

Public Interest Incorporated Foundation Kawasaki Institute of Industrial Promotion

Outlines for Conflict of Interest Management

Chapter 1 General Rules

(Purpose)

Article 1 The outline is based on the definition of the conflict of interest policy of Public Interest Incorporated Foundation Kawasaki Institute of Industrial Promotion, and aims at having Public Interest Incorporated Foundation Kawasaki Institute of Industrial Promotion ('the foundation') and the board members of the foundation (as defined in Article 2 Paragraph 1) appropriately manage the conflict of interest that would occur when carrying out Industry-University-Government cooperation activities (as defined in Article 2 Paragraph2) as well as promoting the prevention of disadvantage due to conflict of interest.

(Definition)

Article 2 The terms listed in the following in this outline are defined in the following numbered items.

1. 'Board members etc.' refers to the individuals listed in the following items.
 - (1) Board members of the foundation (includes Chairperson、 Vice chairperson, Executive Director, Director, Auditor)
 - (2) Public Interest Incorporated Foundation Kawasaki Institute of Industrial Promotion Employment Regulations (Enacted 14 May 1988, Revised rules enforced 1 July 2015) The staffs in Article 2 and Specifically appointed staff , part-time staff, temporary staff, Specific research scientist staff in Article 3 Paragraph1.
 - (3) The others, the individuals designated by the conflict of interest management committee stipulated in Article 3.
2. ' Industry-University-Government cooperation activities' refers to the following activities:
 - (1) Part-time to the companies, etc. (as defined in this article paragraph 4), joint research or funded research with the companies etc.
 - (2) Act of gaining a certain amount or more money (salary, honoraria, the manuscript fee, etc.) or benefit (goods, equipment, personnel, etc.) or financial benefits such as provision or stocks (excluding those received from the public organizations) from companies etc.
 - (3) Act of purchasing more than certain amount of goods , services, etc.
 - (4) Act of providing use of the facilities and equipments to the individuals who are in the interest
 - (5) Act of gaining technology transfer of intellectual property owned by the foundation and its royalty income
 - (6) The others, the conducts designated by conflict of interest management committee stipulated in Article 3.

3. 'Conflict of Interest' means the following listed items.

- (1) Along with the foundation engages in industry-university-government cooperation activities, social responsibility of the foundation is inhibited by prioritising the profit gaining from the companies etc.
- (2) Along with the board members etc. engage in industry-university-government cooperation activities, in the case that have obtained royalty income, part-time remuneration, unlisted stocks and other profit from companies etc., the performance of the appropriate duties of the board members etc. in the foundation is inhibited by prioritising to their own or companies' profit due to the fact they are gaining benefit.
- (3) As the board members etc. engage in part-time, in the case responsibility in performing duties for the companies has arisen, the performance of the appropriate duties in the foundation is inhibited by prioritising the responsibility in performing duties for the companies etc.'

4. 'Companies etc.' refers to the administrative agencies of the State or local governments, universities, companies, or the other organisations, at home and abroad.

Chapter 2 Conflict of Interest Management Committee

(Installation)

Article 3 The foundation installs Conflict of Interest Management Committee ('the management committee') which performs the following duties in the numbered items under Innovation Center of NanoMedicine ('iCONM') in order to manage conflict of interest properly.

(Agenda)

Article 4 The management committee deliberates the following numbered items.

- (1) Formulation related to the matters regarding the implementation of the outlines.
- (2) Formulation of policies in order to curb the adverse effects from conflict of interest 利]
- (3) Conflict of interest status as a foundation
- (4) Whether individual cases with respect to conflict of interest is acceptable as a foundation or not
- (5) Investigation, implementation, and the analysis of its procedure and results
- (6) Information management and information disclosure with respect of conflict of interest
- (7) The others, important matters related to the foundation's conflict of interest

(Investigation for Conflict of Interests Management)

Article 5 Investigation stipulated in the preceding Article paragraph 5 is implemented by the following numbered listed items.

- (1) Claim self-declaration form or collect information about the business person whose stocks are

owned by the foundation etc.

