

RTX CORPORATION

ASSESSMENT OF FINANCIAL CONFLICTS OF INTEREST RELATED TO U.S. DEPARTMENT OF ENERGY (DOE)-FUNDED RESEARCH

1. Purpose

- 1.1 The purpose of this Functional Standard Work (FSW) is to outline the RTX Corporation (“**RTX**” or the “**company**”) process for assessing financial conflicts of interest (“**FCOIs**”) for U.S. Department of Energy (DOE)-funded research.
- 1.2 The DOE has issued an Interim Conflict of Interest (COI) Policy (Financial Assistance Letter FAL 2022-02) to establish standards that provide a reasonable expectation that the design, conduct, and reporting of projects wholly or in part funded under DOE financial assistance awards will be free from bias resulting from FCOIs or organizational conflicts of interest (OCOs). Note: The DOE Interim COI Policy and this Functional Standard Work do not apply to DOE contracts awarded pursuant to the Federal Acquisition Regulation.

2. Definitions

- 2.1 Financial Conflict of Interest: For the purposes of this FSW, a Financial Conflict of Interest (FCOI) means a situation where it has been determined that an Investigator, or the Investigator’s spouse, or one of the Investigator’s dependent children has a Significant Financial Interest (as defined in Section 2.3 below) or financial relationship that could directly and significantly affect the design, conduct, reporting, or funding of a project.
- 2.2 Organizational Conflict of Interest: For the purposes of this FSW, an Organizational Conflict of Interest (OCOI) means a situation where, because of relationships with a parent company, affiliate, or subsidiary organization, RTX would be unable or would appear to be unable to be impartial in conducting a procurement action involving a related organization.
- 2.3 Significant Financial Interest: For the purposes of this FSW, a Significant Financial Interest (SFI) means:
 - 2.3.1 Subject to Section 2.3.3, a financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator's spouse and dependent children) that reasonably appears to be related to the Investigator's responsibilities at RTX:
 - a. Publicly Traded Entity

With regard to any foreign or domestic publicly traded entity, an SFI 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.

For purposes of this definition: “remuneration” includes salary and any payment for services not otherwise identified as salary (e.g.,

consulting fees, honoraria, paid authorship); and “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. Remuneration excludes those financial interests specified in 2.3.3.

b. Non-Publicly Traded Entity

With regard to any foreign or domestic non-publicly traded entity, an SFI exists if the value of any remuneration, not otherwise disclosed as current, pending, or other support, received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator's spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest).

2.3.2 Subject to Section 2.3.3., Intellectual property rights and interests (e.g., patents, copyrights), upon receipt of income related to such rights and interests.

2.3.3 The term Significant Financial Interest does not include the following types of financial interests:

- a. Salary, royalties, or other remuneration paid by RTX to the Investigator if the Investigator is currently employed or otherwise appointed by RTX, including intellectual property rights assigned to RTX and agreements to share in royalties related to such rights;
- b. Any ownership interest in RTX held by the Investigator;
- c. 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;
- d. Income from seminars, lectures, or teaching engagements sponsored by a federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education; or
- e. Income from service on advisory committees or review panels for a federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

2.3.4 Sponsored Travel means the occurrence of any reimbursed or sponsored travel (i.e., that 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 institutional responsibilities that is not otherwise disclosed in current and pending or other support disclosures, provided that this disclosure requirement does not apply to travel that is

reimbursed or sponsored by a federal, state, or local government agency of the United States; a domestic Institution of Higher Education (as defined in 20 U.S.C. § 1001(a)); or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

3. Persons Responsible

- 3.1 This FSW applies to:
 - 3.1.1 Employees identified as Principal Investigator (“**Investigator**”) (or, in the case of proposal activity, reasonably expected to be assigned as an Investigator) to perform research funded by the DOE, and any other employee who is identified by the Investigator as being responsible for the design, conduct, or reporting of research funded by the DOE, or proposed for such funding; and
 - 3.1.2 Organizations within RTX, including its major business segments (each, a “**Business**”), divisions, corporate functions, and direct and indirect subsidiaries; and
 - 3.1.3 Directors, officers, employees, contractors, and any other persons who work for a Business.

