

	EDUCO ORGANIC RULES OF PROCEDURE		Code: REGGOV01EN Version: 1.0
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CONTENTS

1. INTRODUCTION	3
1.1. EXPLANATORY STATEMENT	3
1.2. AIM	4
1.3. SCOPE	4
1.4. PRINCIPLES OF CONDUCT AND ACTION BY THE BODIES	4
1.5. FOUNDATION BODIES	4
1.6. APPROVAL, DISSEMINATION AND REVIEWS.....	5
2. GOVERNING BODIES	6
2.1. THE BOARD OF TRUSTEES	6
2.1.1. Duties and responsibilities.....	6
2.1.2. Composition	6
2.1.3. Appointment, renewal and exercising of office	6
2.1.4. Gratuity.....	7
2.1.5. Rules for convening meetings.....	7
2.1.6. Positions.....	7
2.1.7. Procedure for deliberating and adopting agreements	7
2.1.8. Minutes.....	8
2.1.9. Conflicts of interest.....	8
2.2. EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES.....	9
3. MANAGEMENT BODIES	10
3.1. EXECUTIVE DIRECTOR.....	10
3.2. DEPUTY EXECUTIVE DIRECTOR.....	10
3.3. HEAD OFFICE MANAGEMENT COMMITTEE.....	10
3.3.1. Duties.....	11
3.3.2. Composition	11
3.3.3. Functioning	11
3.3.4. Procedure for deliberating and adopting agreements	11
3.4. GLOBAL MANAGEMENT COMMITTEE.....	12
3.4.1. Duties.....	12
3.4.2. Composition	12
3.4.3. Functioning	13
3.4.4. Procedure for deliberating and adopting agreements	13
3.5. COUNTRY DIRECTOR	13
3.6. HEADS OF AREA.....	14
4. JOINT BODIES	15

4.1.	NOMINATION COMMISSION	15
4.1.1.	Duties.....	15
4.1.2.	Composition	15
4.1.3.	Appointment, renewal and exercising of office	15
4.1.4.	Rules governing the convening of meetings and the adoption of resolutions	16
4.2.	INTERNAL AUDIT COMMITTEE	16
4.2.1.	Duties and responsibilities.....	16
4.2.2.	Composition	17
4.2.3.	Appointment of members and term of office.....	17
4.2.4.	Rules governing the convening of meetings and the adoption of resolutions	17
4.3.	COMPLIANCE COMMITTEE.....	18
4.3.1.	Duties and responsibilities.....	18
4.3.2.	Composition	20
4.3.3.	Rules governing the convening of meetings and the adoption of resolutions	20
4.3.4.	Report for the Board of Trustees	20
5.	ORGANISATIONAL CHART.....	22

1. INTRODUCTION

1.1. EXPLANATORY STATEMENT

In order to achieve the purposes of the foundation, "Fundación Educación y Cooperación", hereafter the Foundation or Educo, develops the activities the Board of Trustees considers necessary directly and/or in collaboration with other bodies, organisations or people.

Specifically, in order to carry out its foundational purpose, the Foundation carries out activities which, without being exhaustive, are listed below:

- a) Collaboration, association, alliance or integration with any kind of body, platform or organisation in the interest or for the benefit of the foundation in pursuit of the foundational purposes.
- b) The elaboration and implementation of the strategic planning and activities, as well as the programs for action, for fulfilling the purposes of the Foundation, in accordance with the policies and guidelines set by the Board of Trustees.
- c) The monitoring, evaluation of objectives and, where appropriate, reviewing of the degree of compliance and execution of the different programmes, projects and activities of the Foundation with the frequency established by the governing body.
- d) The signing of cooperation agreements with various non-profit organisations.
- e) The search for and subscription to agreements and contracts with organisations based in the countries where the Foundation carries out its activities.
- f) Direct action, carried out by the Foundation's staff, or people contracted specifically to do so in the name of the Foundation.
- g) The establishment of Delegations or head offices in the territories to protect and cover direct cooperation duties, as well as to promote awareness-raising, recruit members and sponsors, and to publicise the work it carries out.
- h) The search for and use of public and private funds in order to develop the projects and programs of the foundation.

