



INTERNAL REGULATIONS

Charter for the prevention and management of conflicts of interest

MARCH 2018 EDITION



The French version prevails

Charter for the Prevention and Management of Conflicts of Interest

March 2018 edition

The Institut Pasteur is a foundation with recognized charitable status whose mission is to develop and pursue research in any fields of biological sciences with the potential to make a direct or indirect contribution to progress in human health, especially in the area of infectious diseases. It also carries out teaching, training and knowledge transfer activities for application purposes. .

Both the Institut Pasteur's status and the significant human and financial implications of its activities require to establish principles for the prevention and management of conflicts of interest.

The aim of this Charter is to lay down guiding principles for the prevention of situations that may prioritize private interests to the detriment of the Institut Pasteur's interests, and to protect the Institut Pasteur from any harmful consequences for its activities and reputation caused by actual situations of conflict of interest.

The provisions introduced by this Charter are fully applicable upon completion of the procedures laid down in section 10 and publication of the Charter on the Institut Pasteur's website.

Therefore, this Charter replaces the Charter that came into force at the Institut Pasteur in March 2014. In addition to the Charter, an Ethics and Compliance Committee has been set up; its tasks include delivering opinions on situations of conflict of interest at the request of the Chairman of the Board of Directors or the President, and making relevant proposals in this field.

1. DEFINITIONS OF INTERESTS AND CONFLICTS OF INTEREST

Throughout the course of their professional and personal life, all individuals foster links with other individuals and organizations of varying kinds. Such links naturally entail interests – whether proprietary, professional, personal or family-related – that give rise to subjective judgments in situations where these interests may be involved. Those interests may therefore come into conflict with other interests.

In the specific case of the Institut Pasteur, a conflict of interest arises if an individual acting within or on behalf of the Institut Pasteur has interests, whether in an individual and/or professional capacity, that influence (1), may influence (2) or appear to influence (3) the way in which the individual fulfills his or her role, tasks and any responsibilities conferred by the Institut Pasteur, to the detriment of his or her obligations of impartiality and objectivity.¹

2. SCOPE OF THE CHARTER

This Charter applies to all the following individuals: those working at/within or on behalf of the Institut Pasteur in any capacity, for the purposes of carrying out an activity on a temporary or permanent basis, whether a member of staff or not (Board members, employees, staff from external research organizations (OREX), interns, temporary staff, adjunct teaching staff, PhD students, consultants, experts, etc.), referred to by the Charter as "Interested Parties" or "Interested Party".

3. PRINCIPLES AND OBLIGATIONS

This Charter establishes the following principles and obligations:

3.1. Principle of liability

If a conflict of interest involving an Interested Party is believed to have caused harm to the Institut Pasteur, the person may be held liable by the Institut Pasteur.

3.2. Obligation of disclosure

Any Interested Party is obliged to disclose any situations that represent an actual, potential or apparent conflict of interest as defined under this Charter.

1

- (1) If the individual has a **proven** interest, the conflict is referred to as "actual"; in other words, a private interest exists that may influence the performance of the individual's professional responsibilities or duties. The influence may result from the nature of the interests (e.g. family responsibilities, other professional relationships, adherence to a school of thought, personal assets, investments or debts) or from their value (e.g. interests in a company, the possibility of making significant profit or avoiding losses).
- (2) A **potential** conflict of interest refers to a situation in which a personal interest may give rise to a conflict of interest in the future. This basic definition assumes that a reasonable person with knowledge of all the relevant facts pertaining to a situation may conclude that the personal interest is such that it could hinder the impartial judgment of someone with decision-making responsibilities (based on OECD (2005), "Conflict of Interest Policies and Practices in Nine EU Member States: A Comparative Review", *SIGMA Papers*, No. 36, OECD Publishing, Paris).
- (3) An **apparent** conflict of interest refers to a situation in which a personal interest might reasonably be considered to influence the individual's judgment, even though no such influence has actually been observed. The potential for doubt as to the integrity of the individual or the institution he or she represents makes it necessary to consider an apparent conflict of interest as a situation that should be avoided (based on OECD (2005), "Conflict of Interest Policies and Practices in Nine EU Member States: A Comparative Review", *SIGMA Papers*, No. 36, OECD Publishing, Paris).

