

Due Diligence Principle

The Foundation attaches great importance to the verification of integrity and reputation of its beneficiaries, grantees, counterparties, partners and other individuals and entities with whom it interacts. To this end, the Foundation shall be guided by the principle of due diligence.

The principle of due diligence is a set of measures aimed at compliance assessment of potential beneficiaries, grantees, counterparties or partners, and examining their activities in order to form an unbiased opinion with the aim of mitigating risks. One of the main elements of the due diligence principle in the Foundation's activities is the «Know Your Client» rule, which is guided by legislation, internal policies and procedures with a view to better understand the Foundation's audience, prevent corruption and other risks and increase transparency.

Due diligence shall be applied across all areas of the Foundation's activities, in particular concerning endowment, grant management and administrative operations. The Foundation shall exercise due diligence in order to obtain answers to such questions as how well we know a potential grantee, a counterparty or a partner and whether the information about them is reliable and consistent. This is an important part of risk management processes.

In its grant management administration, under the due diligence principle, the Foundation, by involving independent experts and partner organizations, shall perform checks on all applicants according to the formal criteria to assess their eligibility to participate in competitions and to form an objective opinion of the application received. Independent experts and partner organizations help us to assess the public profile of potential grantees, their reputation and ability to meet the requirements, including the ability to honor their commitments.

The process of identifying the Foundation's grantees shall take place remotely by considering applications submitted through the portal, based on the information and supporting documents attached by the applicant. The documents attached to the application, certifying formal eligibility for participation in the competition, allow the Foundation to identify and verify the applicant. This process shall be based both on the applicant's own documents (e.g., a charter of a legal entity) and on the documents issued by third parties (e.g., a reference letter from a university or a partner).

The Foundation shall also conduct screening of all categories of counterparties in accordance with the Counterparty Screening Guidelines by examining the documents and public profile of individuals and legal entities with which it enters into contractual relations. The key focus of counterparty due diligence is on integrity, business reputation and risk aversion.

As part of due diligence pursuant to the Principles and Guidelines and the Counterparty Screening Guidelines, the Foundation shall make sure to request the minimum required list of documents consistent with the identification and verification objectives to the extent necessary on the basis of publicly available, verifiable and reliable information.