The Foundation has full legal capacity to operate without any limitations other than those imposed by its Statutes and by the regulations for foundations.

Activities related to the foundational purposes must be carried out in accordance with the rules that specifically regulate them, by obtaining, where appropriate, the relevant permits or licences.

1.2. AIM

The aim of this document is to establish the organisation, operating and legal regime of the governing bodies, management bodies and so-called joint bodies of Educo, in accordance with the Foundation's Statutes, applicable legislation and Educo's own organisational independence to regulate its internal regime, with the aim of improving the functioning of the organisation and, therefore, the fulfilment of its foundational purposes.

1.3. SCOPE

The scope of this document is to determine the Educo bodies that exercise governance, management, executive, supervisory or control, consultative or advisory and other duties, as well as to regulate their organisation, functioning and hierarchy.

1.4. PRINCIPLES OF CONDUCT AND ACTION BY THE BODIES

The organs subject to these rules of procedure must fulfil the principles and conduct codes approved by the Foundation, and, in particular, the principles and responsible practice detailed in the Ethical Code, Code of Conduct and Good Governance Code of the Foundation.

1.5. FOUNDATION BODIES

The Foundation is made up of governing, management and joint bodies.

Governing bodies are those whose primary duty is the governance and administration of the Foundation, decision-making at the highest institutional or corporate, strategic and programmatic levels, and establishing the policies and guidelines of the organisation. The governing bodies of the Foundation are the *Board of Trustees* and the *Executive Committee of the Board*.

Management bodies are those bodies whose primary function is the organisational, functional, executive and strategic management of the policies, guidelines, plans and programmes approved by the governing bodies of the Foundation. Likewise, the management bodies are responsible for steering and delivering the implementation of the corporate and strategic objectives in the exercise of the Foundation's activity in order to fulfil the Foundation's mission and achieve its foundational goals. Its creation, as well as the determining of its duties, composition and functioning is competence of the board, the Executive Committee of the Board or the Executive Director. The management bodies of the Foundation are the *Executive Director*, the *Deputy Executive Director*, the *Head Office Management Committee*, the *Global Management Committee*, the *Country Directors* and the *Area Directors*.

Joint bodies are those bodies that do not have a single exclusive duty, be it managerial, executive, supervisory or control, consultative or advisory or otherwise, but which participate

in several duties in a complementary manner. Their creation, as well as the determining of their duties, composition and functioning is competence of the board or the Executive Committee of the Board. The joint bodies of the Foundation are the *Nomination Commission*, the *Internal Audit Committee* and the *Compliance Committee*.

1.6. APPROVAL, DISSEMINATION AND REVIEWS

These rules of procedure must be approved, modified or reviewed by agreement of the Foundation's Board of Trustees.

All members of the bodies covered by these rules of procedure are obliged to know, comply with and enforce these rules of procedure. To this effect, each of them shall be provided with a copy.

These rules of procedure shall be disseminated internally for the general knowledge of the Foundation's staff.

These rules of procedure must be reviewed and updated whenever necessary to align the content with internal regulations and/or legislation in force at any given time.

2. GOVERNING BODIES

2.1. THE BOARD OF TRUSTEES

2.1.1. Duties and responsibilities

The Board of Trustees is the collegiate governing and administrative body of the Foundation, which represents and manages it, and assumes all the powers and duties necessary for the achievement of the Foundation's objectives. Its members are responsible for ensuring the fulfilment of the purposes of general interest, safeguarding the will of the foundation and supervising its activities.

Equally, the responsibilities of the board also include approving the mission and the strategy, appointing and evaluating the Executive Director and defining and supervising the main risks of the organisation.

The Board of Trustees has the full range of powers attributed to it by the statutes and, in general, those required for the achievement of the foundational purposes, with no exceptions other than those established in the applicable legislation and in its statutes. The duties of the Board of Trustees and their delegation are expressly set out in **articles 6 and 20 of the Foundation's statutes**.

