

## Annex I

### Methodology for conflict of interest assessment

In the course of the assessment of the conflict of interest situations of the members of the Governing Board and the identification of the necessary mitigating measures, the main considerations outlined in this Annex, and the Table with an overview of the relationships and interests, the key areas related, the risk assessment, the actual or potential nature of the conflict of interest situations and the corresponding mitigating measures shall serve as a reference.

Upon receipt of the declarations of the members of the Governing Board, this reference needs to be complemented by a case by case assessment, with due consideration to the individual circumstances, the number of conflict of interest situations identified, and their combined effect on the exercise of the responsibilities of the Governing Board. The interests and relationships of the members of the Governing Board shall be assessed by considering whether they are compatible with the EIT's activities and interests, considering the role of the member of the Governing Board in that context. The assessment shall be in line with the proportionality principle, including a consideration of the nature and value of any potential economic interests.

Ensuring impartiality is of key importance in all areas and for all decisions of the Governing Board. At the same time, certain areas and decisions are more at risk of conflict of interest than others, due to their nature of having a direct effect, and conferring an advantage on certain entities or persons. Considering the focus of the EIT activities, and its core operations to allocate funding to the Knowledge and Innovation Communities, these high-risk decisions are typically those concerning the KIC Call (selection and designating a partnership as a KIC), the KIC grants (allocation of funding to the Knowledge and Innovation Communities and the Cross-KIC activities), the other decisions directly concerning the KICs (adoption of corrective measures, extension of the partnership agreement, conclusion of a memorandum of cooperation) besides administrative decisions with direct impact on the person(s) concerned (selection of the EIT Director, selection of GB members, matters under the Staff Regulations belonging to the GB).

Among the entities concerned, in line with Article 6 of the Code of Conduct, the KIC Legal Entities, their affiliated entities and CLCs; the applicant organisations and EIT grant beneficiaries; the KIC partner organisations; and the other entities directly concerned such as the other partners identified in the proposals (typically potential future partners referred to in the KIC proposals) or known subgrantees (recipients of funding from the KICs in implementation of the cascade grant model) are considered as most relevant for the conflict of interest assessment, in descending order of relevance. With the nine existing KICs, the category of KIC partner organisations includes several thousands of organisations across Europe, including leading educational, business and research organisations in the field of innovation. In the context of the conflict of interest assessment, due attention needs to be paid to the different status and role of these entities within the KICs, and on the existence of a shared interest of the member of the Governing Board with regard to the decision(s) concerned. In order to identify those situations that create a substantial risk, the focus shall be on the core KIC partner organisations that have a role in the decision-making of the KIC Legal Entity/ies, and on the types of relationships entailing shared interests, such as a management position in the partner concerned.

The Table below presents the main assessment factors and provides guidance for their combined assessment. The level of risk is based on a combined assessment of the relationship or interest and the main area(s) concerned, from the point of view of their compatibility with the EIT's activities, as referred to above (incompatible risk: not compatible; high risk: effect on the impartiality of the decision-making of the Governing Board in the area(s) concerned; medium risk: a potential effect on the impartiality of the decision-making of the Governing Board in the area(s) concerned; moderate risk: potential effect on certain aspects of the decision-making of the Governing Board in the area(s) concerned, or in the eyes of a third party that can be mitigated by transparent disclosure; low risk or no risk: no substantive effect on the decision-making of the Governing Board). In case of conflict of interest, the mitigating measures always include informing the other members of the Governing Board (see Article 6 (5)). Therefore, this measure is only specifically mentioned if no other measures are implemented.

In case the individual circumstances require a different assessment outcome and mitigating measures, the relevant justifications shall be duly recorded in the conflict of interest assessment.

