

## **1) Introduction**

ACHUCARRO BASQUE CENTER FOR NEUROSCIENCE FUNDAZIOA (hereinafter, ACHUCARRO), is research performing organisation that strives to develop a culture of integrity and legal compliance and has therefore developed an effective Management Model which applies to the whole organisation and shows its commitment to compliance with applicable law.

The purpose of this Criminal Risk Prevention (CRP) procedure is a sign of that commitment.

### **1.1) Introduction**

The Spanish Organic Law number 5/2010 of June 22, amending the Organic Law number 10/1995 of November 23 of the Penal Code ("LO 5/2010"), introduces for the first time in the Spanish Penal Code an express regulation of the criminal liability of legal persons for crimes committed in their name by representatives, de facto or de jure administrators, workers and/or employees. Likewise, the reform of the Organic Law 10/1995 was approved on March 11, 2015 and therefore published in the Official Gazette of the Spanish Parliament (Boletín Oficial del Estado) on March 23, 2015, with effect from July 1<sup>st</sup>, 2015. One of the changes included in this Reform is the existence of various extenuating and mitigating circumstances for the legal person, where so-called crime prevention models or programmes play a key role in exemption of criminal liability.

According to this legal framework, the Directorate of ACHUCARRO, with the approval of the Board of Trustees, defined this Criminal Risk Prevention procedure, as a complement to the rest of the policies and procedures in our management model. This procedure adds the appropriate supervision and control measures to prevent or significantly reduce the risk of crimes being committed within the organisation.

The spirit of our organizational culture is to go beyond the sole commitment of the legal framework, therefore, ACHUCARRO has developed strategies and policies to acknowledge and implement international standards like the European Charter for Researchers and the Code of Conduct for the Recruitment of Researchers (C&C), part of the European Strategy for Human Resources in Research (HRS4R). Evidence on this commitment came in September 2013, when the European Commission awarded us with the "HR Excellence in Research" recognition. In 2020 we renewed this award, and currently we keep our commitment with these recommendations, so we are periodically evaluated and assessed towards the principles of these charter and code.

This Criminal Risk Prevention procedure was prepared as the outcome of a review which was carried out in the light of amendments to regulations in criminal law and in line with the requirements of the 2015 Reform to assess the adequacy of existing procedures and controls in the organisation and if necessary, to establish new, improved ones.

At the same time, a detailed analysis of the criminal risks which could hypothetically occur in the different processes of the organisation has been carried out, as required by the 2015 Reform, attempting to cover all the risks of infringement which could arise.

## **1.2) Objectives**

The objectives this procedure are:

1. To define and gather the main elements which constitute and give coherence to the Management Model of ACHUCARRO and which enable to prove its commitment to compliance with applicable law.
2. To become a basic and fundamental element to be disseminated to everyone in the organisation, supported by other defined training and awareness sessions using the cascade model of training.
3. To establish the supervision and control bodies which will lead the development and improvement of the Management Model implanted in the organisation and manage the financial resources necessary to prevent crimes which should be prevented from being committed.
4. To define the methodology which enables the identification, analysis and assessment of criminal risk in the organisation.
5. To define the mechanism which enables reporting of possible infringements, activates their treatment and application of the organisation's disciplinary system.

## **1.3) Scope of application**

The principles and instructions of this procedure applies to all those who act as representatives of ACHUCARRO in our organisation and in other organisations, bodies or institutions.

