



Policy for the prevention of corruption, fraud and conflicts of interest

Document	Policy for the prevention of corruption, fraud and conflicts of interest
Description	Policy for the prevention of corruption, fraud and conflicts of interest
Entry into force	January 1, 2022
Revision date	First version
Purpose	To establish the general principles for managing the risk of corruption, fraud and conflicts of interest at IRB Barcelona
Classification	Internal document



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INTRODUCTION

The objective of this Policy for the prevention of corruption, fraud and conflicts of interest (hereinafter, the "Policy") is to define the application of controls on these types of risks at the Fundació Institut de Recerca Biomèdica (hereinafter, "IRB Barcelona") as well as in relation to the Recovery, Transformation and Resilience Plan (hereinafter, the "PRTR"). This is why, unless otherwise indicated, when PRTR is mentioned it will be understood to include any other type of fund managed by IRB Barcelona.

This Policy contains the behaviors to be avoided and the key elements, both human and organizational and documentary, that IRB Barcelona must apply to prevent acts of corruption, fraud or conflicts of interest from occurring in any area of its organization. It is complemented by the Conflict of Interest Policy of IRB Barcelona.

At all levels of the IRB Barcelona the real and effective application of the prevention and control measures provided for in this Policy will be ensured, so that this self-regulation system achieves the elimination of behaviors that could compromise the objectives of the IRB Barcelona as a foundation and the execution of the PRTR and the planned destination for the funds obtained.

1. SCOPE

The scope of application of this Policy will be the following:

Subjective scope of application: This Policy is applicable to all levels of the IRB Barcelona, including the Board of Trustees and the centre's management, and all the staff, regardless of the position or function they hold (hereafter collectively referred to as "members").

Relational scope of application: The scope of application of this Policy will extend, as far as this is possible, to the contractors and subcontractors of any IRB Barcelona process including the PRTR. In the event that this is not possible, behavioral patterns, preventive measures and/or control systems will be contractually imposed.

Objective scope of application: This Policy will be applicable to all activities and processes of the IRB Barcelona, including the execution of the PRTR.

Geographical scope: This Policy will apply to public and private relations in relation to any activity or process of the IRB Barcelona, including the execution of the PRTR, in any geographical scope, whether local, national or international.

2. COMMITMENT TO FIGHT AGAINST FRAUD AND ANTIFRAUD PRINCIPLES

Below are the definitions of what is meant by fraud and corruption, concepts that are discussed throughout this Policy:

Concept of fraud:

Based on the Directive (EU) 2017/1371, on the fight against fraud affecting the financial interests of the European Union, fraud can be defined as any intentional action or omission related to:

- a) The use or presentation of false, inaccurate or incomplete statements or documents which have the effect of the improper receipt or retention of funds from, among others, the general budget of the European Communities or the budgets administered by the European Communities or on their behalf.
- b) Failure to comply with an express obligation to communicate information, which has the same effect.
- c) The diversion of those same funds for purposes other than those for which they were originally granted.

Concept of corruption:

Corruption, both public and private, can be understood as the fact that a subject misuses a given situation, infringing legal or social rules, to obtain private gains for his own benefit or the benefit of third parties. Some examples of corrupt behavior can be the payment of bribes, the embezzlement of funds or the omission of established procedures to achieve a certain purpose.

In this regard, the following acts of corruption are considered as punishable acts:

a) Bribery: In the event that a person offers or gives any type of remuneration to people who exercise public functions for them to perform an act contrary to the duties inherent in their position, for not performing it or delaying it unjustifiably or in consideration of his position or function.

b) Influence peddling: In the event that a person tries or succeeds in influencing the performance of a public official by taking advantage of his personal relationship with him, in order to obtain a benefit for himself or for a third party.

c) Misappropriation of public funds: In the event that a person unfairly administers public funds, improperly appropriates them or commits accounting fraud.

d) Fraud regarding grants: In the event that a person falsifies the conditions to obtain a grant or uses it for purposes other than those for which it was granted.

e) Illegal financing of political parties: In the event that a person makes donations or contributions to a political party without respecting the legislation in force in this matter.

It is worth saying that fraud and corruption can occur both internally at IRB Barcelona and through direct contact between IRB Barcelona and a third party, as well as through indirect contact through someone related to it (such as a contractor or subcontractor) or also with a family member or friend.

Through this Policy, IRB Barcelona states that it considers non-compliance with the rules against fraud and corruption to be a very serious infraction, since fraud and corruption:

- Have a negative impact on social, economic and environmental development.
- Damage social trust.
- Divert resources intended for specific purposes.
- Distort the economy and the market.
- Restrict some basic rights.

