



Code of Conduct

Erasmus+ programme

Action: KA2 – Strategic Association Projects oriented to the field of Vocational Training

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1. Introduction

The **BAKE project** aims to empower entrepreneurs, students, and VET centres by offering guidance on creating successful, fair, and balanced investment relationships. It equips VET centres with the knowledge, skills, competencies, and language abilities needed to engage effectively with angel investors.

As a result, the project has developed the '**BAKE Toolkit on Balanced Funding Schemes with Business Angels**'. This toolkit includes a '**Codes of Conduct between Entrepreneurs and Business Angels Investors**', which serves as a valuable resource for entrepreneurs. It provides guidance on managing fair and balanced investments, along with techniques for effective communication and legal aspects.

The purpose of this code of conduct is to emphasize fair treatment within organisations and establish best practices for ensuring ethical conduct.

2. What is a code of conduct?

A code of conduct consists of a collection of values, rules, standards, and principles that define the expectations of employers, including both Business Angels (BAs) and entrepreneurs, in a business relationship and investment.

This code places a strong emphasis on ethical attitudes and communication protocols between the parties involved, with a clear outline of the repercussions of underperformance. Its purpose is to prevent conflicts and maintain a harmonious working relationship.

3. Code of conduct

1. Consider the interests of all parties involved and avoid unfair decisions.
2. Specify the investment time horizon.
3. Decide whether to invest alone or in collaboration with other private investors.
4. Clearly define the legal structure of the investment vehicle.
5. Remain faithful to the agreed-upon philosophy and policy.
6. Define a sound investment process philosophy.
7. Keep all information private and confidential.
8. Conduct all activities in a professional manner and refrain from engaging in wrongful or illegal practices or associations that could harm your reputation.
9. Consciously avoid any actions that constitute verbal or other forms of harassment.
10. Do not misuse a network environment for personal gain or for selling your own services.
11. Do not make comments that reinforce social structures of dominance related to gender, gender identity, expression, sexual orientation, disability, physical appearance, race, age, or religion.
12. Prioritise the satisfaction and balance of interests between entrepreneurs and Business Angels.
13. Equitably share risks and successes.
14. Clearly define the market, including its size and growth potential.
15. Ensure that investments are made for the benefit of the startup, with the aim of succeeding through the success of the startup.
16. Share risks among all investors equally, with special recognition for the lead investor.
17. Acknowledge that all investment decisions are made independently and with personal responsibility.
18. Collaborate on the economic and financial aspects, using simple and adaptable models to foster a harmonious working relationship.
19. Continuously review, develop, and adjust the economic-financial model together.
20. Define precise milestones and establish contingency plans for various scenarios.



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