2.1.2. Composition

The Board is made up of individuals or legal entities and consists of a minimum of five and a maximum of eleven members.

Any individual with the capacity to act, who is not disqualified or incapacitated from holding public office or positions or from administering property, and who has not been convicted of crimes against property or against the socio-economic order or for crimes of misrepresentation, may be a member of the Board of Trustees. The age limit for being a member of the Board is 75 years old.

Legal entities must be represented on the Board of Trustees, on a stable basis, by the person in charge of this duty according to the rules that regulate them, or by the person designated for this purpose by the corresponding competent body.

2.1.3. Appointment, renewal and exercising of office

The members of the Board of Trustees hold office for a term of 4 years, and are eligible for re-election for a period of the same duration or, exceptionally, for another term. The adoption of resolutions and requirements for the appointment, renewal, exercise and termination of office are regulated in **articles 18, 26 and 29 of the Foundation's statutes**.

2.1.4. Gratuity

Board members carry out their duties free of charge, without prejudice to the right to be reimbursed for duly justified expenses and to compensation for damage caused to them in the performance of the duties of their office.

2.1.5. Rules for convening meetings

The board meets for ordinary sessions at least twice a year and, on a mandatory basis, during the first half of the calendar year in order to approve the annual accounts of the previous year.

It shall meet for extraordinary sessions, following a call and acting on the initiative of the chair, as many times as the chair deems necessary for the proper functioning of the Foundation. It shall also meet when requested by a quarter of its members.

Although the general criterion is an in-person meeting of the board members, exceptionally the board members can attend and participate via videoconference, multiconference or any other system that does not involve his or her physical presence, in cases where this may be necessary.

The format of the meeting, summoning and adoption of resolutions of the Board of Trustees shall be carried out in accordance with the provisions in **article 21 in the statutes of the Foundation**.

2.1.6. Positions

The board shall name a chair, a vice-chair and a secretary who does not need to be a trustee. Trustees who do not hold any of these positions have the status of members. The duties and powers of the chair, the vice-chair and the secretary are regulated in **articles 23 and 24 in the statutes of the Foundation**.

2.1.7. Procedure for deliberating and adopting agreements

The Board of Trustees shall be validly constituted at the first session when half the trustees plus one are present at the meeting, in person or represented in the legally permitted manner, and at the second session the attendance of a quarter of its members is required. In order for the constitution of the meetings of the Board of Trustees to be valid, at least two trustees must be present at both meetings.

The members of the Board of Trustees may delegate their vote for specific acts to other trustees. The delegation of the vote must be in writing.

Under no circumstances may the members of the Board of Trustees delegate their vote to individuals who do not hold the status of trustees, because the exercising of their position is very personal.

However, if a trustee is such because he or she holds a position in an institution, the person who can replace him or her according to the organisational rules of the same institution may act on his or her behalf.

Each trustee has one vote and resolutions are adopted by the majority vote of those present and represented at the meeting. In the event of a tie, the chair shall have the casting vote.

The Board of Trustees may also invite to attend the meetings, with the right to speak but not to vote, such persons as it deems appropriate.

2.1.8. Minutes

For each meeting, the secretary shall draw up the corresponding minutes, which must include the date, place, agenda, the persons attending, a summary of the matters discussed, the interventions that it has requested to be recorded and the resolutions adopted, indicating the results of the votes and the majorities.

The minutes shall be drawn up and signed by the secretary with the approval of the chair and may be approved after the relevant meeting has taken place or at the next meeting. However, resolutions are enforceable as soon as they are adopted, unless expressly provided for in the Articles of Association or at the time of adopting the resolution, which are not enforceable until the approval of the minutes. If they require compulsory registration, they are enforceable from the moment of registration.

The minutes from Board meetings are reserved and confidential documents that are under the guard and custody of the secretary of the Board of Trustees. A certificate of the content of the resolutions adopted or a certificate of the minutes may be requested upon justification and request to the secretary of the Board of Trustees.