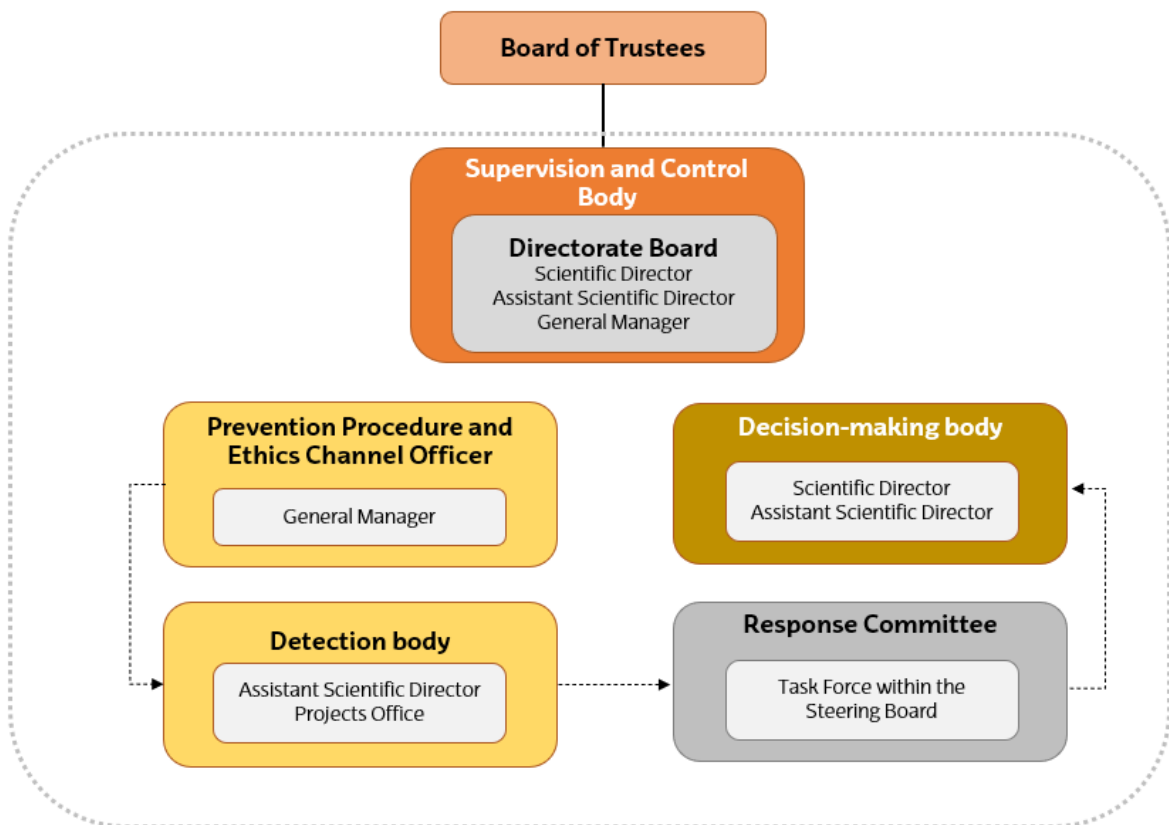
## **1.4) Language**

Spanish and Basque are the official and legal languages in our region, but since the mission of ACHUCARRO is to attract international talent and the language for general communication of the centre is English, this procedure uses that language.

## 2) Structure of the Supervision and Control Body

### 2.1) General Structure

ACHUCARRO implemented the following structure of supervision and control in accordance with our policy and management model in the framework of Criminal Risk Prevention:



## **2.2) Main responsibilities and body**

### **Board of Trustees**

1. The surveillance of the management and operations to control, prevent and reduce the risk of committing offences and crimes.
2. To adopt measures to maintain the Management Model and the Crime Risk Prevention up to date in accordance with proposals received from the Supervision and Control Body (SCB).
3. To provide sufficient financial, material, and human resources to guarantee the SCB's Independence in performing its duties, in accordance with this Procedure.
4. To adopt agreements regarding the implementation of measures proposed by the Supervision and Control Body in application of the Management Model.

### **Supervision and Control Body (SCB)**

1. Structured control body to prevent and mitigate the chances of offences being committed within the organisation which may give rise to criminal liability for the organisation.
2. Use of financial, material, and human resources which guarantee the independence of the SCB in the performance of its duties.
3. Responsible for applying the procedures for detection and management of criminal risk and for internal controls to mitigate them as well as for the procedures to respond to the existence of data and signs which may signify that an offence has been committed.

The Supervision and Control Body shall consist of the following members:

### **Prevention Procedure Officer (Compliance Officer)**

- a) Responsible for identifying risks, implementing, and carrying out processes and procedures for detection and management of criminal risk and internal controls to mitigate them as well as for the procedures to respond to the existence of data and signs which may signify that an offence has been committed, its review and periodic update.
- b) Dissemination and advocacy of the Model and awareness training regarding the culture of compliance.

### **Ethics Channel Officer**

- a) Responsible for managing the information or communication channel of these subjects. The way to reach out for internal or external people can be direct and non-anonymous or indirect and anonymous, using the contact form on the website.

