signed between the governments of the United States of America and the Republic of Colombia, which allowed the constitution of the Account of the Americas as well as the Administrative Council of the Americas Initiative (CAIA) in Colombia.

The highest decision-making body is the Executive Council, which is the same Administrative Council for the Americas Initiative, composed of:

- Five representatives of civil society from the following sectors: academic and scientific organizations, environmental and child development NGOs, and community development organizations;
- The National Planning Department representing the Colombian Government;
- The Ministry of the Environment and Sustainable Development;
- The United States Agency for International Development (USAID) representing the government of the United States of America.



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As the highest rector of the organization, the Executive and Administrative Council of the Americas Initiative (CAIA) is responsible for approving this Code of Ethics, as well as making proposals and suggestions of adjustment and modification that best suit the Principles and Proposals of the organization.

Ethics Committee:

To ensure effective compliance, Fondo Acción created an Ethics Committee, which will be composed of the Executive Director and the technical, financial and administrative and legal directors. This Committee will be responsible for dealing with inquiries about its scope and will be able to know and make decisions regarding facts and circumstances, which constitute a potential violation of this Code.

Restrictions:

This Code of Ethics does not include all the situations that may be faced by the persons to whom its guidelines apply. Therefore, each particular case will be analyzed from the relevant party, to know if the fact's specific circumstances may be object of these guidelines.

In any case, when the behavior of the people that should follow this Code, may entail the possible occurrence of a crime, the fact shall be notified to the competent authorities.

Inquiries:

When daily work situations generate questions or concerns about how to deal with the dispositions presented in the Code of Ethics, people may consult to their immediate superior, in the first instance. However, the situation may be disposed to consideration of the Executive Director, Ethics Committee and/or the Chairman of the Executive Council/CAIA who should address them quickly and effectively.

Complaints:

The statements regarding events and/or situations regarding the Code of Ethics may be made directly to the immediate superior, to the Executive Director, to the Ethics Committee or to Chairman of the Executive Council/CAIA of Fondo Acción.

In all cases, the statements to be made should be formulated with coherence, objectivity and respect and should have all the evidence to support the declaration under analysis.

Fondo Acción will make all the possible efforts to protect the identity of who is presenting declarations on facts and situations that constitute an alleged violation of the Code of Ethics, and will investigate all the complaints, including the anonymous ones.

The responses to the inquiries and/or complaints will be delivered through the same channels that were used for their presentation and will be available to interested parties.

Framework for implementing the Code of Ethics:



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The Code of Ethics is framed in the Mission, Strategy and the Values of Fondo Acción as well as in the Quality Management System. The Code of Ethics allows all parties involved to act in coherence with the characteristic elements of the organization.

Mission

Fondo Acción is a non-governmental, non-profit, governed by private law, focused on building a better relationship between the community and the environment, and to support development processes of childhood, with the purpose of generating significant and sustainable changes in the Colombian society.

Strategic statement

- We manage resources transparently, effectively and efficiently with the best financial market operators;
- In the context of public policy, we co-finance quality initiatives implemented by non-governmental, community based and private organizations, in two priority areas: (1) conservation and sustainable development and (2) childhood, with emphasis on early childhood; and we measure and disclose achievements and impacts;
- We design and test innovative financial mechanisms for the conservation and sustainable and equitable use of natural resources and biodiversity, as well as quality care to the most vulnerable children;
- We invest in capacity building of civil society.

Organizational Values

- We are transparent: We disclose, apply and respect the game rules and, we are accountable for our performance.
- We are efficient: We operate rationally, maximizing available resources.
- We are effective: We work in high performance teams, guided by certified processes and we achieved impact results.
- We are in solidary: We are committed to the common interest and social benefit, within the framework of public policies.



- We learn: Through monitoring and evaluating, we encourage learning, innovation and organizational development.

Particular issues under the Code of Ethics:

1. Conflict of interest:

The conflict of interest may occur when relationships with suppliers, customers, contractors, donors or any other person outside Fondo Acción are set, and also in the performance of its own activities within the organization.