Any participation in fraud or corruption is contrary to the values of IRB Barcelona, therefore, all levels of the entity must respect the provisions of this Policy and comply with the values set forth.

Non-compliance or participation in fraud or corruption actions will result in disciplinary actions without prejudice to the legal actions that may also be taken against the responsible party and in defense of IRB Barcelona.

For all of the above, the entity will apply the following principles, in addition to the principles contained in the PRTR Principles Application Policy, in relation to the prevention of corruption, fraud and conflicts of interest:

- **Proportionality principle:** the anti-fraud and anti-corruption rules will be appropriate to the activity carried out by IRB Barcelona and will mitigate the risks that are or may be generated in this area.
- **Principle of commitment of the governing bodies:** the Board of Trustees will be involved in the compliance and development of the anti-fraud and anti-corruption rules that are established.
- **Principle of risk assessment:** the risks detected in terms of fraud and corruption will be identified, analyzed and mitigated in accordance with the activity developed by IRB Barcelona.
- **Audit principle:** audit and review processes will be carried out beforehand and during the management processes of the funds obtained in order to avoid, among others, risks of fraud and corruption.
- **Principle of communication and training:** all the anti-fraud and anti-corruption rules established by the IRB Barcelona will be communicated to all the people to whom this Policy applies.
- **Zero tolerance:** IRB Barcelona will not accept any type of conduct that could constitute an act of corruption, fraud or conflict of interest.
- **Documentation:** the most relevant processes of the IRB Barcelona will be processed and documented, so that they are always applied in the same way, avoiding discretion.

3. RELATIONSHIP WITH CONTRACTORS AND SUBCONTRACTORS

IRB Barcelona bases its relations on the principles of transparency and equal opportunities and rules out any illegal action aimed at defrauding the funds obtained or committing acts contrary to the law, internal rules or to its principles of action. In its relationship with contractors and subcontractors, IRB Barcelona will follow the following actions:

- Any funds obtained that must be managed by IRB Barcelona through contracting, as well as all those processes carried out, will be carried out in accordance with the provisions of current legislation, internal instructions or in accordance with the

provisions of the bases of tenders, refraining from any act contrary to the previous rules such as fraud regarding grants and administration fraud.

- IRB Barcelona will refrain from appointing persons who are or will be contractors or subcontractors to manage the funds obtained. It will also refrain from allowing the participation of third parties who may be interested subjects in the processes it carries out.
- The management and decision on the funds obtained will be documented, in order to record that it has been acted lawfully. Likewise, all decisions on the funds obtained may be reviewed by a body other than the one that adopted the final decision, especially if there are suspicions of a possible act of corruption or fraud.
- The performance of any of the following acts will be considered an illicit advantage:
 - a) Act contrary to the duties inherent in the position.
 - b) Act specific to the position aimed at not performing or delaying another act that should be performed.
 - c) Act that allows access to privileged information (for example, to the draft of the specifications for a public tender or grant of a grant, or to the drafting or modification thereof)

Consequently, the people of the IRB Barcelona that participate in the management of any fund such as the PRTR:

- a) They will not be able to accept money, gifts or any other economic or equity benefit due to their position or function without prejudice to the exception contemplated later in the section 7.
- b) Nor will they be able to accept the offer or directly accept an economic or equity advantage to perform acts in favor of contractors or subcontractors.

Any offer of this kind must be communicated through the channels established for that purpose or, failing that, to the hierarchical superior.

- No act or strategy may be carried out based on the guidance or influence derived from a personal relationship with a contractor or subcontractor or with a public official to achieve a resolution that may generate, directly or indirectly, an undue financial benefit or avoid a loss of any kind to a third party.
- No activity may be carried out that could constitute influence peddling and, in particular, the following:
 - a) Directly influence a public official or authority that participates in the management of funds or in any IRB Barcelona process.
 - b) Indirectly influencing by accepting the offer of a third party to obtain a favorable treatment in any process such as the management of the PRTR.