2.1.9. Conflicts of interest

a) The board members must abstain from participating in any kind of business or financial activity which could compromise the objectivity in the management of the Foundation. For the purposes of assessing conflict of interest, the personal interest of the persons referred to in **Article 28 of the Statutes of the Foundation** shall be treated as the same as the personal interest of the board members.

b) The trustees and equivalent persons may not participate in companies incorporated or participated in by the Foundation, nor may they enter into contracts for the sale or lease of real estate or property of extraordinary value, money lending, or the provision of paid services between the Foundation and the trustees and other equivalent persons.

c) During the two years after ceasing to be a trustee, no services may be performed in private companies or companies in which the Foundation has a shareholding.

d) The trustees and equivalent persons may only carry out transactions with the Foundation if the need and the prevalence of the interests of the Foundation over the particular interests of the trustee or equivalent person are sufficiently proven. Before carrying out the operation, the Board must adopt a responsible declaration and submit it to the Protectorate together with the relevant supporting documentation.

For all matters not contemplated in this section regarding conflict of interest, the provisions in **article 28 of the Foundation's statutes**, as well as the codes, policies and other internal rules approved by the Foundation shall apply.

2.2. EXECUTIVE COMMITTEE OF THE BOARD OF TRUSTEES

The Executive Committee of the Board of Trustees is a collegiate governing body of the Foundation, created to facilitate the achievement of the foundational purposes, which exercises the duties of the Board of Trustees except those that cannot be delegated, described in **article 20 of the statutes of the Foundation**.

It is integrated by a minimum of three and maximum five board members, who shall be appointed, substituted or dismissed, where necessary, in accordance with the provisions of **Article 18 of the Statutes of the Foundation**. In any case, the duties of the chair, vice-chair and secretary of the meetings of the Executive Committee shall be performed by the chair, vice-chair and secretary of the Board of Trustees, respectively.

The functioning and decision-making are governed by the same rules as those of the Board of Trustees, insofar as they are applicable.

3. MANAGEMENT BODIES

3.1. EXECUTIVE DIRECTOR

The Executive Director is the highest individual body of the management team, responsible for the executive direction and management of the Foundation. The Executive Director performs his or her duties under the direct supervision of the governing bodies, to whom he or she is accountable for his or her management. The Executive Director directs the rest of the management and executive bodies of the organisation and implements the policies, strategies and guidelines approved by the governing bodies, exercising duties of representation of the Foundation, ensuring its proper functioning and compliance with the objectives, programs and plans for the achievement of the Foundation's mission and the fulfilment of the Foundation's purposes.

This position can be occupied by a board member, in which case the employment or professional relationship must be articulated in a contract which clearly determines the work or professional duties that are remunerated, which must be different from those specific to the position of trustee.

The position of Executive Director is remunerated according to the terms considered appropriate to the nature and representativeness of the position and its duties.

When the Executive Director is not a trustee, he or she attends all the Board of Trustee meetings he or she is summoned to and can intervene but does not have a vote.

3.2. DEPUTY EXECUTIVE DIRECTOR

The Deputy Executive Director is a management body created to support the Executive Director in carrying out his or her responsibilities. He or she performs his or her duties under the direct supervision of the Executive Director, to whom he or she is accountable for his or her management.

3.3. HEAD OFFICE MANAGEMENT COMMITTEE

The Head Office Management Committee is the collegiate management body with executive duties related to the Foundation's head office. It performs its duties under the direct supervision of the Executive Director. It is the body responsible for coordinating the operating, development and implementation of the Foundation's activity. For this purpose, it performs the following duties:

3.3.1. Duties

- a) Coordinates the relationship between the different areas and adopts decisions in relation to different issues that could affect the Foundation's organisation in order to improve its performance.
- b) Adopts agreements and makes the necessary decisions for implementing the corporate strategy and implement the guidelines set by the Board and the Executive Director.
- c) Is responsible for the implementation of the strategy through the initiatives and specific plans for achieving the strategies and/or corporate objectives established by the Foundation in order to fulfil its mission.
- d) It approves the Foundation's internal regulatory documents that are not of an institutional, strategic, programmatic nature or those that contain the policies, principles and values of the organisation. In short, all documents that are not subject to approval by the governing bodies or the Executive Directors.
- e) Any other duties assigned to it by the governing or management bodies to which it reports.