The following situations are considered conflict of interest:

- If the spouse or anyone with kinship or legitimate affinity up to the third degree of consanguinity of an employee, member of the Executive Council/CAIA Council, supplier or contractor has a personal or commercial interest in any organization that has or intends to have contractual relationships with Fondo Acción.
- When an employee, member of the Executive Council/CAICA, supplier or contractor accepts commissions, profit-sharing payments, loans or advances from banks or financial institutions that were not based on normal commercial terms, gifts or excessive attentions, from any organization or individual who has or seeks to do business with Fondo Acción. Accepting gifts will be allowed if they are of a modest price (not exceeding US \$50), they fall within the normal rules of courtesy, hospitality or protocol and if they do not compromise the integrity of Fondo Acción.
- If the spouse or anyone with kinship or legitimate affinity up to the third degree of consanguinity of an employee, member of the Executive Council/CAIA, supplier or contractor uses personnel, buildings, equipment or Fondo Acción's resources for personal gain.
- When an employee, member of the Executive Council/CAIA, supplier or contractor uses his position to influence, directly or indirectly, in decisions relating to working conditions or hiring a person with legitimate kinship or affinity up to the third degree of consanguinity.
- When an employee, member of the Executive Council/CAIA, supplier or contractor is in the position to approve or administratively controlled contracts or other business arrangements between Fondo Acción and a person with legitimate kinship or affinity up to the third degree of consanguinity or with a company, firm or individual who hires a member with kinship or affinity up to the third degree of consanguinity.



In all cases where an actual or potential conflict of interest or the mere appearance of it exists, the case should be reported to the immediate superior, the Executive Director of Fondo Acción, the Ethics Committee or the Chairman of the Executive Council/CAIA, who should attend the inquiry quickly and effectively.

Any act that constitutes a conflict of interest under the terms stated in this Code and the laws applicable to this matter, violates the provisions of this Code of Ethics and will be under investigation and imposition of the disciplinary sanctions that may apply.

In any case, when the behavior of the persons to whom this Code applies is related to conflicts of interest and may lead to the occurrence of a crime, the fact shall be notified to the competent authorities.

2. Money laundering:

Money laundering is defined as a commercial or financial transaction to hide the true origin of illicit funds making them look as legal. Illegal or illicit activities involving money laundering are among others the following: terrorism, drug trafficking, fraud, bribery, smuggling and theft.

This Code of Ethics is covered by the current Colombian legislation preventing asset laundering. This regulation should be known by all employees of Fondo Acción regardless of the type of linkage, members of the Executive Council/CAIA, suppliers or contractors, implementing organizations and donors, pursuant to the statement contained in this regard in the conventions and contracts.

Any act that constitutes money laundering under the terms stated in this Code and the laws, violates the guidelines of this Code of Ethics and will be under investigation and imposition of the disciplinary sanctions that may apply.

In any case, when the behavior of the persons to whom this Code applies, in this area, may lead to the occurrence of a crime, the fact shall be notified to the competent authorities.

3. Confidentiality:

Confidential or privileged information is defined as any information not published or officially communicated by Fondo Acción through its various communication channels, and that deals with issues related to the organization, its officers, Executive Council members and their decisions, operations and activities, plans, programs, investments and strategies.

Employees, members of the Executive Council/CAIA, suppliers or contractors, implementing organizations and donors of Fondo Acción are committed to not using privileged or confidential information of the organization, to which they may have access due to their condition or performance of duties and also to not allowing the abuse of third parties over such information, for the benefit of any self-interest or third parties.



The use or distribution of confidential or privileged information without authorization violates the guidelines of this Code of Ethics and will under investigation and imposition of the disciplinary sanctions that may apply.

In any case, when the behavior of the persons to whom this Code applies in the area of confidentiality may lead to the occurrence of a crime, the fact shall be notified to the competent authorities.

4. Discrimination and Harassment:

Fondo Acción recognizes that everyone has a unique value as well as principles and values that must be respected by all. For that reason, it does not accept the existence of discrimination within or outside the organization either by age, religion, gender, race, sexual preference or any other condition that is protected by law.