4. Responsibilities

- 4.1 All persons identified as Investigators (or, in the case of proposal activity, reasonably expected to be assigned as an Investigator) to perform research funded by the DOE, and any other employee who is identified by the Investigator as being responsible for the design, conduct, or reporting of research funded by the DOE, or proposed for such funding must:
 - 4.1.1 Promptly submit Significant Financial Interest (SFI) Questionnaires on their own behalf and on behalf of their spouse and dependent children to disclose any SFIs and provide all relevant information necessary for the review, adjudication, and mitigation of any SFI;
 - 4.1.2 Act in the best interests of RTX and not allow the design, conduct, and reporting of projects wholly or in part funded under DOE financial assistance awards to be improperly influenced by outside factors such as bias resulting from FCOIS or OCOIs; and
 - 4.1.3 Adhere to any RTX management plans put in place to mitigate FCOIs.
- 4.2 Business Leaders (i.e., executive leaders of the relevant RTX Businesses that perform under DOE projects) must maintain internal controls adequate to ensure compliance with this FSW.
- 4.3 Supervisors and Managers must:

- 4.3.1 Ensure employees working on DOE research proposals or DOE-funded projects are informed about this FSW and promptly disclose known or suspected SFIs and take the necessary steps to ensure employee adherence to any FCOI management plans; and
- 4.3.2 Work proactively with their Business Responsible Functional Group (BRFG), and/or Legal, Contracts, and Compliance (LCC) personnel to identify and mitigate SFIs.
- 4.4 Business Responsible Functional Group (BRFG) must:
 - 4.4.1 Coordinate on the development of tools, functional work, procedures, and/or training materials necessary to effectively identify, assess, and adjudicate SFIs;
 - 4.4.2 Assist Business Leaders in setting forth requirements to ensure employees complete this FSW;
 - 4.4.3 Assess and adjudicate SFIs for existing Business employees working on DOE research proposals or DOE-funded projects in accordance with this FSW;
 - 4.4.4 Assess and adjudicate SFIs for New Hires working on DOE research proposals or DOE-funded projects in accordance with established procedures;
 - 4.4.5 Provide guidance to Business employees, management, and other affected persons on questions related to this FSW;
 - 4.4.6 Maintain documentation related to the disposition of current employee SFIs;
 - 4.4.7 Ensure implemented processes and procedures related to this FSW are consistent with applicable data privacy laws and internal policies; and
 - 4.4.8 Flow down the requirements of the DOE COI policy to each Subrecipient. "Subrecipient" means an entity, usually, but not limited to, non-federal entities, that receives a sub-award to carry out part of a federal award.

5. Procedures

- 5.1 Each employee identified as an Investigator assigned to write proposals for DOE-funded research, or on DOE-funded research projects, must complete an SFI Questionnaire (see Exhibit A) that identifies any SFIs and submit to the BRFG. Questions about the necessity of submitting an SFI Questionnaire, or whether a matter should be reported on an SFI Questionnaire, should be promptly reviewed with the BRFG.
 - 5.1.1 Investigators must submit SFI Questionnaires:

- a. Before the submittal of any proposal where they are identified as an Investigator;
- b. Before starting work on any DOE-funded project;
- c. Annually;
- d. Within 30 days of discovering or acquiring a new SFI; or
- e. Within 30 days of adding each new Investigator.