Relationship or interest	Main area(s) concerned	Level of risk	Actual or potential conflict	Mitigating measure
<b>Direct involvement in a KIC proposal (Article 6 (1) a))</b>	Selection and designation of a partnership as a KIC (point 1 e) of Section 2 of the EIT Statutes)	Incompatible risk	actual conflict of interest	Information to the nominating authority, request for removing the GB member, suspension (Article 6 (2))
<b>Direct involvement in an application for an EIT grant (Article 6 (1) a))</b>	Funding allocation (point 1 c) of Section 2 of the EIT Statutes)	Incompatible risk	actual conflict of interest	Information to the nominating authority, request for removing the GB member, suspension (Article 6 (2))
<b>Direct relationship with one of the KIC legal entities, their affiliated entities or CLCs (Article 6 (1) b) i, c) i, d) i)</b>	All strategic areas of competence (point 1 of Section 2 of the EIT Statutes)	Incompatible risk	actual conflict of interest	Information to the nominating authority, request for removing the GB member, suspension (Article 6 (2))
<b>Direct, present relationship with one of the applicant organisations for the KIC Call (Article 6 (1) b) ii, c) ii, d) ii)</b>	Selection and designation of a partnership as a KIC	High risk	actual conflict of interest	Withdrawal from preparatory work, discussion and decision-making concerned (Article 6 (4) d), e))
<b>Direct, present relationship with one of the applicant organisations for an EIT grant or grant beneficiaries other than the KIC legal entities, their affiliated entities or CLCs (Article 6 (1) b) ii, c) ii, d) ii)</b>	Funding allocation for the grant(s) concerned	High risk	Actual conflict of interest	Withdrawal from preparatory work, discussion and decision-making concerned; Non-eligibility for membership in certain Advisory Groups or Committees. (Article 6 (4) c))
<b>Direct, present management relationship with a core KIC partner organisation with a role in the decision-making of the KIC LE (part of Article 6 (1) b) iii)</b>	Funding allocation for the KIC(s) concerned; KIC supervision including the adoption of corrective measures for the KIC(s) concerned (point 1 k) of Section 2 of the EIT Statutes);	High risk	Actual conflict of interest	Withdrawal from preparatory work, discussion and decision-making concerned; Non-eligibility for rapporteur and associate rapporteur roles for the KIC(s) concerned, membership in certain Advisory Groups or Committees.

	extension of a partnership agreement with the KIC(s) concerned (point 1 h) of Section 2 of the EIT Statutes); conclusion of a memorandum of cooperation with the KIC(s) concerned (last part of point 1 g) of Section 2 of the EIT Statutes).			(Article 6 (4) c))
<b>Past direct relationship with one of the applicant organisations for the KIC Call (Article 6 (1) b) ii, c) ii, d) ii)</b>	Selection and designation of a partnership as a KIC	Medium risk	Potential conflict of interest	Close monitoring of the participation of the member of the Governing Board in the preparatory work, discussion and decision-making concerned (Article 6 (4) b))
<b>Past direct relationship with one of the applicant organisations for an EIT grant or grant beneficiaries other than the KIC legal entities, their affiliated entities or CLCs (Article 6 (1) b) ii, c) ii, d) ii)</b>	Funding allocation for the grant(s) concerned	Medium risk	Potential conflict of interest	Close monitoring of the participation of the member of the Governing Board in the preparatory work, discussion and decision-making concerned
<b>Past direct relationship with a core KIC partner organization with a role in the decision-making of the KIC LE (Article 6 (1) b) iii)</b>	Funding allocation for the KIC(s) concerned; KIC supervision including the adoption of corrective measures for the KIC(s) concerned; extension of the partnership agreement with the KIC(s) concerned; conclusion of a memorandum of cooperation with the KIC(s) concerned.	Medium risk	Potential conflict of interest	Close monitoring of the participation of the member of the Governing Board in the preparatory work, discussion and decision-making concerned
<b>Other present interests or relationships with regard to the KIC partner organisations or known subgrantees (Article 6 (1) b) iii, iv, c) iii, iv, d) iii, iv)</b>	Funding allocation for the KIC(s) or grant(s) concerned; KIC supervision including the adoption of corrective	In general: medium risk for Article 6 b) iii, iv, c) iii, iv and	In general: potential conflict of interest	In general, for medium risk: Close monitoring of the participation of the member of the Governing Board in the preparatory work,

	<p>measures for the KIC(s) concerned; extension of the partnership agreement with the KIC(s) concerned; conclusion of a memorandum of cooperation with the KIC(s) concerned.</p>	<p>moderate risk for d) iii, iv.</p> <p>A case by case assessment may be carried out to confirm the risk level. For known subgrantees, relevant factors include the level of financial support, and whether it was awarded to the third party in an open call, in a KIC partnership call, or via direct award.</p> <p>In the case of a low value subgrant, and/or a subgrant awarded via open call, the risk level is in general low.</p>		<p>discussion and decision-making concerned for moderate or low risk: Information to the other members of the Governing Board (Article 6 (4) a))</p>
<p><b>Other past interests or relationships with regard to KIC partner organisations or known subgrantees (Articles 6 (1) c) iii, d) iii), b) iv, c) iv, d) iv)</b></p>	<p>Funding allocation for the KIC(s) or grant(s) concerned; KIC supervision including the adoption of corrective measures for the KIC(s) concerned; extension of the partnership agreement with the KIC(s) concerned; conclusion of a memorandum of cooperation with the KIC(s) concerned.</p>	<p>In general: moderate or low risk.</p> <p>A case by case assessment may be carried out if needed to confirm the risk level.</p> <p>In the case of a low value subgrant, and/or a subgrant</p>	<p>In general: potential conflict of interest</p>	<p>In case of potential conflict of interest: Information to the other members of the Governing Board (Article 6 (4) a))</p>

