

Conflict of Interest Policy

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Overview

Purpose

This policy is intended to ensure that all individuals conducting business activities on behalf of Kitware do so in a manner that is free from conflicts of interest that could adversely influence their judgment, objectivity, or loyalty to the company. A conflict or appearance of a conflict exists when your personal interests differ or do not appear to align with that of Kitware and your related project assignments.

Scope

Kitware recognizes that employees may take part in legitimate financial, business and other activities outside their role at Kitware, but any potential conflict of interest raised by those activities must promptly be disclosed for review.

The standards presented in this policy are necessary to promote objectivity in research by ensuring that the design, conduct, and reporting of any research by a Kitware employee will be free from bias by any conflicting interest.

Definitions

Investigator means any person who is responsible for the design, conduct, or reporting of research (i.e. the employee leading a project). Any requirements or restrictions applicable to the investigator extends to their spouse and dependent children.

Remuneration includes compensation, salary, and any other payment for services not otherwise identified as salary (e.g. consulting fees, honoraria, paid authorship, recruitment bonuses received or paid for human subject research participants, performance bonus, finder's fee for referral of potential research subjects).

Equity Interest includes any stock, stock option, or other ownership interest, as determined through reference to public prices or other reasonable measures of fair market value.

Sponsored Travel is travel which is paid on behalf of the Investigator and not reimbursed to the Investigator so that the exact monetary value may not be readily available, related to their responsibilities at Kitware. This disclosure requirement does not apply to travel that is reimbursed or sponsored by Kitware, a U.S. federal, state, or local government agency, a U.S. institution of higher education, a U.S. academic teaching hospital, a U.S. medical center, or a U.S. research institute that is affiliated with a U.S. institution of higher education.

Significant financial interest is anything of monetary value that reasonably appears to be related to the Investigator's responsibilities at Kitware:

- 1) With regard to any publicly traded entity, a *significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure and the value

of any equity interest in the entity as of the date of disclosure, when aggregated, exceeds \$5,000;

2) With regard to any non-publicly traded entity, a *significant financial interest* exists if the value of any remuneration received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator holds any equity interest; or

3) Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.

For internal purposes, disclosure of such potential interest regardless if receipt of income has yet occurred ensures compliance and proper handling if receipt of income were to occur. This disclosure should not include inventorship or authorship if there are no associated ownership rights or financial interest.

The term *significant financial interest* **does not include** the following:

1) Salary, royalties or other remuneration from Kitware, including intellectual property rights assigned to the company and agreements to share in royalties related to such rights,

2) Any ownership interests in Kitware,

3) Income from investment vehicles, such as mutual funds and retirement accounts, as long as the Investigator does not directly control the investment decisions made in these vehicles,

4) Income from seminars, lectures, or teaching engagements sponsored by a U.S. federal, state, or local government agency, a U.S. institution of higher education, a U.S. academic teaching hospital, a U.S. medical center, or a U.S. research institute that is affiliated with a U.S. institution of higher education, and

5) Income from serving on advisory committees or review panels for a U.S. federal, state, or local government agency, a U.S. institution of higher education, a U.S. academic teaching hospital, a U.S. medical center, or a U.S. affiliated research institute of a U.S. institution of higher education.

General Guidelines

A conflict of interest may exist in scenarios similar to the following, all of which must be disclosed:

- A less-than-arm's-length relationship exists (e.g. nepotism, kickbacks or commission from a vendor);
- A significant financial interest exists with a person or entity with whom Kitware has a business relationship;
- An employee's loyalty is divided between Kitware and a third party;
- Employment with a direct competitor or working directly for a subcontractor or sub-recipient of Kitware.

Kitware has a disclosure process to review and manage actual and perceived conflicts of interest.

Conflicts are managed through a mitigation plan that is documented as a COI-EAD addendum, specifying

the actions that have and will be taken to address a particular conflict or potential conflict when deemed necessary.

We are committed to ethical performance with utmost integrity in all business operations.

You must perform Kitware activities with objectivity and impartiality.

You must disclose potential, actual, and perceived conflicts as soon as you become aware through submission of the COI-EAD Disclosure Form as outlined in the Reporting Disclosure section below.

You are responsible for completing an annual attestation of your compliance with this policy which includes training and disclosure requirements.

Training and Attestation

All employees are provided with Kitware's Conflict of Interest Policy which contains applicable regulations such as financial conflicts of interest and other disclosure requirements.

All employees must complete an attestation of compliance with this policy, a disclosure form, and any related training material. This content is to be completed by an employee at the time of hire, annually thereafter through micro training, offset by a comprehensive training every fourth year, and immediately when any of the following circumstances occur:

- The company revises its financial conflict of interest policy or procedures in any manner that affects the requirements of employees;
- The Compliance Team identifies that a particular employee is not in compliance with this policy and its disclosure or mitigation plan requirements.