3.3.2. Composition

It is made up of the Executive Director, the Deputy Executive Director and those heads of area or department designated by the Executive Director. The Executive Director shall hold the position of chair or, in his or her absence, the Deputy Executive Director. One of the members of the Committee or the person it is delegated to shall perform the duties of secretary.

3.3.3. Functioning

The body shall meet at least once a month and whenever the Executive Director or most of its members require it.

This body must meet with the Board once a year, via proposal by the Executive Director, to report on its management.

3.3.4. Procedure for deliberating and adopting agreements

The Head Office Management Committee shall be validly constituted when half plus one of its members are present at the meeting.

Each member has one vote and resolutions are adopted by majority vote of those present at the meeting. In the event of a tie, the Chair shall have the casting vote.

The Head Office Management Committee may also invite to attend the meetings, with the right to speak but not to vote, the people it deems appropriate.

For each meeting, the secretary shall draw up the corresponding minutes, which must include the date, place, agenda, the people attending, a summary of the matters discussed, the interventions that it has requested to be recorded and the agreements adopted.

The minutes shall be drawn up and signed by the secretary with the approval of the chair and may be approved after the relevant meeting has taken place or at the next meeting.

The Head Office Management Committee shall publish its agreements internally so that they are available to all Educo employees.

3.4. GLOBAL MANAGEMENT COMMITTEE

The Global Management Committee is the collegiate executive management body at the global level, responsible for facilitating the strategic management of the organisation globally to achieve the established strategic/corporate objectives. It performs its duties under direct supervision from the Executive Director and the Head Office Management Committee. For this purpose, it performs the following duties.

3.4.1. Duties

- a) Guarantees the alignment and synchronisation of the strategy at a global and local level.
- b) Is responsible for implementing the frameworks, programs and operational and development plans both at a global and local level.
- c) Leads the efforts for organisational transformation in order to achieve the strategic/corporate objectives established.
- d) Monitors the level of fulfilment of the strategic and/or corporate objectives, adopting corrective measures when necessary.
- e) Monitors the organisation's global financial balanced scorecard to facilitate decision-making in relation to the distribution of resources.
- f) Any other duties assigned to it by the governing or management bodies to which it reports.

3.4.2. Composition

The Global Management Committee is made up of the members of the Head Office Management Committee and the Country Directors.

In all cases, there shall be a chair, which will be held by the person holding the position of Executive Director or, in his or her absence, the Deputy Executive Director, and a secretary, who can be one of the members of the body or another designated person.

3.4.3. Functioning

The body shall meet at least once a month in person, and virtually whenever the Executive Director or most of its members require it.

3.4.4. Procedure for deliberating and adopting agreements

The Global Management Committee shall be validly constituted when half plus one of its members are present at the meeting.

Each member has one vote and resolutions are adopted by majority vote of those present at the meeting. In the event of a tie, the Chair shall have the casting vote.

The Global Management Committee may also invite to attend the meetings, with the right to speak but not to vote, the people it deems appropriate.

For each meeting, the secretary shall draw up the corresponding minutes, which must include the date, place, agenda, the persons attending, a summary of the matters discussed, the interventions that it has requested to be recorded and the agreements adopted.

The minutes must be drawn up and signed by the secretary with the approval of the chair and may be approved after the relevant meeting has taken place or at the next meeting.

The Global Management Committee will publish its agreements in the normal internal communication channels.

3.5. COUNTRY DIRECTOR

The Country Directors represent the highest individual management body within the territorial scope of a branch or permanent establishment of Educo abroad. They are the legal representatives of the Foundation in their countries and are responsible for the executive direction and management of the branch or permanent establishment. They perform their duties under the direct supervision of the Executive Director and the Head Office Management Committee, to whom they are accountable for their management. Country Directors manage the rest of the team and staff in the branch or permanent establishment in the country and implement the plans, programs and projects approved by the Foundation, ensuring the correct functioning of the branch and the fulfilment of the objectives for the achievement of the Foundation's mission and the fulfilment of the purposes of the foundation.

