

CODE OF ETHICS

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The ICU Code of Ethics is one of the ways we put ICU's values into practice. It's built around the recognition that everything we do in connection with our work at ICU will be, and should be, measured against the highest possible standards of ethical business conduct.

ICU support, endorse and adhere to the Code of Ethics of the Italian Agency for Development Cooperation - AICS (i.e. *"codice etico e di comportamento dell'Agenzia Italiana per la Cooperazione allo Sviluppo"*). In case of conflict, the latter shall prevail.

1 Aim

The primary purpose of the present document is to establish a **Code of Ethics** adopted by **Istituto per la Cooperazione Universitaria Onlus** (ICU, from now on) to guide and facilitate the job of all our employees and Board members. We expect them to know and follow the Code. Failure to do so can result in disciplinary action, including termination of employment. Moreover, while the Code of Ethics is specifically written for ICU employees and Board members, we expect ICU contractors, consultants, partners, providers, volunteers, associates and others who may be temporarily assigned to perform work or services for ICU to follow the Code in connection with their work for us. Failure to do so can result in termination of their relationship with ICU.

2 ICU Mission and Pillars

The focus on dignity of human being, as an individual willing to learn and responsible for his own future and that of his community is a fundamental cornerstone supporting our activities. This is the successful approach that has led to ICU constitution and that continue to inspire our activities.

ICU mission is to promote self-development in the countries with limited resources where it works.

This is the reason why its activities always include a strong component of training and education of population and local institutions. Therefore, capacity building, seen as an ongoing process to hand on technology, methodology and know-how, is a leading theme of ICU's strategy in its relationship with local partners. Through its projects, aimed at improving the local operational capabilities and skills, ICU provides technical assistance to local peoples.

According to these inspiring ideas, our initiatives are based on strong relationships with local partners (institutions and civil society representatives) established since many years of partnership. This 'modus operandi' ensures a proper identification of local needs, an efficient and suitable implementation of projects and the sustainability

of carried out activities, thanks to a stable presence of local partners promoting long-term sustainability of the obtained results.

ICU has three founding pillars:

- **Accountability:** to be truly accountable, an organization needs a strong system of internal organizational governance, which is not only feasible, but also effective and self-improving. In order to build enduring trust, ICU must be open to dialogue with its key stakeholders, from its beneficiaries to its funding agencies, passing through the internal staff and the general public; must cultivate transparency and be ready to disclose how it spends the money it receives; must be a reliable partner by avoiding lacks of professionalism, commitment and openness. This will assure a stable public presence and a strong reputation, which are the best guarantee of a well-done job.
- **Effectiveness:** in order to accomplish its goals, ICU has to be dedicated to cautiously plan every phase of its delivery, from fundraising to the review phase, and to allocate the resources necessary to each activity. It has to manage a variety of different strategies with timeliness and care, to avoid wastes and delays, to find new ways to perform the required tasks adapting to the context. Only by doing this the organization will not find problems in obtaining new funds and new projects in the future.
- **Security:** ICU is committed to develop and implement a secure job environment for all its staff members, as well as for the long-term viability of its activities. In this respect, ICU will firmly refuse to be involved in any project characterized by disproportioned and unreasonable risk for its employees and partners, irrespective of its significance and prominence, and it will avoid to be part of projects which, due to their inherent characteristics, are too difficult or time-consuming, a factor that would jeopardize both ICU's capacity of delivery and the possibility of obtaining future partnerships

3 Leadership

There are different levels of leadership responsibility within an NGO. ICU is not an exception: it has a huge set of responsibilities, which can be divided in a variety of clusters, depending on the management area and on the "level" taken into account (i.e. the central level in Rome or on the field). These clusters can be shortly summarized as follows:

- **Planning:**
 - Policy development and oversight for the implementation of policies and procedures.
 - Planning the organization's future (long- and short-term), in terms of activities' geographic expansion, new partnerships, financial and managerial viability.

- Deciding which services or programmes to be provided, as well as in which type of projects be involved.
- Evaluating and scrutinizing the organization's programmes and operations on a regular basis.
- Providing the Project Managers and staff members with the opportunity to grow as leaders.

- **Administration and finance**

- Ensuring financial accountability.
- Overseeing, reviewing and approving the organization's budget.
- Monitoring expenditure against budget.
- Safeguarding the assets of the organization.