Employees, members of the Executive Council/CAIA, suppliers or contractors, implementing organizations and donors of Fondo Acción are committed to not discriminating, pressing, threatening, intimidating or harassing other workers, subordinates, administered or other people they should engage in the performance of their duties.

All forms of abuse, discrimination or harassment are contrary to the policies and values of Fondo Acción, including but not limited to the "Protection of Children Policy against all forms of Child Abuse and Maltreatment," which is an integral part of this Code.

If an employee, member of the Executive Council/CAIA or Supervisory Committee, supplier, contractor, implementing organization or donor of Fondo Acción is subject to any form of intimidation, discrimination, harassment or abuse, or if any of them know someone who is a victim of it, will be able of denouncing this situation with their immediate supervisor, the Executive Director, the Ethics Committee or the Executive Council/CAIA Fondo Acción, in order to study the particular circumstances of the alleged fact and to take the measures that may apply.

Any manifestation of discrimination, harassment, intimidation or abuse, violates the guidelines of this Code of Ethics and will be under investigation and imposition of the disciplinary sanctions that may apply.

In any case, when the behavior of the persons to whom this Code applies may lead to the occurrence of a crime, the fact shall be notified to the competent authorities.

5. Relations with the Public:

The public that interrelates with Fondo Acción's staff expects a courteous, professional and honest treatment. Therefore, everyone in the team, directors and members of the Council shall



observe the highest standards of courtesy, honesty and professionalism, so that the confidence of the people with whom it relates is ensured.

The public information that is required from a third party relating to the actions of the organization, may be supplied after a prior authorization from the legal representative, as long as the request is respectful and precise and it does not have a be confidential or reserved character.

6. Management and financial administration:

The management and administration of resources that are delivered to Fondo Acción by donors and third parties will be characterized by the efficient use, ethics and transparency in their management.

Fondo Acción manages resources transparently and efficiently with the best financial market participants, in all cases ensuring the preservation and efficient use thereof.

7. Investigations and sanctions:

All employees, suppliers or contractors, implementing organizations and members of the Executive Council/CAIA, regardless of level, are subject to disciplinary measures for taking part in any activity that goes counter to what is stated in this Code of Ethics.

To this end, the Immediate Supervisor, the Executive Director, the Ethics Committee or the Chairman of the Executive Council/CAIA when aware of a situation that may constitute a violation of this Code shall initiate an investigation analyzing the facts and circumstances of the case. The alleged offender will be informed about this situation and he/she will receive the opportunity to submit respectful explanations under the principles of objectivity, good faith, due process and legitimate defense.

In the case of a conduct incurred by one of the members of the Council, the situation will be reviewed by the Executive Council/CAIA, which shall take the appropriate decision depending on the severity and circumstances of each fact.

Once this stage is accomplished and the event is deemed as an infraction, the Executive Director, the Ethics Committee and/or the Chairman of the Executive Council/CAIA adopt the corresponding sanction measure, taking into account the specific circumstances of each event and the severity of the infraction.

The investigation of the facts and sanctions will be always carried out within the framework of objectivity, confidentiality and respect, as well as within the recognition of human rights.

The sanction measures are contingent on the severity and circumstances of each infraction, so they can go from a simple verbal or written call to attention, a suspension to the dismissal of the worker, when there is an employment relationship, or the early termination of the contract



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or agreement, when it refers to a contractor or supplier or an implementing organization, or the removal from office in the case of a member of the Council of Fondo Acción.

In case where it is considered necessary, the alleged offender may review the decision made by the Council, who shall act as second instance and may confirm or reverse the first decision.

When the behavior of the persons to whom this Code applies may lead to the occurrence of a crime, the fact shall be notified to the competent authorities.

8. Disclosure

The media and communication channels that are most effective for their respective knowledge and application will disclose the Code. In addition, it will be expressly mentioned in all contracts and agreements signed by Fondo Acción and a copy of the Code will be attached, as part of the contractual obligations assumed by the parties.