

Policy on ethical Due Diligence on financial sponsorship

Background and rationale

The SIPRI Governing Board has decided that the institute shall actively seek to broaden and diversify its funding base in order to safeguard its independence and long term financial sustainability.

While expanding the funding base, SIPRI will ensure that none of the financial contributions it receives from any source risks compromising SIPRI's independence, integrity, and strong reputation for authoritative research.

This policy contains the principles on which the assessments will be made of whether individual financial donations are in line with SIPRI's interests, and the protocol that shall be applied when such decisions are taken.

Guiding Principles

When an assessment is made of whether a proposed financial donation is agreeable the following key principles shall be observed:

- There needs to be a good level of trust between SIPRI and the potential donor. This means that SIPRI and the donor share a vision of the purpose of the contribution, and also that SIPRI's creative and editorial freedom and independence are respected and encouraged.
- The emphasis of the assessment is primarily on the purpose of the donation and on ensuring that accepting it does not compromise SIPRI's independence. Accordingly, financial contributions will be avoided if the donor:
 - o Attempts to steer the results of research;
 - o Attempts to get SIPRI to undertake activities in support of an agenda SIPRI itself does not support;
 - o Seeks disproportionate endorsement in return.

- Financial contributions will be avoided when acceptance would drive SIPRI's agenda and compromise its independence, even if that is not what the donor intends.
- The assessment takes account of the donor itself. Potential contributions from governments, foundations, corporations, NGOs or individuals that operate in way that, in SIPRI's judgement, represent a challenge to our core values and mission, will be avoided. In addition, in the event of corporate donations:
 - o Companies that adhere to the UN Guiding Principles on Business and Human Rights, and that apply the associated Reporting Framework, will be favoured.
 - o Donations from companies that do business in commercial sectors that in SIPRI's judgement represent a challenge to our core values and mission will be avoided.

Protocol

A Due Diligence Committee shall exist at SIPRI. Members of the Due Diligence Committee are the members of the SIPRI Senior Management Team; the Institute Director (Chair), the Deputy Director, The Director of Communications, the Head of Administration and the three Directors of Studies. The Due Diligence Committee shall take decisions on whether to accept financial contributions based on the principles laid down in this policy. The Committee shall be convened on an ad hoc basis every time SIPRI Senior Management is made aware of an issue related to financial contributions to SIPRI that may involve ethical considerations. The minutes from the meetings of the committee shall be reported to the Governing Board and the Institute staff.

Approved by the SIPRI Governing Board in Solna, 17 May 2016