- **Project writing**

- Ensuring that adequate funds are raised to support the organization's work.
- Keep contacts with the donors' community to envision possibilities of collaboration.
- Elaborating project proposals to submit to donors sponsored opportunities.

- **Project management**

- Managing projects on field ensuring the achievement of foreseen results and their sound financial management.
- Keeping contacts with local partners to assure a smooth collaboration.

- **External Relations:**

- Informing the public of the organization's services and programmes.
- Continuing public relations, which includes the awareness that members are agents or messengers of the organization in the community, thus impacting on its reputation with their behavior.
- Representing the community and its interests.

- **HR management**

- HR selection and recruitment
- HR training and development
- Pay and benefit system management

ICU's management is decentralized. Day-to-day management on the field is largely delegated to the Project Managers and the Country Managers. At the central level, management is carried out mainly by the Secretary General and the Director, based in Rome.

4 Governing Bodies

ICU's Governing Bodies are the "General Assembly" (Consiglio Generale) and the "Board of Directors" (Comitato Direttivo).

The General Assembly is composed by a variable number of members. It is the Assembly itself which evaluates whether new members should be admitted or not and which are the criteria to be respected.

The Assembly meets periodically. It is responsible for evaluating and guiding the decisions taken by the Board and it is considered an instrument of representation for all ICU's stakeholders. Its mandate invests all ICU's operations and all the employees are responsible to the Assembly for their actions.

The Board of Directors is the apical figure of the organizational chart and the body with the major responsibilities inside ICU. It can be considered the executive arm of the General Assembly.

The members of the Board are responsible for:

- The overall managerial performance and organization of ICU. In this respect, they decide the orientation of the organization, the areas in which it has to be involved, the countries where it is active.
- Taking care of the internal information exchange procedures, i.e. an efficient communication system.
- Maintaining the relations with the external auditors and providing them all the information requested.
- Gathering and transmitting in a comprehensive and timely manner all the relevant info for the meetings of the General Assembly.

The Board members are decided by the General Assembly.

5 Code of Conduct

Our capacity to ensure the protection of and assistance to beneficiaries and other persons of concern depends on the ability of its staff to uphold and promote the highest standards of ethical and professional conduct. ICU is collectively, as an organization, responsible for maintaining these standards. Managers, in particular, are responsible to diffuse, implement and publicize these standards to every ICU employee. They will remain committed to give an example of an irreproachable conduct in any moment of involvement.

The following Code of Conduct is intended to serve as an illustrative guide for staff to make ethical decisions in their professional lives, and at times in their private lives. It is designed to assist staff to better understand their roles and responsibilities inside ICU, what their positions and engagement implies, which impact they can have outside and inside the organization.

While acknowledging that local laws and customs may differ from one country to another, the Code of Conduct is based on international legal standards.

All ICU staff is responsible for encouraging, advocating and promoting the dissemination of the Code of Conduct. It also has a role in implementing, monitoring

and enforcing its standards. Staff is also urged to encourage partners to adhere to these standards and to join ICU staff in upholding them.

The official Code of Conduct comprises the following principles:

- Treat all the beneficiaries of ICU's activity and all the other persons of concern fairly and with respect and dignity.
- Respect the rights and the persons of colleagues, welcome the strengths of difference and diversity, treat each other with dignity and respect, encourage teamwork and collaboration, foster an atmosphere of openness, whilst always condemning all forms of discrimination and political maneuvering.
- Uphold the integrity of ICU, by ensuring that personal and professional conduct is, and is seen to be, of the highest standard. Perform official duties and conduct private affairs in a manner that avoids conflicts of interest, thereby preserving and enhancing public confidence in ICU.
- Promote safety, health and welfare of all the ICU staff as a necessary condition for effective and consistent performance. Always act in a way which avoids putting at risk the safety of others.
- Foster as much as possible, personal and colleagues' capacity building and education.
- Respect the diversity of the peoples of the world. In dealings outside the organization, always be honest and open, never discriminate or pre-judge others for cultural, ethnic, religious or political or any other reasons.
- As a member of a global, multi-cultural organization, embrace the concepts of cooperation and mutual support which is proper of ICU's approach towards other organizations, governments and NGOs.
- In order to achieve our mission, recognize the need to engage with the corporate sector and to foster active cooperation with sector leaders. Work with the corporate sector in a professional, open, honest and straightforward way. We (as a group) will maintain our independence whilst respecting their views and we will challenge and inspire them to move towards a more sustainable future.
- In selecting outside, independent resources we (as a group) will at all times be fair, objective and open-minded in our assessment of their abilities. We will not accept favors or bribes. We will not allow family, religious, tribal, political or any other personal connections to influence the award of contracts.
- Seek dialogue and avoid confrontation, wherever and whenever possible.
- Run the operations under one's responsibility in a responsible and cost-effective manner, and apply donors' funding according to the highest standards of accountability and transparency. In general, accountability and transparency will always be the founding principles of activities.
- We (as a group) will involve local communities and indigenous peoples in the planning and execution of our field programs, and we will respect their cultural and economic needs.
- Use project's assets only for project purposes