### **Detection body**

- a) Making a preventive analysis of the data of the complaint, rejecting it, or, where appropriate, agreeing to proceed to investigate it by opening the corresponding file.
- b) Carrying out appropriate preventive action if it is deemed necessary or advisable.
- c) Proposing a solution to the complaint or weakness detected in internal control which may consist of a proposal for resolution or, in its case, a proposal for investigation.

**Response Committee**

- a) Responsible for analysing the results of the investigation report, takes appropriate preventive and/or corrective measures and proposes some kind of action to the decision-making body based on the suggestions received.

**Decision-making body**

- a) Entrusted with taking the final decision on the investigated and managed complaint process.

### 3) Criminal Risk Prevention Procedure

This Criminal Risk Prevention procedure provides a reference framework for everyone in the organisation (all the staff and appointed personnel) and for third parties who are in contact with them, adamantly opposed to the commission of any criminal act and with the intention of fighting and preventing a possible deterioration of its image and reputation.

This procedure, together with others defined by the organisation, confirm its commitment to permanently monitor and sanction of fraudulent acts and conduct, maintenance of effective mechanisms of communication and awareness training of everyone in the organisation and the development of an ethical and honest corporate culture.

The scope and application of this procedure is described in the section "1.3 - Scope of application".

The principles which underpin this procedure are:

1. To integrate and coordinate all the actions necessary to prevent and fight any possible illegal acts being committed by any professional in ACHUCARRO, and, in general, any possible irregular or fraudulent situations; all this being fundamental to the crime prevention policy, in line with other policies defined by the organisation.
2. To generate an environment of transparency, by integrating the different systems developed for crime risk prevention, maintaining the channel set up to foster reporting of possible irregularities, such as the Ethics channel, which enables ACHUCARRO professionals to report conduct which may involve an infringement of the Criminal Risk Prevention Procedure or the commission by an employee or manager, of an act which is against the law or the standards of practice of the Code of Ethics.
3. To act, always, within current legislation and the framework established by the Code of Ethics, ensuring compliance with the organisation's internal regulations.
4. To foster a preventive culture based on the principle of "zero tolerance" towards committing unlawful acts and in the application of principles of ethics and responsible behaviour by all employees and management of the organisation, regardless of their level in the hierarchy.
5. Within the promotion of this preventive culture, to foster processes of self-control in actions and decision-making by employees and management, so that any action rests on four basic premises:
  - a. that the action is ethically acceptable,
  - b. that it is legally valid,
  - c. that it is desirable for the organisation, and
  - d. that the person is willing to take responsibility for it.
6. To ensure that the Supervision and Control Body (SCB) has the necessary material, financial and human resources to monitor the functioning of and compliance with this Procedure for crime prevention effectively and proactively, without prejudice to the responsibilities corresponding to other bodies and departments of the organisation.

7. To develop and implement suitable procedures for the control and management of crime prevention in any process of the organisation where it is deemed necessary.
8. To maintain emphasis on proactive activities, such as prevention and detection, as opposed to reactive activities, such as investigation and sanction.
9. To investigate all reports of allegedly criminal acts or fraudulent or irregular acts, regardless of magnitude, as soon as possible, guaranteeing the confidentiality of the complainant and the rights of the persons being investigated.
10. To ensure a fair, non-discriminatory, and proportional application of sanctions, in accordance with the applicable disciplinary system.
11. To inform everyone in the organisation of their duty to report any act constituting a possible criminal act or irregularity that they are aware of through the correct channels.
12. To develop adequate training programs for people in the organisation about the responsibilities imposed by applicable legislation at sufficiently regular time intervals to guarantee that their knowledge in this matter is up to date.
13. To take disciplinary action, in accordance with applicable legislation at the time, against conduct which contributes to prevent or hinder discovery of crimes, as well as breach of the specific duty to inform control bodies of any infringements which may have been detected.