- c) Prepare and support a person of trust to occupy a specific position related to the processes of the IRB Barcelona.
 - d) Request or obtain favors or promises of favors in exchange for obtaining a position for a specific person in relation to the processes.
 - e) Offer a position to a specific person in exchange for influencing the decisions of the processes.
- In the same way, the use of violence or intimidation against a person with the aim of carrying out or omitting a legal act or business is prohibited.
 - IRB Barcelona may receive inquiries about the opinion in relation to a certain standard, initiative, process, etc. related to its processes, such as the management of the PRTR, as long as it is carried out through the public channels enabled for this purpose. A distinction must therefore be made between two situations:
 - a) The activity of transmitting a request to the IRB Barcelona, addressing it officially through the official channels and/or the workers appointed to collect the requests.
 - b) The activity of influencing a specific position with which there is a direct or indirect personal relationship that allows obtaining favorable treatment. The latter is the one that must be avoided.

4. FINANCING OF POLITICAL PARTIES

No activity may be carried out that could constitute illegal financing of political parties or foundations or associations linked to them.

The IRB Barcelona will have to analyze in advance the fund management projects such as the PRTR, in order to verify that they are not related to the direct or indirect, illegal financing of a political party.

It will also not participate in meetings with groups of influence (lobbies), except in cases where it is considered that its activity could not constitute influence peddling, nor illegal financing of political parties and is consistent with its principles and the policies that develop them.

5. CONFLICT OF INTEREST

A conflict of interest will be considered, in accordance with article 61 of Regulation (EU) 2018/1046 of the European Parliament and of the Council, of July 18, 2018, on the financial rules applicable to the general budget of the Union (Financial Regulation) when the financial agents and other people who participate in the execution of the budget both directly, indirectly and in a shared way, as well as in the management, including the preparatory acts, the audit or the control, see the impartial and objective exercise of their functions compromised for family, emotional reasons, political or national affinity, economic interest or any other direct or indirect reason of personal interest. The definition of related persons is provided later.



At all levels of IRB Barcelona there will be a duty to avoid situations of conflict of interest. This duty will oblige any person belonging to the entity to refrain from performing any of the following acts, directly or indirectly, unless they had been expressly authorized by the competent body:

1. Carry out personal transactions or business with contractors or subcontractors of funds such as the PRTR.
2. Using the name of the IRB Barcelona or invoking the status of a member of the same to participate or improperly influence the performance of operations related to the management of funds or the PRTR.
3. Making use of funds such as those of the PRTR for personal purposes.
4. Make use of confidential or privileged information of any process for personal purposes.
5. Take advantage of business opportunities derived from the processes of IRB Barcelona.
6. Obtain advantages or remuneration from third parties other than IRB Barcelona related to the management of its processes.
7. To carry out activities on one's own account or for another that involve effective, current or potential competition with the IRB Barcelona in relation to its processes or that, in any other way, place it in conflict with the interests of the same.

These prohibitions will also apply in the event that the beneficiary of the prohibited acts or activities is a person linked to the member of IRB Barcelona who carries them out.

People affected by a conflict of interest must report the situation to their superior at the time they become aware of it.

IRB Barcelona may authorize, expressly and in writing, a conflict of interest situation in individual cases and, as long as the following conditions are met:

1. No significant damage can be expected for any of the parties in conflict or for the milestones and objectives of the IRB Barcelona processes.
2. The non-significant damage is compensated by the benefits to be obtained.
3. Do not be contrary to current legislation.

All these issues will be developed in the IRB Barcelona Conflict of Interest Management Procedure.

6. RELATED PERSONS

For the purposes of this Policy, the following will be considered related persons:

- a) The spouse, partner or persons with a similar emotional relationship (hereinafter, "partner").
- b) The ascendants, descendants and consanguineous collaterals up to the fourth degree and their partners.
- c) The ascendants, descendants and collaterals by affinity up to the second degree and their partners.
- d) Those closely related people (friends, acquaintances or relatives not included in the previous sections) who could affect decision-making, whether it is through a relationship of close friendship or manifest enmity.

7. GIFTS, HOSPITALITIES AND COURTESIES

IRB Barcelona carries out its activity being faithful to the principles of free competition, and free market. As a general rule, IRB Barcelona employees must not accept any gifts. In this regard:

- a) "Gift" will be understood as anything of value to the recipient such as, for example, a gift, advantage, provision for free or monetary donation, leisure, shows, sporting events, etc.
- b) "Hospitality" shall mean any care, generally of a social nature, that is received or offered in the context of personal relationships, for example, meals or accommodation expenses, travel, attending a conference together, commemorative lunch, etc.

In no case will the "normal attentions" (offering a coffee or tea, sharing a vehicle or transport, merchandising items, etc.) be considered gifts or hospitality, nor items of little economic value delivered for purely informative purposes (brochures, catalogues, etc.).