- (2) Advice and guidance
- (3) Observation of status
- (4) The other、 the methods which deems to be necessary for the investigation for conflict of interest management

(Procedure in Review、 Recommendation, and Decision)

Article 6 The management committee, based on the investigation implemented by the provisions of the preceding Article, reviews the conflict of interest status, and discuss whether or not acceptable as a foundation with respect to conflict of interest.

2. Results of the deliberation must be reported to the chairperson promptly and must obtain approval from him/her.
3. The management committee shall serve recommendation for improvement for the individual whose performance needs improvement.
4. The management committee observes the status of the board members who performs the activities, if the recommendation for improvement in the preceding paragraph was served.
5. The individual who has received a recommendation for improvement in accordance with the provision of the 3rd term may claim to the management committee for the second review, if there is a complaint in the recommendation, it is possible to request a re-examination to the management committee by the offer.
6. The management committee shall perform re-examination promptly when it received a request for re-examination in the preceding paragraph.
7. The management committee, deliberately discuss the necessity of improvement regarding the activities related to the claim for re-examination, and report the results to the chairperson.
8. Chairman, when he/she admits the necessity for improvement in the activities in the case of receiving the report set forth in the preceding paragraph, order the improvement to those who carry out the activities. When he/she admits improvement is not required, cancel the recommendation for improvement and notify the individual who did the activity.

(Preservation of self-declaration form)

Article 7 Management committee manages the submitted self-declaration form as a confidential document and preserves it.

(Implementation of Training)

Article 8 Management committee is to hold regular training sessions for the individuals among board members who can be the subject of conflict of interest.

(Disclosure of Information)

- Article 9 The management committee shall fulfil the accountability to society by publicising the necessary information related to the conflict of interest of the foundation to the external to the necessary extent.
2. The management committee corresponds for the investigation from outside on the conflict of interest.
 3. When disclosing information to outside, the management committee pays attention to protect personal information of the board members and other people.

(Organisation)

- Article 10 The management committee is organised by approximately 5 members nominated from among the board members by the chairperson.
2. The term of office of committee members chairperson set forth in the preceding paragraph is appointed, be 2 years. However the term of office of a substitute member shall be the remaining term of the predecessor.
 3. The member of the committee in the preceding paragraph shall not interfere with there-election.

(Chairperson of the committee)

- Article 11 The foundation appoints the industry support director to be a chairperson of the management committee.
2. Chairperson convenes the management committee, and become its chairperson. However, if there is a difficult circumstances in performing duties to the chairperson, the committee member who has been appointed in advance act for the duties.

(Meeting)

- Article 12 The management committee will be held once a year in principle. However, when deemed necessary, it can be held temporarily.

(Quorum and voting)

- Article 13 The management committee, is established of the attendance with more than 2/3 of the committee members, and proceedings will be decided by a majority of the attendees.

(Hearing)

- Article 14 The management committee is able to inquire with advisory board set forth in the next chapter and receive reports.
2. The management committee is able to ask the individual outside of the committee members for

attendance and listen to his/her opinions.

Chapter 3 Conflict of Interest Advisory Board

(Installation)

Article 15 The foundation installs Conflict of Interest Advisory Board ('the Advisory board') to carry out the duties in the numbered items listed in the following Article.

(Duties)

Article 16 Advisory board carries out the duties listed under the numbered items listed in the following.

- (1) Report to the inquiries from the management committee concerning conflict of interest as a foundation
- (2) The others, the duties referred by the management committee

(Organisation)

Article 17 Advisory board, organised with a few advisors consisted of external experts and /or the board members of the foundation etc. The majority of advisors shall be the external experts.

2. Chairperson commissions the advisor in the preceding paragraph, and his/her term of office shall be 2 years. However, the term of office of a substitute member shall be the remaining term of the predecessor.
3. Advisor of paragraph 1 shall not interfere with the re-election.
4. The foundation pays honorarium for the external experts on the basis of the guidelines on the remuneration for the foundation's managers etc. and honorarium for the lecturers etc.

Chapter 4 Consultation Office for Conflict of Interests

(Installation)

Article 18 The foundation installs a conflict of interest consultation office to receive a consultation from board members etc. under the management committee in order to carry out the duties listed in the numbered items of following Article.

(Duties)

Article 19 Conflict of interest consultation office performs the following numbered duties.