Monitoring compliance with this procedure:

- Supervision of the functioning and compliance with the implemented Management Model is the responsibility of ACHUCARRO's Supervision and Control Body. For these purposes, the Supervision and Control Body shall have the necessary powers of initiative and control to monitor the functioning, efficacy, and compliance with this Procedure for criminal risk prevention, ensuring the adequacy of the model and that the disciplinary systems which are applied in each case sanction infringement of the measures appropriately.
- The Supervision and Control Body will assess this Procedure, compliance, and the model's effectiveness at least once a year. In any case, when relevant infringements are revealed or when changes are made to the organisation, control structure or the activity carried out by the organisation, it will evaluate the advisability of amendment, submitting proposals about the modifications and updates which contribute to its development and continuing improvement to the Board, considering, where applicable, the suggestions and proposals made by ACHUCARRO professionals.



## **4) Criminal Risk Analysis**

### **4.1) Development of the Risk Matrix**

ACHUCARRO created a “Risk Matrix” to identify, analyse, assess, and deal with criminal risk.

- Classifying risk conduct by type of offences according to the following criteria:
  - GR1 - Protection against computer damage
  - GR2 - Financial offences and money laundering
  - GR3 - Punishable administrative law
  - GR4 - Improper business conduct
  - GR5 - Others (Regulation of the Article 129 of the Law)
- Classifying risk conduct by offence.
- Identifying the process and activity where illegal conduct may occur and those responsible.
- Evaluating (Very serious/Serious/Less Serious/Minor) the seriousness of the illegal conduct.
- Evaluating (High/ Medium/Low) the probability that the illegal conduct may occur.
- Determining the RISK ESTIMATION (Low/Moderate/High/Critical).

With this information and the result of the RISK ESTIMATION we elaborate the Risk Map of the organisation, regardless of the control activities which are established.

Next step is to determine the RESIDUAL RISK, which is the remaining risk after treating the risk internally and/or externally:

- Internal risk control:
  - Established controls (number and type of control)
  - Level of control's effectiveness (Regularity/Opportuneness/Automatisation)
- External risk control:
  - Established controls (number and type of control)
  - Level of control's effectiveness (Regularity/Opportuneness/Automatisation)

Determination of RESIDUAL RISK (Very low/Low/High/Critical).

### **4.2) Development of the Risk Analysis Report**

This report lists and explains the initial assessment and result of the residual risk for each risk and risk-associated behaviour, considering the internal and external controls established by the organisation.

This report shall also contain the plan of actions recommended and prioritized by the organisation considering the categorisation resulting from the residual value obtained.

### **4.3) Processes of the management model**

ACHUCARRO defined a Management Model based on Processes and has developed the processes identified by the map as a key support element when identifying the activities and tasks which are susceptible to containing risks identified in this Criminal Risk Prevention procedure.



The PROCESSES and Procedures related to this Procedure are:

- STRATEGIC PROCESSES (Strategy and Management, Partnerships, People)
  - Strategic Definition
  - Deployment of Annual Management Plan
  - Management and communication with Trustees
  - Financial, Legal, Accountancy and Audit management
  - Management of and with people
  - Sustainability, compliance, and accountability management
- CORE PROCESSES (Research, Knowledge Transfer)
  - Management of research projects and grants
  - Development and deployment of Communication Plan
- SUPPORT PROCESSES (Infrastructure and Equipment, Supplies and Procurement)
  - Infrastructure management
  - Equipment management
  - Work Risk Prevention management
  - Relationship with suppliers, management of purchases
  - Management of procurement

Each of these processes and procedures has been defined and deployed and have associated indicators to complete the PDCA (Plan, Do, Check, Act) revision and improvement cycles.

## **5.) Code of Ethics**

### **5.1) Description of the Code of Ethics**

Our Code of Ethics aims to provide guidelines for ethical behaviour for everyone appointed in our organisation, determining the values and commitments which must govern their work activity within the organisation or when they are representing it.

Its understanding, acceptance and application will contribute to achieving an ethical and responsible management when performing activities and tasks for the organisation and in relations which are established with different stakeholders.

Its strict compliance will ensure that results are obtained respecting the law and in accordance with the reputation and corporate image that ACHUCARRO seeks to gain and project, both internally and externally.

### **5.2) Scope of application**

This Code applies to everyone appointed in ACHUCARRO, beginning at the level of the Board of Trustees, following the Directorate, and all the employees and collaborators, during their duties and responsibilities, and it is, therefore, necessary that everyone knows, understands and accepts it as their own.

Compliance with this Code of Ethics is obligatory for everyone included in its scope of application and must inspire and direct, always, the behaviour of those that form ACHUCARRO.