Potential Conflict Identification

It is important for employees to identify and avoid any activity that may impair, or appear to impair, their ability to make objective and impartial decisions for the company, as well as on behalf of any business relationship for which they are responsible for servicing. Employees should avoid situations that might make a vendor, collaborator, investigator, consultant, or subcontractor's (sub-recipient) judgment biased or create an unfair competitive advantage.

Disclosure Process

The COI-EAD Disclosure Form is the mechanism by which employees provide documentation of their identified potential, actual, and perceived conflicts and intention to participate in or contribute to external activities to the Compliance Team. This form is provided at the time of hire and annually thereafter. Subsequent submissions of the form must include any new information as well as updated or missing information regarding prior disclosures (e.g., the updated value of a previously disclosed financial interest). The form is also available to all employees on an as needed basis to provide new disclosures or changes to existing disclosures such as those due to a change in an investigator's circumstances.

COI Disclosure Categories

The form has been broken down into several categories to cover the various scenarios introduced in the general guidelines section above. The categories are as follow:

A. Significant Financial Interests (SFI)

Employees are required to disclose any financial interests that are directly related to their work at Kitware. This disclosure includes any SFI's held by family members as defined in the definitions section above when they may be related to the employee's work at Kitware.

B. Intellectual Property

Employees are required to disclose any intellectual property that is assigned to a party other than Kitware that has a realized or potential to be a financial benefit to the employee. Employees are not required to disclose authorship or inventorship-only contributions if the employee will have no potential for financial benefit, such as when a prior employer has the proprietary rights and the employee contributed without receiving any proprietary rights.

C. Reimbursed or Sponsored Travel

Employees are required to disclose any travel which is paid for by an entity other than Kitware, whether reimbursed directly to the employee or paid directly by the entity. The Kitware travel authorization process typically identifies reimbursed or sponsored travel, however, the COI-EAD disclosure form must still be completed.

D. Business Influence

Relationships with entities outside of Kitware when the employee or the employee's family or household members may have influence on that outside entity's decision making, as it may relate to or impact Kitware.

E. Acceptance of Payments, Gifts or Favors

Employees are required to report any gifts provided to the employee or family members from an outside concern that does business with Kitware, where the gift was given in relation to the employee's work at Kitware. Employees are prohibited from inappropriately influencing government officials by any means (i.e. lobbying and kickbacks including gifts and/or incentives). Please refer to the [Code of Business Ethics and Conduct](#) for Kitware's gift policy.

F. Conflicting Employment or Contractual Relationships

Employees are required to provide information related to U.S. government employment, any outstanding employment agreements, and any professional affiliations or appointments that could present as a conflict. Additionally, Federal contractors (i.e. Kitware employees) shall refrain from engaging in Kitware employment opportunity discussions or negotiations with federal employees with whom Kitware has a direct working relationship such as any federal employee who is participating "personally and substantially" in a federal procurement with Kitware.

G. Other

This section is intended to capture any other actual or perceived conflicts that may not fit in the categories above including relatives employed with Kitware.

Changes to circumstances may occur when an employee is appointed to work on assignments that either (i) create new potential conflict for the employee or the institution, vendor, collaborator, partnering firm, or subcontractor with whom the company conducts business, or (ii) change the facts applicable to previously disclosed potential conflicts. Such a report must be filed within 30 days of identification of the conflict.

External Activity Disclosure (EAD) Categories

External activity disclosure is the process by which employees disclose their intent to participate in or contribute to external activities *in advance of such activity* so that a determination can be made as to whether such activities may present a potential conflict. These may include contributing to or participating in activities that are similar or related to Kitware's industry, expertise, platforms, service offerings, or support functions. This disclosure process is also necessary to evaluate whether activities may overlap or interfere with the employee's responsibilities at Kitware and with their ability to perform to the expectations of their role without presenting a potential conflict of commitment.

EADs typically involve external professional contributions that rely on an employee's professional skills and may not otherwise be captured by the Conflict of Interest categories above. Financial interests related to such activities will be assessed during the evaluation process. If an activity is approved, any financial interests will be documented and managed via the COI disclosure process as required.

