

Internal Information System Policy of the Center for Monetary and Financial Studies Foundation (CEMFI)

1. Introduction

On March 13, 2023, Law 2/2023, of February 20, regulating the protection of individuals who report regulatory violations and fight against corruption (Official State Gazette of February 21, 2023) came into effect (hereinafter referred to as "Law 2/2023"). This regulation incorporates into Spanish law Directive (EU) 2019/1937 of the European Parliament and of the Council of October 23, 2019, on the protection of individuals who report violations of Union law (Whistleblowing Directive), which establishes the minimum requirements for the various channels of information through which an individual who is aware of a violation of European Union law can disclose its existence.

The underlying premise of Law 2/2023 is that it is preferable for information about possible irregularities committed within an entity to be known first by the organization itself, in order to correct or repair them as soon as possible. In accordance with the above, the regulation has two main objectives:

- Firstly, to provide adequate protection against retaliation for individuals who report certain violations of the legal framework within a professional relationship.
- Secondly, to strengthen the culture of information and the integrity infrastructure of organizations, as well as to promote a culture of information and communication as a mechanism to prevent and detect threats to the public interest.

In this context, Law 2/2023 obliges all entities in the public sector to have an Internal Information System in place to facilitate the communication of possible irregularities committed by the institution or its personnel, without fear of reprisals. Additionally, they must have a policy or strategy that outlines the general principles in this matter, which should be properly disseminated within the institution.

2. What is the Internal Information Channel about?

Generally, staff members are the first to notice irregularities within the organization. Therefore, the Internal Information Channel is ideal for reporting possible illegal or irregular activities and situations, without fear of reprisals and with the necessary protection and assurance.

Staff can make communications in writing or verbally, or through both methods, although the Internal Information System is the preferred channel for reporting actions or omissions that may constitute violations of European Union law or may be subject to serious or very serious criminal or administrative offenses, and in any case, those that involve economic harm to the Public Treasury and Social Security.

It is important to remember that the best information channel cannot be effective if the organization does not have a culture of integrity and compliance that is truly implemented and actively lived within the organization.

3. What is an illicit activity?

According to the applicable regulations in this context, an illicit and/or illegal activity or behavior refers to any actions or omissions that may constitute violations of European Union law, as stated in Article 2.1.a) of Law 2/2023. It also includes actions or omissions that may be subject to serious or very serious criminal or administrative offenses, including those that involve economic harm to the Public Treasury and Social Security.

In any case, all serious or very serious criminal or administrative offenses that result in economic harm to the Public Treasury and Social Security will be considered included in this definition.

4. Principles of Action

The principles of action on which this Information System Policy is based are as follows:

- Pursue the highest standards of transparency, ethics, and accountability, promoting zero tolerance towards irregular actions and combating corruption.
- Respect the current legislation applicable to the scope of the organization's activities, including its internal regulations.
- Encourage the involvement of personnel in the prevention and detection of illicit acts through staff training on the matter, as well as promoting the dissemination of the Internal Information Channel as a means of reporting behaviors that may pose a threat to the organization or any conduct contrary to the law.
- Establish a coordinating role for these actions, referred to as the Responsible for the Internal Information System.
- Facilitate the actions of the Responsible for the Internal Information System, providing them with adequate resources and necessary tools to carry out their duties optimally and effectively, ensuring their independence and allowing them to act autonomously and diligently.
- React promptly and effectively to the report of a potentially criminal act, proceeding with its investigation while respecting the rights of both the whistleblower and any affected individuals, and striving to avoid disproportionate or discriminatory measures when implementing any other action.
- Inform the competent authorities of alleged crimes, offering full cooperation in any subsequent investigations that may arise from this information. The Responsible for the Internal Information System must immediately report the information to the Prosecutor's Office when the facts may be indicative of a crime or to the European Public Prosecutor's Office if the facts affect the financial interests of the European Union.