3.6. HEADS OF AREA

The Heads of Area are a single-person management body of a technical or functional nature that leads and coordinates the management of the different departments or units into which each of the Foundation's organisational areas is divided for the exercise of its duties and activities. They perform their duties under the direct supervision of the Executive Director and the Head Office Management Committee, to whom they are accountable. They are in charge of the rest of the team and staff in their area.

4. JOINT BODIES

4.1. NOMINATION COMMISSION

The Nomination Commission is a joint collegiate body of a consultative and executive nature, with information, advisory, proposal and execution powers within its scope of activity. Its main duty is to ensure the integrity of the selection process for trustees and senior managers of the Foundation, ensuring that the candidates fit the profile of the position.

4.1.1. Duties

- a) Oversee, establish criteria and participate in all selection processes and candidates for membership of the Board of Trustees and the Executive Committee, as well as the Executive Director positions and other managerial and executive bodies in the Foundation.
- b) Inform, assess and pre-select the ideal candidates for filling the positions of trustee, member of the Executive Committee and Executive Director of the Foundation, proposing or submitting the proposal for his or her appointment, if appropriate, to the Board of Trustees.
- c) Directly select and appoint suitable candidates to managerial and executive positions below the level of Executive Director within the entity.
- d) Any other duty that may be entrusted to it by the Board of Trustees or the Executive Committee in relation to the provision and appointment of management and executive positions in the Foundation.

4.1.2. Composition

It is made up of five members, three of whom shall be trustees and the other two shall be from the Executive Management team and the People and Culture management team. The duties of the chair of the Committee must be carried out by the chair of the Board of Trustees and the role of the secretary must be carried out by the secretary of the Board of Trustees or the person delegated by him/her.

4.1.3. Appointment, renewal and exercising of office

The first Commission shall be appointed by the Board of Trustees or, if applicable, the Executive Committee, and the appointment of new members of the Commission, for whatever reason, must be agreed by the Board of Trustees or the Executive Committee. The members of the Nomination Committee shall be appointed for a maximum term of five years and may be re-elected one or more times for terms of the same duration.

4.1.4. Rules governing the convening of meetings and the adoption of resolutions

The Nomination Committee shall be validly constituted when half plus one of its members are present or represented at the meeting.

Resolutions shall be adopted by majority vote of those present or represented at the meeting and, in the event of a tie, the Chair shall have the casting vote.

4.2. INTERNAL AUDIT COMMITTEE

The Internal Audit Committee is a joint executive, supervisory and consultative collegiate body. Its main duty is to assess and provide specialised support for the Board in anything related to audits and internal control systems.

4.2.1. Duties and responsibilities

The Internal Audit Committee must act with full autonomy and independence in the performance of its duties, and may delegate the supervision duties, as well as any other duty it deems appropriate for the fulfilment of its responsibilities, to independent internal or external advisers, such as, for example, audit firms or the organisation's own internal audit unit.

The Internal Audit Committee must fulfil the following duties and responsibilities:

a) Supervision of the effectiveness of the internal control and risk management systems of the organisation, through:

- Annual reviewing of the institutional map of risks; head office and countries.
- Analysis of the risk profile of the organisation.
- Annual review of the record of controls, their design and effectiveness, at head office and country level, assessing the degree of preparedness of the organisation to respond to and recover from the main risks identified (financial, operational, technological, reputational and strategic).

b) Supervision of the Internal Audit function, through:

- Approval of the Internal Audit Statute, to ensure that it accurately reflects the purpose, authority and responsibility of the internal audit activities.
- Approval of the Annual Auditing Plan and its annual monitoring.
- Ensure the independence of the Internal Audit function.

- Guarantee proper coordination between the Internal Audit and other units within the organisation.
- Ensure there is free access for the internal auditors to any documents or information they may need to correctly carry out their functions.
- Review the internal audit reports.
- Guarantee that corrective actions or recommendations made by the Internal Audit function are monitored.
- Evaluate the quality of the Internal Audit work.