- We (as a group) will at all times seek to minimize the environmental impact of our activities, and make sure that they always comply with all environmental protection legislation.
- No violation of human rights will ever be acceptable.

6 Equal Opportunity Employment

Employment here is based solely upon individual merit and qualifications directly related to professional competence. We strictly prohibit unlawful discrimination or harassment on the basis of race, color, religion, veteran status, national origin, ancestry, pregnancy status, sex, age, marital status, mental or physical disability, medical condition, sexual orientation, or any other characteristics protected by law. We also make all reasonable accommodations to meet our obligations under laws protecting the rights of the disabled.

7 Harassment, Discrimination, and Bullying

ICU prohibits discrimination, harassment and bullying in any form – verbal, physical, or visual. We strongly encourage anyone to immediately report any incident to a supervisor/manager, Human Resources or both. Similarly, supervisors and managers who learn of any such incident should immediately report it to Human Resources. HR will promptly and thoroughly investigate any complaints and take appropriate action.

8 Drugs and Alcohol

Drugs and alcohol are incompatible with the health and safety of our employees, and we don't permit them. Consumption of alcohol is not banned at our offices, but use good judgment and never drink in a way that leads to impaired performance or inappropriate behavior, endangers the safety of others, or violates the law. Illegal drugs in our offices / places of work are strictly prohibited. If a manager has reasonable suspicion to believe that an employee's use of drugs and/or alcohol may adversely affect the employee's job performance or the safety of the employee or others in the workplace, the manager may request an alcohol and/or drug screening. A reasonable suspicion may be based on objective symptoms such as the employee's appearance, behavior, or speech.

9 Safe Workplace

ICU is committed to a violence-free work environment, and we will not tolerate any level of violence or the threat of violence in the workplace. Under no circumstances should anyone bring a weapon to work. If you become aware of a violation of this policy, you should report it to Human Resources immediately.

10 Procurement Procedures

The following procedures are applicable in case specific procedures for the implemented project do not exist (i.e. donor's guidelines). The primary function of Procurement (and of those ICU employees entrusted with its implementation) is to assure that goods and services required to support operations are supplied in a timely manner, of adequate quality and quantity and cost-effective.

No conflict of interest is ever deemed acceptable.

ICU's employees entrusted with procurement have the responsibility to carefully review purchase requisitions concerning specifications, allocated budget and delivery time and, when in doubt, make appropriate inquiries to the supplier/requestor.

In line with audit recommendations, ICU's policy is to limit purchasing by Implementing Partners (IP) to only those occasions when the IP has a clearly proven advantage, such as awareness of local conditions or specific technical expertise. IPs that source on behalf of ICU must also handle the delivery.

The implementing Partner(s) is only allowed to purchase when the guidelines of the project expressly establish to do so. In any case, the project manager must strictly comply with the regulations of the donor and ICU's high ethical standards during every phase of the Procurement process, informing the country Manager and the Director/Secretary General of the outcome of the procedures described below.

The policy objective of procurement is to provide the appropriate quality and quantity of goods and services to support ICU operations at the time and place that they are needed and in the most cost-effective manner, while taking into account the following considerations:

- ICU's mission;
- The integrity, fairness and transparency of the process;
- Non-discrimination and equal treatment of vendors;
- The award of contracts on the basis of competitive bidding;
- The quality of Goods and Services provided by the vendors;
- The reasonability of the costs of Goods and Services provided by the vendors.

Competitive bidding shall possibly be employed in all procurement undertaken by ICU or its IPs, to be handled by qualified staff. The Procurement staff may make exceptions from the competitive bidding rule in the following cases:

- There is no time to conduct a competitive bidding, due to urgency to start a project, non-existence of three or more competitive bidders in the field, other unexpected or external causes.
- Prices or rates are fixed due to national legislation or by regulatory bodies.
- Standardization of supplies, equipment or spare parts render competition impracticable.