3.3. Obligation of action

Any Interested Party is obliged to take the necessary measures to prevent or stop situations of conflict of interest in which he or she may be involved or become involved.

As well as disclosing any such situations, the Interested Party must also describe the measures already taken or proposed to stop or prevent the conflict of interest.

3.4. Obligation to report

In addition to the previous obligations, some individuals are obliged to complete a Declaration of Interest (see section 6.1) on a regular basis. The Declaration of Interest sets out existing interests at the time of completion. Those completing the declaration, who in principle are best placed to assess their own situation, may not subsequently use this document as a basis to evade their obligations of disclosure and action in the event of an actual, potential or apparent conflict of interest, should such a situation arise.

4. IMPLEMENTATION OF THE CHARTER IN CONJUNCTION WITH OTHER PROVISIONS RELATING TO ETHICAL CONDUCT

4.1. Whensome individuals are subject to specific ethical standards as a result of their status or profession, the guidelines in this Charter shall complement these provisions.² In the event of a contradiction between the two, the most stringent standards shall prevail.

4.2. This Charter shall in no way replace any legislative or regulatory texts in the area of ethics or professional practice; it should be seen as complementary to any such texts.

4.3. Specific procedures may be adopted and introduced for particular situations at the Institut Pasteur (policy of the Board of Directors, consultancy agreements, the creation of start-ups, etc.); any such procedures shall complement the principles and obligations of this generally applicable Charter.

5. PREVENTING SITUATIONS OF CONFLICT OF INTEREST

The Institut Pasteur pursues an active policy for the prevention of conflicts of interest, involving the organization of training courses, collaboration with other institutions on these topics, and the drafting of opinions or guidance by committees for ethics and professional conduct. An annual review of this policy is presented to the Board of Directors.

Presentations and training courses to raise awareness of the issue of conflicts of interest should be held at the Institut Pasteur, especially for newcomers. The format should be decided by the President based on a proposal from the Human Resources Department and the Legal Affairs Department.

²In the field of public health, some people – members or directors of collective bodies, committees or councils to the ministers for health and social security, as well as officials/agents in public authorities or public organizations operating in these fields – are subject to specific regulatory obligations which must be reported in a Public Declaration of Interest. A Public Declaration of Interest must also be completed by anyone providing expertise in the field of health or health security to public health authorities. It is the responsibility of these individuals to make a Public Declaration of Interest to the relevant public authorities. Failure to make such a declaration is subject to criminal prosecution.

During appointment and/or recruitment processes, the person being recruited or appointed should be made aware of the issue of conflicts of interest, and if he or she has any potential conflicts of interest these should be discussed both at this stage and after the recruitment and/or appointment.

6. DECLARATION OF INTEREST

6.1. Scope

The following individuals are required to complete a Declaration of Interest:

- Members of the Board of Directors, in accordance with the Board's Rules of Procedure;
- The President, the Senior Executive Vice-President, members of the Executive Board (CODIR) and more generally anyone with the title of Vice-President, Director, Deputy Director, Manager or Head of Department;
- Heads of entities (departments, units, laboratories, five-year groups, platforms or any other existing or future entity);
- All senior staff in departments and offices with financial responsibilities (for example the Cash Management Department and the Legacies and Real Estate Assets Management Office) or in frequent contact with third parties (for example the Research Applications and Industrial Relations Department (DARRI), the Procurement Department and the Donations and Partnerships Department);
- Members of all the Institut Pasteur's ethics and professional conduct committees.

Other individuals, both employees and non-employees (staff from external research organizations (OREX), interns, temporary staff, adjunct teaching staff, PhD students, consultants, experts, etc.) shall be notified of this Charter. If these individuals believe that they have interests which may give rise to conflicts of interest in connection with their activities for the Institut Pasteur, they are given the opportunity to complete a Declaration of Interest at any time and to send it to the bodies designated in this Charter.

6.2. How to declare interests

The aforementioned individuals must complete the declaration during the recruitment or appointment process or on signing a contract with the Institut Pasteur, or if a change of position within the Institut Pasteur places them in one of the categories listed above.