- (1) Advice or guidance to the question or consultation about conflict of interest from board members etc.
- (2) Administration and support on conflict of interest management
- (3) Creation of the report concerning the duties of the conflict of interest consultation office, and

submission to the management committee

- (4) Review and report of the other matters related to conflict of interest referred to by the management committee

(Organisation)

Article 20 Conflict of interest consultation office is organised by some conflict to interest counsellors consisting of the external experts or the board members of the foundation.

2. Conflict of interest counsellor shall be appointed by the chairman of the management committee.
3. The foundation may commission a conflict of interest consultation office to the external third party organisation.
4. The foundation, based on the guidelines on the compensation for the foundation managers etc. and the honorarium for the lecturers, pay the remuneration to the external conflict of interest counselors.

Chapter 5 Reporting Procedure

(Self-declaration)

Article 21 Board members etc. must submit self-declaration form about the conflict of interest status that they are involved to the management committee regularly.

2. Board members etc. must report the following information which is required on judgement of the conflict of interest status in the preceding paragraph.
 - (1) Side jobs (Content of activities and income)
 - (2) Economic benefits such as compensation, stock ownership, etc.
 - (3) Technology transfer of the invention attributable to the foundation staff themselves and its royalty income
 - (4) Acceptance status of joint research and funded research
 - (5) Provision of donations, equipments, and goods
 - (6) Providing the use of facilities and equipments for the individuals in interest
 - (7) Purchase of goods from the individuals in interest
3. Board members may seek an examination of the following Article by consulting with the conflict of interest consultation office, or submitting a self-declaration form, if there is a possibility that the situation corresponding to the disadvantage due to conflict of interest occurs.
4. Submission time of the self-declaration form, format, etc. in the paragraph 1 shall be set by the management committee.

(Examination at the management committee)

Article 22 Management committee carries out the examination on the basis of self-declaration, which was submitted pursuant to the provisions of the preceding Article.

2. Management committee notifies the board members etc. and the project leaders after reporting the examination result to chairperson and received approval when it carried out the examination. In this case, there is a possibility that situation corresponding to disadvantages due to conflict of interest occurs or might occur, when the corrective measures for this is judged to be necessary, management committee notifies the corrective measures together with the other necessary matters.

(Avoidance of disadvantage due to Conflict of Interest)

Article 23 Board members etc. must take the corrective action, and carry out the avoidance of disadvantage due to the conflict of interest or improvement, if they receive a notification of the corrective measures pursuant to the preceding Article paragraph2.

(Appeal)

Article 24 Board members etc. in the case they received the notification under Article 22 Paragraph 2, if there is a complaint in the examination results, regardless of the provisions of the preceding article, may appeal to the management committee in writing, within 30 days from the day following the date of receiving the notification. However, the appeal shall be limited to once for the same matters.

(Handling of conflict of interest as a foundation)

Article 25 Management committee or advisory board, if they admit the possibility that disadvantage situation would occur due to the conflict of interest to the foundation verify the facts that constitute a conflict of interest.

2. Management committee or advisory board, to report the improvement measures to chairperson, if the improvements were deemed necessary as a result of the confirmed facts in accordance with the preceding paragraph.
3. Chairperson, in case he/she received the report set forth in the preceding paragraph, to implement the remedial measures and carry out the avoidance of disadvantage due to the conflict of interest or improvement, if he/she admitted it is necessary to implement the improvement measures.

Chapter 6 Preservation of Confidentiality

(Obligation of the committee members etc.)

Article 26 Members of the management committee, advisors, and conflict of interest counsellors shall not

disclose the confidential information they have learnt on the job to the others. The same shall apply after they retire from their duties.

2. For those who were asked to attend the management committee in accordance with the provisions of Article 14 and those who conduct administration in accordance with the next Article, shall apply *mutatis mutandis* to the provisions of the preceding paragraph.

Chapter 7 Administration

(Secretariat)

Article 27 Administration related to the management committee, advisory board, and conflict of interest consultation office are carried out in iCONM management office with the cooperation from relevant divisions.

Chapter 8 Miscellaneous provisions

(Miscellaneous provisions)

Article 28 Items concerning conflict of interest management other than determined in the outline are determined separately.

Supplementary Provision

This outlines are enforced from April 1, 2016.

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