- It would not give satisfactory results or would not be deemed in the interest of the project, as e.g. a contract which has to be extended and this extension would prevent continuity and timeliness of the work.

11 Fraud, Conflict of Interest and Sanctions

Dealing with outside firms engaged in the selling of goods and services is an activity that is potentially vulnerable to fraud. All IP employees with designated procurement authority should therefore understand and observe the following guidelines:

- Business will be conducted ethically in a manner above reproach and with total impartiality, and preferential treatment for none.
- Maintaining the integrity and confidentiality of the procurement process is of paramount importance.

Members of the staff must be aware of what constitutes Conflict of Interest: when you are in a situation in which competing loyalties could cause you to pursue a personal benefit for you, your friends, or your family at the expense of ICU or ICU's funders and donors, you may be faced with a conflict of interest. All of us should avoid conflicts of interest and circumstances that reasonably present the appearance of a conflict; in particular:

- Staff conduct should not foster any suspicion of conflict between professional duty and personal interest.
- Nobody will solicit or accept, directly or indirectly, any gift, favor, entertainment, loan or anything of monetary value from vendors or potential vendors.
- Bids shall not be solicited from, nor contracts awarded to, any company that is owned, controlled or actively influenced by any employee or relative of the employee.

Additionally, staff members should strictly comply with the following principles:

- Promote fair, ethical and legal trade practices.
- Accord prompt and courteous reception in an atmosphere of equal treatment, devoid of intentional misrepresentation.
- Treat all the information received from vendors in the strictest confidence. Guarantee the confidentiality of all specifications and price quotations received.
- Decline to take advantage from vendors' errors but show cooperation.
- Avoid causing needless expenses or inconvenience when requesting offers/proposals.
- Remain absolutely free from any obligation to any vendor.
- Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a vendor.

12 Gifts, Entertainment, and Other Business Courtesies

Accepting gifts, entertainment, and other business courtesies from a ICU competitor or business partner can easily create the appearance of a conflict of interest, especially if the value of the item is significant. Generally, acceptance of inexpensive “token” non-cash gifts is permissible. In addition, infrequent and moderate business meals and entertainment with clients and infrequent invitations to attend local sporting events and celebratory meals with clients/partners/providers etc. can be appropriate aspects of many ICU relationships, provided that they aren’t excessive and don’t create the appearance of impropriety. Before accepting any gift or courtesy we suggest to obtain manager approval.

13 Confidentiality

NGOs get a lot of press attention and that’s usually fine. However, certain kinds of information, if leaked prematurely into the press or to competitors, can hurt our people, projects, bids and tenders. Our responsibilities extend beyond not revealing Confidential ICU material; we must also safeguard Confidential information that ICU receives from others under non-disclosure agreements.

There are, of course, “gray areas” in which you will need to apply your best judgment in making sure you don’t disclose any confidential information. If you’re in a gray area, be cautious in what advice or insight you provide or, better yet, ask for guidance to your supervisor/manager.

Finally, some of us will find ourselves having family or other personal relationships with people employed by our competitors or donors. As in most cases, common sense applies. Don’t tell your significant other or family members anything confidential, and don’t solicit confidential information from them about their organization.

14 Spending ICU’s Money

A core ICU value has always been and will always be to spend money wisely. When you submit an expense for reimbursement or spend money on ICU’s behalf, make sure that the cost is reasonable, directly related to organization business (usually within a project), and supported by appropriate documentation. Always record the business purpose and comply with other submission requirements. If you’re uncertain about whether you should spend money or submit an expense for reimbursement, check with your manager.

15 Bribery

Like all organizations, ICU is subject to lots of laws, both Italian and non-Italian, that prohibit bribery in virtually every kind of setting. We acknowledge the large use of

bribery in the Countries where we work, but the rule for us at ICU is simple: don't bribe anybody, anytime, for any reason.

16 Fundraising Activities and External Relations

In order to achieve its mission and objectives ICU needs to sustain its activities by covering its expenses with revenues. Fundraising has many different meanings, but most commonly, it refers to the idea of collecting funds from different donors to assure the flow of revenue to sustain the organization's activities and help it achieve its mission.

Thus defined, fundraising refers to all activities implemented in ICU in order to assure the revenues necessary to sustain.

Inside ICU, all the fundraising activities are responsibility of the Fundraising staff, supervised by the ICU management and accounting staff.