This document has been prepared by the Supervision and Control Body and approved by the Board of Trustees, and its structure contains the following sections:

- a) Presentation of the organisation
- b) Scope of application and aim
- c) Ethical Principles of the organisation
- d) General codes of conduct
- e) Organisation for the Code's application

This document shall be reviewed periodically for its possible update by the Supervision and Control Body.

### **5.3) Breaches of the Code of Ethics**

The communication of any conduct which may involve the commission of an irregularity or an act which is against the law, or the rules contained in the Code of Ethics, as well as the consultation of any doubts that may arise about its interpretation, shall be made preferably through the ETHICS CHANNEL, being valid the use of any channel of communication currently established in the organisation, including the existing procedure of hierarchical communication.

## **6) Ethics Channel**

ACHUCARRO defined a methodology to establish a channel of communication for the reception and management of information regarding infringements of the law and/or practices contrary to the principles established in its Code of Ethics, policies, and the internal regulations of the organisation in general, as well as any situation or information which requires the attention of the Supervision and Control Body (SCB).

This document has been established to guarantee that, in the event of behaviour which is contrary to the provisions of current legislation, Code of Ethics, policies and the internal regulations of the organisation in general, it will be treated professionally and confidentially, adopting the appropriate measures to protect the interests of the Entity and ensure effective compliance with the Code.

### ***6.1) Structure and responsibilities of the Ethics Channel***

ACHUCARRO set up an internal control body to supervise the compliance with the law and internal regulations, and which is also a body for consultation, resolution and dissemination of the Code of Ethics and other protocols, policies, and internal regulations.

### ***6.2) Functioning of the Channel***

How the Ethics Channel functions can be found in the internal information and documentation platform (AchucarroWIKI).

## **7) Disciplinary System**

When the competent body determines that anyone within the scope of the Code has performed activities contrary to the provisions of current legislation or the Code of Ethics, it will entrust the appropriate management responsible with the application of disciplinary measures in accordance with the system of offences and sanctions stipulated in the collective agreement which is applicable to the organisation or in the applicable labour legislation.

## **8) Distribution and Training**

A key element to ensure that the Management Model is kept updated and that compliance with it is obligatory for all those who come under its scope of application, is the proper distribution of the Model, and procedures and documents included within it.

### **8.1) Communication**

The communication and access to this procedure is the responsibility of the Supervision and Control Body, who shall oversee its dissemination to the target group. The communication shall highlight the importance of compliance and the organisation's acceptance of the principles stated in the procedure.

For this purpose, ACHUCARRO adopted the following measures to give some initial information about the procedure.

- Distribution of the documents contained in this procedure using internal mailing lists, website or WIKI, for make it available for the access of all the stakeholders.
- New employees shall be given this procedure together with the Welcome Handbook and the documentation provided to on the on-boarding processes.
- Once they have had the appropriate training, all personnel must confirm that they have been fully informed and give their agreement, promising to comply with the principles, rules and procedures contained in this document and in our Code of Ethics while performing any activity carried out in the interests of or benefit of ACHUCARRO.

### **8.2) Training and raising awareness**

ACHUCARRO has a commitment to continuous staff training. This is of utmost importance to achieve a corporate culture of full compliance, since a basic condition for this is that employees know and understand it.

ACHUCARRO will perform periodic training activities to reinforce the ideas behind the criminal risk prevention procedure. This training will be defined and deployed by the Supervision and Control Body.

ACHUCARRO aims to ensure that the people with whom it works and collaborates know and receive the rules of conduct adopted. Attendance at training courses about criminal risk prevention shall be obligatory and trainees must confirm their attendance in writing (signature on the relevant attendance sheet) and complete a test to assess what they have learnt.

## **9) Approval of the procedure**

This procedure has been defined by the Supervision and Control Body and may be modified in order to maintain due control of the organisation's activities at all times to minimize the commission of criminal risk.

## **10) Review of the procedure**

The procedure shall be reviewed and possibly modified if:

- a) Significant changes take place in the organisation, control structure or activity carried out by the organisation that make it advisable.
- b) There are relevant legal or judicial amendments that make it advisable.
- c) Relevant infringements of its provisions are revealed which likewise make it advisable.

This procedure shall be reviewed annually, even when none of those circumstances occur.

Versión: 2.0

Date: April 2023