The declaration is a sworn statement providing information about any direct or indirect links with organizations or bodies of any kind in the field of life sciences and more generally whose activities, techniques or products may, directly or indirectly, interfere with the area of activity of the Institut Pasteur.

The declaration must be updated in the event of a change in the current situation of the individual or in any case every five (5) years.

6.3. Confidentiality

The information provided in declarations and disclosures is confidential and is used for the implementation of this Charter.

6.4. Transmission, storage and processing of Declarations of Interest

6.4.1. A copy of the Declaration of Interest is sent:

- for those up to the level of Director, excluding the President and the members of the Executive Board: to the line manager;

- for members of the Executive Board: to the President;
- for the President and members of the Board of Directors other than those listed in the following paragraph: to the Chairman of the Board of Directors;
- for the Chairman of the Board of Directors, the Chairman of the Remuneration and Appointments Committee and the Chairman of the Finance and Audit Committee: to the Chairman of the Ethics and Compliance Committee.

6.4.2. Declarations of Interest of staff members are kept by the Human Resources Department, which keeps a copy in the person's administrative record and sends the Declaration of Interest to the line manager of the Interested Party.

The Declarations of Interest of members of the Board of Directors are kept by the Chairman of the Board of Directors.

The Declaration of Interest of the Chairman of the Board of Directors is kept by the Chairman of the Ethics and Compliance Committee.

6.5. Processing of Declarations of Interest

Procedure for employees:

Declarations that reveal no interests are archived by the HR Department without any further action being taken.

Declarations that reveal interests are reviewed by a working group composed of the Executive Directors for Industrial Partnerships, Legal Affairs and Human Resources. Their position on each Declaration of Interest is recorded in a specific register.

Those Declarations of Interest that the aforementioned working group believes raise difficulties are presented to the President, who may recommend that the individual take certain measures or refer the situation to the Ethics and Compliance Committee.

7. PROCEDURES FOR MANAGING DECLARED CONFLICTS OF INTEREST

7.1. Dealing with disclosures

7.1.1. Disclosures (including the measures taken to resolve the conflict of interest) are made to the line manager.

7.1.2. If an actual, potential or apparent conflict of interest is disclosed during a meeting of an Institut Pasteur body or during project assessment, preparation or implementation, the Interested Party is responsible for proposing appropriate measures.

7.1.3. If the line manager and/or the chairman of the body does not consider the measures to be sufficient, he or she should refer the matter to his or her own line manager or, if appropriate, to the President or the Chairman of the Board of Directors.

The Chairman or President shall take any appropriate measures and, in the event of doubts as to how the situation should be handled, may refer to the Ethics and Compliance Committee.

7.2. Corrective measures

If the Interested Party identifies the existence of an actual, potential or apparent conflict of interest, he or she is required to take immediate measures to prevent or resolve the conflict.

8. SANCTIONS

Failure to disclose any actual, potential or apparent conflicts of interest and any measures taken or proposed to prevent or resolve a situation of conflict of interest, failure to take corrective measures in a situation of conflict of interest, failure to comply with the opinion of the President or of the Ethics and Compliance Committee, and failure to make a Declaration of Interest, or the submission of an inaccurate declaration, are subject to disciplinary sanctions.

Additional measures permitted by law may be taken by the Institut Pasteur in the event of damage suffered.

9. MONITORING AND ANNUAL REVIEW

An annual review of the application of this Charter is presented by the President to the Board of Directors. This review should specifically outline any training programs set up and conducted during the year.

The activity report of the Ethics and Compliance Committee should be appended to the review.

This Charter shall be reviewed, after an opinion from the Ethics and Compliance Committee, no later than three years after its adoption.

10. FINAL PROVISIONS

Once the Charter has been approved by the Board of Directors, it is sent to the Works Committee for an opinion and is subject to the formal submission and monitoring procedures of the French Labor Inspectorate.

Any amendments are subject to the same conditions.

One copy of the Charter is filed with the bailiff of the Industrial Tribunal.

Once the procedures outlined above have been completed, the Charter is appended to and becomes an integral part of the Internal Regulations required by the French Labor Code.

This Charter is applicable and enforceable as soon as it is published on the Institut Pasteur intranet and website.

Text adopted by the Board of Directors at its session of March 5, 2018 and approved by the Works Committee on March 29, 2018.