ICU is deeply conscious of the need to work in close partnership with all of its main stakeholders to gather the resources required to fulfill the humanitarian responsibilities it is asked to undertake on behalf of the international community. In this respect, ICU seeks to show its donors that their efforts to support its work are matched by clear, appropriate and timely information on results, and constant attention to greater efficiency and accountability. ICU will Endeavour to engage more fully with donors to build meaningful relationships that are not just measured in financial terms, but which will enable a true sense of partnership to emerge where there is a will to do so.

Needless to say, it is ICU's primary interest to remain accountable to all the aforementioned stakeholders during its activities.

ICU recognizes and accepts several forms of funding, such as:

- Donations and Gifts. Donations and gifts can either be small or big, one-offs or repeated each year, offered by individuals, corporations or foundations, in the form of money, assets, equipment or voluntary work.
- Corporate Philanthropy/Sponsorship. It takes place through direct monetary gifts and is usually focused on a particular program. The funds may come from community relations or the marketing budget and the corporation expects a certain amount of publicity in turn for its support.

Monetary gifts can be provided through very different channels such as online, bank transfers, checks or mail. A gift can also take the form of a legacy or endowment. Furthermore, ICU can also receive the 5‰ from Italian taxpayers. Even though they are unique, the types of fundraising can overlap. For example, a major donor can also leave a legacy, or help build a relationship to a foundation. Or, an event can be used to support a corporate club and also to bring in potential major donors.

17 Reporting and Monitoring

ICU's yearly balance sheet is accompanied by an evaluation performed by an independent auditing company as to ensure the correctness and transparency of its redaction and to provide a detailed explanation of ICU's performance in the year in question. To be sure, the responsibility of the auditing company is not to perform the redaction and management of the balance sheet, but to express an authoritative opinion on these financial statements based on the audit.

The audit is conducted in accordance with the Auditing Standards. These standards require that the audit is planned and performed as to obtain reasonable assurance about whether the financial statements are free of material misstatements. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the whole financial statement presentation. The presentation is assessed through the criteria of legibility, clarity, exhaustiveness and compliance with the existing accounting principles.

At the country level, the operations performed by the financial administrators, the Project managers and the Country Managers using Luna Rossa™ software are evaluated periodically by an independent auditing firm (the frequency depending on the project, the contract, donors' requirements and on the country taken into account). This evaluation is particularly thorough, being in the interest of a plurality of actors to rely on a transparent and professionally accurate management of the funds provided to ICU.

In case of discrepancies and inaccuracies, the auditing firms communicate their findings to the Country Manager and ICU's management. These latter will then conduct as soon as possible an internal investigation as to assess who committed the mistake, why and the nature and gravity of the mistake itself. This phase will also require close and frequent communications with both the auditing firms and the actors entrusted with the use of Luna Rossa™. This will ensure a timely resolution of inaccuracies and a clear discussion of possible misunderstandings. If the employee found responsible for the error did not commit it on purpose, and if the mistake is not particularly grave, ICU makes the required amendments and immediately communicates the changes to the auditing firm. Vice versa, if for whatever reason the employee committed the mistake on purpose (either thinking that he was doing the right thing, or, in extreme cases, for fraud purposes), the amendments are made and communicated as above, but the employee will have to explain his conduct to the Country Manager and the Secretary General/Director. If he/she is found guilty of fraudulent practices, relevant disciplinary procedures will be taken against him/her.

18 Reporting Financial or Accounting Irregularities

You should never, ever interfere in any way with the auditing of ICU's financial records. Similarly, you should never falsify any record or account, including timesheets, reports, contracts, expense accounts, and any other ICU records.

If you suspect or observe any of the conduct mentioned above or, for that matter, any irregularities relating to financial integrity or fiscal responsibility, no matter how small, immediately report them to your supervisor/manager.

19 Professional misconduct

In the case of gross professional misconduct such as theft, fraud, dishonesty or harassment, and violations of the ICU's Code of Ethics and infringement of the rules of the Code of Conduct, ICU reserves the right to apply sanctions and disciplinary measures up to the immediate dismissal of a staff member, with salary payments ceasing at the end of the week of dismissal. More information can be found in ICU's Manual, the work contract of the employee, the framework contract with the trade unions, the national collective contract agreement (CCNL) etc.

20 ICU Manual

For a more detailed explication of ICU procedures and regulations please read our Manual.