4.2.2. Composition

The Internal Audit Committee shall be composed of four members, three of whom shall be trustees and the remaining one shall be held by the Director of Audit and Compliance.

Trustees will be independent; they shall not have managerial or executive functions in the organisation; thus ensuring an impartial judgement on the matters dealt with; and at least one of them must have knowledge and experience in auditing and/or accounting.

The Internal Audit Committee is required to appoint a chair and a secretary, the latter can be one of the members of the body.

4.2.3. Appointment of members and term of office

The members of the Internal Audit Committee shall be appointed by the Board of the Foundation, for a period of three years, which may be renewed. If vacancies should arise for any reason before the end of the term of office, they shall be covered by the persons appointed by the Board of Trustees, for a period equal to that which remains to be fulfilled until the end of the term of office, notwithstanding the possibility of the new members being renewed in their posts for an ordinary period.

4.2.4. Rules governing the convening of meetings and the adoption of resolutions

The Internal Audit Committee shall be validly constituted when half plus one of its members are present at the meeting. The Committee shall meet in ordinary session at least twice a year, or in extraordinary session at the request of the Chair or of the majority of its members.

The meetings will be convened by the secretary at least 7 working days in advance, setting out the items to be included on the agenda.

Each member has one vote and resolutions are adopted by majority vote of those present at the meeting. In the event of a tie, the Chair shall have the casting vote.

The Internal Audit Committee meetings shall document their meetings in minutes which feature the issues discussed and approved, and these minutes shall be approved at the end of the meeting or in the following one.

The Internal Audit Committee may also invite to attend the meetings, with the right to speak but not to vote, the people it deems appropriate.

4.3. COMPLIANCE COMMITTEE

The Compliance Committee is an internal and permanent collegiate body whose function is to supervise the operation of and compliance with the Foundation's Code of Conduct on Regulatory Compliance, to which effect it exercises autonomous powers of initiative and control.

Whenever permitted by applicable law, the Compliance Committee shall have access to the information, documents and offices of the Foundation's staff. All staff must cooperate with the committee as required for the proper performance of their duties.

The Compliance Committee shall have the material and human resources necessary for the performance of its duties.

The Compliance Committee will report, at least annually, and whenever it deems necessary or is required to do so, to the Board of Trustees of the Foundation on the measures taken to promote awareness of and ensure compliance with the Code.

4.3.1. Duties and responsibilities

Without prejudice to any other specific duty that may be assigned to it in relation to the prevention of criminal risks, the Compliance Committee's primary duty is to supervise compliance with the Code of Conduct on Regulatory Compliance.

The Compliance Committee's duties include, but are not limited to, the following:

a) Define the monitoring and control measures that make up the Foundation's Legal Risk Prevention System.

b) Promote the dissemination, knowledge of and compliance with the Code of Conduct on Regulatory Compliance, and of all those measures that make up the Foundation's Legal Risk Prevention System, establishing appropriate training policies so that staff are aware of the prevention model and internal regulations.