Exceptionally, **gifts** may be accepted as long as:

- a) They do not create the impression (or the implicit obligation) that the person giving them is entitled to preferential treatment, for example, the granting of contracts.
- b) These are courtesy gifts and/or commemorative items of little value. If the real value is unknown, the approximate and reasonable value must be taken into account.
- c) They are not carried out with the aim of influencing a decision or attention to their position.
- d) They are not received at the private homes of workers or officials.

All gifts received by an employee or position at any level of the IRB Barcelona that contravene the previously indicated must:

a) Be immediately returned or rejected. If the refund is not possible, or if it involves a disproportionate effort, it must be handed over to the Human Resources Dept., which, after issuing the corresponding receipt, will allocate it to purposes of social interest or will raffle it among all members of IRB Barcelona. Gifts received by IRB Barcelona members with the sole purpose of being used for a raffle or similar activity organized by IRB Barcelona for purposes of social or charitable interest may be accepted, and will be delivered to the Human Resources or Communication Dept. for the aforementioned purpose.

b) If the gift raises doubt about whether it is in line with the established guidelines, advice must be sought from the Human Resources Dept..

The following gifts will never be considered appropriate:

- a) Cash or equivalent (such as vouchers or gift certificates).
- b) Providing or receiving services free of charge, including promises of employment.
- c) Accept gifts offered by contractors or subcontractors who are participating in a tender process.

In relation to **hospitalities**, they may be offered or accepted as long as the following requirements are met:

- a) They are infrequent, that is to say, the value of all the hospitalities received from the same person during the period of a calendar year must be taken into account.
- b) Provided in relation to the purpose pursued, that is to say, they must be reasonable and appropriate in the context of the relationship with the third party, guaranteeing that the fact of making them will not affect this relationship, nor create a conflict of interest nor can it be understood as a bribe.
- c) Is not contrary to local customs, the law or this policy.
- e) Do not take the form of a bribe, payment or undue commission (for example, to obtain or retain contracts or to obtain undue advantages).
- f) Hospitality to public servants is prohibited, except in exceptional situations and with justified reason.

Hospitality must always be secondary to the purpose of the meeting and be limited to strictly necessary, reasonable and moderate logistical means to enable the member concerned to attend the event. Its cost cannot exceed what an average person would normally be willing to pay under the same circumstances.

8. TRAVEL AND REPRESENTATION EXPENSES

"Travel and representation expenses" shall mean those incurred on behalf of IRB Barcelona and relating to travel, accommodation, vehicle hire and catering.

Travel and representation expenses must be moderate, reasonable and meet the justification and approval requirements established in the rules governing this matter in the IRB Barcelona (Travel and Expenses Policy).

At no time should they be used to reward or recompense an individual.

No expense will be paid/reimbursed that does not have the corresponding proof of payment. In all cases, invoices and/or proof of expenses must be provided.

Travel and representation expenses must be paid directly to the service provider in the event that the latter has assumed the costs or, as the case may be, to the employee who has paid the amount.

In no case can they exceed the quantitative limits established in the internal regulations and they must be carried out using the cheapest possible rate.

9. CASH CONTROL AND GRANT REGISTRATION

The use of cash will be eliminated in any process and the transfer system will be used.

Efforts will be made to follow the following measures that, in any case, will be applied to the management of PRTR funds:

Use of the transfer system established in Order HFP 1030/2021 of September 29.

A record will be made of the payments made, which must have full traceability. In the aforementioned register, the amount paid, the concept, the date of the payment, the recipient thereof and the purpose thereof will be specified, among others.

In no case will payments or deliveries of funds be made to natural or legal persons other than the recipients. In the event of an improper payment, it must be requested to be returned through the Procedure for the recovery of fraudulently spent EU funds.

10. SELECTION OF CONTRACTORS AND SUBCONTRACTORS

IRB Barcelona will establish a control over contractors and subcontractors that will be proportional to the level of risk they present in relation to corruption and fraud.

Contractors and subcontractors must be selected in accordance with the provisions of the public sector contract legislation and based on objective criteria such as, by way of example and without limitation, the following:

- a. The price
- b. The quality
- c. The ability to deliver
- d. The general level of service
- e. Reputation
- f. Integrity

The selection process will be based on the criteria of transparency and traceability. This will require documentation of the acts and decisions adopted.

The IRB Barcelona will ensure that the contractors and subcontractors have an adequate level of professionalism and that they demonstrate their commitment to the principles of the entity and also to the contents of the PRTR when they are applicable.