		awarded via open call, in general the past relationship entails no risk.		
<b>Present interests or relationships with regard to other partners identified in the KIC proposal (Article 6 (1) b) iv, c) iv, d) iv)</b>	Selection and designation of a partnership as a KIC	Medium risk	Potential conflict of interest	Close monitoring of the participation of the member of the Governing Board in the preparatory work, discussion and decision-making concerned
<b>Past interests or relationships with regard to other partners identified in the KIC proposal (Article 6 (1) b) iv, c) iv, d) iv)</b>	Selection and designation of a partnership as a KIC	Moderate risk	Potential conflict of interest	Information to the other members of the Governing Board
<b>Close family member's direct involvement in a proposal for a KIC Call (Article 6 (1) e))</b>	Selection and designation of a partnership as a KIC	High risk	Actual conflict of interest	Withdrawal from preparatory work, discussion and decision-making concerned
<b>Close family member's direct involvement in an application for an EIT grant (Article 6 (1) e))</b>	Funding allocation for the grant(s) concerned	High risk	Actual conflict of interest	Withdrawal from preparatory work, discussion and decision-making concerned; Non-eligibility for rapporteur and associate rapporteur roles for the KIC(s) concerned, for membership of certain Advisory Groups and Committees (Article 6 (4) c))
<b>Close family member's direct relationship with one of the one of the KIC legal entities, their affiliated entities or CLCs (Article 6 (1) b) i, c) i, d) i) with regard to the family member)</b>	Funding allocation for the grant(s) concerned; KIC supervision including the adoption of corrective measures for the KIC(s) concerned; extension of the partnership agreement with the KIC(s) concerned; conclusion of a memorandum of cooperation with the KIC(s) concerned.	In general, high risk but case by case assessment is needed to assess whether an incompatible risk is present	Actual conflict of interest	Withdrawal from preparatory work, discussion and decision-making concerned; Non-eligibility for rapporteur and associate rapporteur roles for the KIC(s) concerned, for membership of certain Advisory Groups and Committees; if incompatible risk is identified: Information to the nominating authority, request for removing the

				GB member, suspension (Article 6 (2))
<b>Other interests and relationships of close family members (Article 6 (1) e))</b>	To be determined in view of the situation in question	In general: qualifies one risk level lower than in the case of the GB member	In general: potential conflict of interest	To be determined in line with the risk level, in general: Information to the other members of the Governing Board, possibly with close monitoring of the participation of the member of the Governing Board in the preparatory work, discussion and decision-making concerned (Article 6 (4) a), b))
<b>Personal relationship with a person concerned by the decision of the Governing Board (Article 6 (1) f))</b>	Appointment, extension, removal of the EIT Director (point 2 e) of Section 2 of the EIT Statutes); Decisions under the Staff Regulations (point 3 of Section 2 of the EIT Statutes) Participation in the selection of members of the Governing Board	In general: high risk but case by case assessment is needed in the context of the relevant processes	In general: actual conflict of interest, but case by case assessment is needed in the context of the relevant processes	To be determined in the context of the relevant processes in line with the risk level, in general: Withdrawal from preparatory work, discussion and decision-making affecting the person concerned; (Article 6 (4) d), e)) Non-eligibility for membership of the relevant Committees (Article 6 (4) c))
<b>Other situations that may cast doubt, or reasonably appear so (Article 6 (1) f))</b>	To be determined in view of the situation in question	In general: medium or moderate risk, but case by case assessment is needed to confirm the risk level	In general: potential conflict of interest, but case by case assessment is needed	To be determined in line with the risk level, in general: Information to the other members of the Governing Board, possibly with close monitoring of the participation of the member of the Governing Board in the preparatory work, discussion and decision-making concerned (Article 6 (4) a), b))