- c) The superior and binding interpretation of the Code of Conduct for Regulatory Compliance and the rest of the measures necessary for the proper implementation of the Foundation's Legal Risk Prevention System.
- d) Ensure the application of the Code of Conduct for Regulatory Compliance and other measures that make up the Foundation's Legal Risk Prevention System.
- e) Promote the necessary protocols for the implementation and development of the Foundation's Legal Risk Prevention System, and in particular for the development of the Code of Conduct for Regulatory Compliance, the prevention of non-compliance, and promote its dissemination, knowledge and compliance by staff.
- f) Resolve any queries or doubts that may arise in relation to the content, interpretation or compliance with the Code of Conduct on Regulatory Compliance and the rest of the measures that make up the Foundation's Legal Risk Prevention System.
- g) Periodically review the Code of Conduct for Regulatory Compliance in order to keep it up to date, proposing to the Board of Trustees such modifications as may be necessary when relevant breaches are brought to light or when changes occur in the Foundation, in the control structure or in the activity of the Foundation that make it necessary.
- h) Promote the effective integration of the Code of Conduct on Regulatory Compliance in the Foundation and, particularly, in the internal procedures that regulate its activity.
- i) Manage the Whistleblowing Channel, processing and giving the necessary impetus to the procedures for verifying and investigating the communications received, and ensuring throughout the process that the principles contained in the Code of Conduct on Regulatory Compliance are respected.
- j) Annual evaluation of the level of compliance of the Code of Conduct for Regulatory Compliance and other measures that make up the Foundation's Legal Risk Prevention System.
- k) Report to the Board on compliance with the Code of Conduct on Regulatory Compliance, on the activities carried out within the scope of its duties and on the issues it raises with regard to the prevention of criminal risks.
- l) Propose disciplinary actions to the Executive Director in cases of non-compliance with internal rules.
- m) Propose to the Executive Director the actions they deem necessary to undertake in the area of criminal risk prevention and the necessary budget allocation for this purpose.
- n) Develop any other regulations that may be necessary to ensure the proper functioning of the Legal Risk Prevention System.
- o) Integrate and codify all the Foundation's internal regulations and procedures on the prevention of criminal risks, so that they are unified and easy for staff to access and consult.

4.3.2. Composition

The Compliance Committee shall consist of a minimum of three members and a maximum of five members, as determined by the Board of Trustees.

The members of the Compliance Committee shall be appointed by the Board of the Foundation, for a period of three years, which may be renewed. If vacancies should arise for any reason before the end of the term of office, they shall be covered by the persons appointed by the Board of Trustees, for a period equal to that which remains to be fulfilled until the end of the term of office, notwithstanding the possibility of the new members being renewed in their posts for an ordinary period.

The members of the Compliance Committee may not be removed or dismissed by the Board of Trustees except for disciplinary reasons not related to the performance of their duties.

It is mandatory for the Compliance Committee to appoint a chair and a secretary. The positions of chair and secretary shall be held by the people designated by the Board. The attributions and duties of the chair and the secretary are regulated by **articles 5 and 6 of the Rules of Procedure of the Compliance Committee.**

4.3.3. Rules governing the convening of meetings and the adoption of resolutions

The Compliance Committee shall meet quarterly and whenever agreed by the Chair, who is responsible for convening it, or when requested by any of its members.

The Compliance Committee shall be validly constituted when two of the three members of the Compliance Committee (when the number of members of the Committee set by the Board of Trustees is three) or three of the five members (when the number of members of the CoC set by the Board of Trustees is four or five) attend the meeting.

Agreements of the Compliance Committee shall be adopted by a simple majority of those attending the meeting (present or represented). In the event of a tie vote, the Chair shall have the casting vote.

The content of the sessions and the Compliance Committee agreements shall be recorded in a book of minutes, which shall be signed by the chair and the secretary.

The rest of the rules relating to Compliance Committee meetings are set out in **article 7 of its rules of procedure.**

4.3.4. Report for the Board of Trustees

At the end of each financial year, the Compliance Committee will submit a report to the Board of Trustees with no less than the following minimum content:

- a) Meetings held during the financial year and a summary of the agreements adopted.
- b) Summary of the activities developed by the Compliance Committee within the scope of its duties.
- c) Evaluation of the functioning and compliance of the model of prevention.
- d) Aims and actions proposed for the following annual period in relation to the prevention of criminal risks

In the case of managerial and joint bodies, the regulations on conflicts of interest specified above for members of governing bodies shall apply to them.

In the event of contradiction or discrepancy between the provisions of these rules of procedure and those of the statutes and other internal regulations overseeing the governing, management and mixed bodies, the statutes and said internal regulations shall take precedence.

In all matters not regulated in the statutes of the Foundation or in each of the specific rules of procedure of the bodies covered by these rules of procedure, the same rules shall apply as those of the Board of Trustees, insofar as they are applicable and, failing this, by the applicable legislation.

5. ORGANISATIONAL CHART