The analysis of the level of risk of a contractor or subcontractor will depend, among others, on the following factors:

- a) The level of corruption and regulation of the country in which the contractor or subcontractor is headquartered.
- b) The origin of the products or services they supply.
- c) The level of relationship that the contractor or subcontractor has with tax havens.
- d) The request for payments in cash or to companies other than the contractor or subcontractor.
- e) The recommendation by a public servant to contract the contractor or subcontractor.
- f) The level of relationship that the contractor or subcontractor has with the public sector and its weight in its activity.
- g) The reputation of the contractor or subcontractor in the market.
- h) The legal and business background of the contractor or subcontractor.
- i) The sufficiency of its material and human resources to carry out the planned activity.
- j) The level of knowledge of the actual shareholding of the contractor or subcontractor.
- k) Depending on the concurrence or not of these factors, the contractor or subcontractor may be classified according to their level of risk, which will determine the frequency and scope of the reviews that IRB Barcelona will carry out on them.

11. STAFF SELECTION

The selection processes of staff, both permanent and temporary, collaborators or researchers, will be governed by the principles of competence, objectivity, suitability, impartiality, fairness and merit. These processes will all be documented.

12. TRAINING PLAN

The IRB Barcelona will promote periodic training and awareness activities in relation to the risks of fraud, corruption and conflicts of interest and controls in this respect, as well as on the main ones applicable to the PRTR.

All IRB Barcelona staff who participates in processes with risks of fraud, corruption and/or conflicts of interest, as well as in the PRTR, must receive training and actively participate in the training courses or actions given. Also, all newly joined staff must receive information on this matter, as an obligation of their contractual relationship with IRB Barcelona.

The training may be based on face-to-face sessions or e-learning courses, and they will be monitored.

Awareness can be based on any type of communication and training materials and tools that allow awareness of the matter at all levels of the entity (e.g. e-mail).

The IRB Barcelona will adopt the disciplinary measures it deems appropriate, in accordance with the current legislation applicable in each case, regarding staff who refuses to participate and/or pass the training courses or actions.

13. COMMUNICATION OF THIS POLICY

The provisions contained in this Policy must be known by all subjects to whom it is addressed.

Likewise, a copy of the same will be given to all its recipients, either electronically or in paper format.

IRB Barcelona will retain sufficient evidence regarding the effective delivery of the Policy to all the subjects listed, informing of the necessary commitment to respect it.

14. VERSIONS, APPROVAL AND ENTRY INTO FORCE

Versions:

The following table reflects the different versions of the Policy that have been issued, as well as its date and subsequent modifications that each version of the document may have undergone:

VERSION	DATE	AUTHORS	CHANGES
1.0	January 2023	Committee responsible for the PMA	Initial version



Approval and entry into force:

This Policy is approved by the IRB Barcelona Board of Trustees at the session of January 13, 2023 and its entry into force will be retroactive to January 1, 2022.

15. FOLLOW-UP, CONTINUOUS ADAPTATION AND REFORM OF THE POLICY

Follow-up and continuous adaptation:

Periodic reviews of the content of the Policy will be carried out in order to guarantee its continuous adaptation to the reality of IRB Barcelona, legislative or jurisprudential changes, etc. In this sense, the Policy will be adapted to the jurisprudential criteria established by the courts as well as to the criteria established in guides, reports or resolutions of any Public Administration that may be applicable.

However, the Policy will also take into account for its update the pronouncements and delegated acts published by the services of the European Commission in relation to the requirements relating to each of the management principles of the PRTR.

Reform:

IRB Barcelona may reform the Policy on its own initiative and/or a proposal made in this regard by any addressee of the same, always being reviewed by the Committee responsible for the PMA. Modifications to the same will be proposed in any case when the following circumstances occur: (i) When serious breaches of the Policy are revealed; (ii) When there are significant changes in the control structure of IRB Barcelona or in its activity according to powers that may be attributed to it and (iii) When there are legal or jurisprudential modifications that advise this.

16. COMMITMENT AND ACCEPTANCE OF THE POLICY BY THE RECIPIENTS

All recipients of this Policy must be aware of it, actively contribute to its respect and report any breaches they are aware of as well as any deficiencies they may observe in its content or development.

In the event of non-compliance being observed, or indications or evidence of an event that could constitute an offense in terms of corruption, fraud or regulatory breach, either legal or of internal rules of the IRB Barcelona, this circumstance must be brought to the attention of the IRB Barcelona Complaints Channel Manager through any of the communication channels established by the entity.