Activities included in this disclosure requirement have been categorized into the following four types:

- Contributing to a software project, including an open-source project (excluding bug fixes, minor modifications, and basic documentation), independent of your role at Kitware to be shared more broadly than personal use
- Compensated professional commitments independent of your role at Kitware
- Uncompensated professional commitments, associations, committees, and educational training independent of your role at Kitware
- Performing research or participating in the development of any paper, publication, product, or project in a field related to Kitware's service offerings, independent of your role at Kitware, that is intended to be shared with any party outside of Kitware

Activities that do not require disclosure or approval (unless there is a financial interest such as compensation):

- Participating on an ethics board, proposal or paper review panel, or dissertation committee on your own time for a U.S. federal, state, or local government agency, a U.S. institution of higher education, or a U.S. not-for-profit/nonprofit organization
- Participating on a conference, standards, or events committee on your own time for a U.S. federal,

state, or local government agency, a U.S. institution of higher education, or a U.S. not-for-profit/nonprofit organization such as IEEE or Standard C++ Foundation

- Writing software for your own personal (non-commercial, non-public) use (e.g. home automation, completing Coursera course homework) that will not be shared

Kitware understands and supports employees' participation in outside professional activities. However, external activities that may not be manageable, and therefore may not be approved, include but are not limited to:

- Performing outside work for any past, current, or potential Kitware client or other activities that compete with Kitware platforms or service offerings
- Activities where your involvement may create the perception of a conflict that could cause reputational or other business harms to Kitware, including external collaborations with Foreign Persons, governments, or entities subject to sanctions or other export prohibitions
- Activities that create a financial conflict of interest with your responsibilities at Kitware or otherwise interfere with your ability, or capacity, to effectively perform in your assigned role at Kitware

In addition to the disclosure process, it is also important to understand and ensure compliance with Kitware's proprietary information and work product policy prior to contributing to external activities. Per that policy, all employee inventions and technical or business innovations developed or conceived, solely or jointly, during employment at Kitware are assigned to Kitware unless otherwise set forth in a mitigation plan developed by the Compliance Team.

To effectively determine the potential impact of contributing to an external activity, the disclosure form must be completed and submitted to Compliance for review. For all new activities, this submission takes place prior to partaking in the activity. For all existing activities not yet disclosed, please ensure immediate disclosure to remediate the delinquency.

Review Process

Compliance is responsible for reviewing the aforementioned disclosure form to determine the relatedness of an employee's disclosures to their Kitware responsibilities and the impact of potential conflicts. This review process allows Compliance to manage and report conflicts as necessary. Several Kitware policies contribute to the review process in addition to this policy such as the [Code of Business Ethics and Conduct](#) and the [Employee Handbook](#) which includes the proprietary information and work ownership policies.

In the event that Compliance determines a disclosure represents a potential conflict during their review, Compliance may contact the discloser to gather additional information needed to further evaluate. Compliance may also share information on potential conflicts with the appropriate manager, team lead, Management, and/or disclosure committee and request that a review for conflict concerns, including determinations of relatedness, be performed in conjunction with Compliance.

If deemed necessary or contractually required, a mitigation plan is developed to limit or remove the conflict or associated risk. Conflicts are managed until they no longer exist by monitoring and adjusting

the plan as needed. Restrictions and/or actions to reduce or eliminate the conflict may include:

- 1) public disclosure of financial conflicts of interest (reporting to the funding source or government agency and when presenting or publishing the research),
- 2) for research projects involving human subjects research, disclosure of financial conflicts of interest directly to participants,
- 3) monitoring research with independent reviewers,
- 4) modification of research or work plans,
- 5) change of personnel or personnel responsibilities, or disqualification from participation in all or portions of assignments,
- 6) reduction or elimination of the financial interest (e.g. sale of an equity interest), or
- 7) severance of relationships that create conflicts of interest.

This review process must be complete prior to expenditure of any funds for any project(s) related to the conflicts identified and/or disclosed. If a conflict of interest is identified (whether by a disclosure from the Investigator or some other means) in the course of an ongoing project, interim measures may be implemented during the review process. In this case, if a mitigation plan is necessary it will be implemented within 60 days.

External Reporting

Initial and ongoing conflict of interest reports will be provided to government agencies, funding sources and/or members of the public whenever required by regulations or contractual obligations. This includes submitting and updating FCOI reports to the PHS awarding entity as required.

Noncompliance with this policy that introduces bias will be reported as required. The appropriate agency will be notified and a Mitigation Report submitted as necessary, if bias is found with the design, conduct or reporting of PHS-funded research.

Summary

Determining whether a conflict of interest exists can sometimes be difficult. Employees are strongly encouraged to seek guidance from Compliance before entering into any transaction or activity that may potentially give rise to a conflict of interest. This policy and its disclosure requirements confirm our intent to perform business activities with integrity and without bias.

References

This policy is in compliance with 48 CFR Part 9 Subpart 9.5, 42 CFR Part 50 Subpart F, 42 CFR Part 93, and 45 CFR Part 94.