5.2 In the event of a determination of an FCOI:

5.2.1 The BFRG shall develop and implement a management plan that specifies the actions that have been, and shall be, taken to manage the FCOI. Examples of conditions or restrictions that might be imposed to manage a conflict include, but are not limited to:

- a. Public disclosure of the FCOI (e.g., when presenting or publishing the research);
- b. For research projects involving human subjects, disclosure of the FCOI directly to participants and persons considering participation;
- c. Appointment of an independent monitor capable of taking measures to protect the design, conduct, and reporting of the research against bias resulting from the FCOI;
- d. Modification of the research plan;
- e. Changing of personnel or personnel responsibilities, or disqualification of personnel from participation in all or a portion of the research;
- f. Reduction or elimination of the financial interest (e.g., sale of an equity interest); and
- g. Severance of relationships that create financial conflicts of interest.

5.2.2 The BFRG shall monitor compliance with the management plan until the completion of the DOE-funded research project.

5.3 The BFRG shall provide DOE initial and ongoing FCOI reports regarding any unmanaged or unmanageable SFI identified by RTX that will not be eliminated prior to the expenditure of DOE-awarded funds (“Reportable FCOI”).

5.4 The BFRG shall provide DOE with an annual FCOI Report regarding any previously disclosed FCOI.

6. Revision History

6.1.1 This is a new FSW for RTX.

7. Related Information

7.1 DOE Policy

Document	Document Title
DOE Interim COI Policy	Department of Energy Interim Conflict of Interest Policy Requirements for Financial Assistance (FAL 2022-02)

8. Exhibits

Exhibit A – SFI Questionnaire

**RTX CORPORATION'S
U.S. DEPARTMENT OF ENERGY (DOE) SIGNIFICANT FINANCIAL INTEREST (SFI)
QUESTIONNAIRE / DISCLOSURE STATEMENT**

RTX Business Unit	
Proposal Number	
Proposal/Program Name	
DOE Agreement Number	
Principal Investigator's Name	

PRIVACY NOTICE

The Department of Energy (DOE) requires that any projects funded under DOE financial assistance awards must complete a review to confirm that they are free of financial or organization conflicts of interest. RTX Corporation and its affiliates and subsidiaries (collectively "RTX") request that you complete this questionnaire because you have been identified as someone working on a current or proposed DOE-funded project. To complete the questionnaire, you will be asked for some personal information about you, your spouse, and your dependent children. To the extent that you provide information about other people, it is your obligation to confirm that you have their consent in providing the data.

The Employee Privacy Notice applies to any data provided about you, and the General Privacy Notice applies to information supplied about family members. Additionally, we are providing some more specific information below.

What personal information will we collect? The personal information that we will collect is set forth below in the questionnaire. The questions have been tailored to seek only information that is relevant to RTX's compliance efforts to fulfill the DOE-required conflicts of interest review. We may also need to contact you to resolve any issues that we identify in the context of reviewing your questionnaire.

For what purpose will we use the personal information? The information you provide in this questionnaire will be used and processed by RTX primarily to help achieve compliance with the DOE COI policy. We may also use this personal information as set forth in the Employee Privacy Notice and the General Privacy Notice (whichever is applicable as noted above).

What else should I know? If you have a concern about providing personal information or if you have any questions about data privacy related to this questionnaire, please consult with your RTX Privacy Professional. For additional information about RTX's sharing, storage, and retention of personal information, and about the rights of data subjects, please review the applicable privacy notice.

As an investigator (and for your spouse and dependent children), you must report all Significant Financial Interests, which are defined as follows:

“Significant Financial Interest” (SFI) means:

(1) A financial interest consisting of one or more of the following interests of the Investigator (and those of the Investigator’s spouse and dependent children) that reasonably appears to be related to the Investigator’s RTX responsibilities (defined below):

To be reportable as an SFI, the financial interest must be in excess of the following “Significant Financial Interest Threshold value”:

I. Publicly Traded Entity

With regard to any foreign or domestic publicly traded entity, an SFI 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. For purposes of this definition, “remuneration” includes salary and any payment for services not otherwise identified as salary (e.g., consulting fees, honoraria, paid authorship); 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;

II. Non-Publicly Traded Entity

With regard to any foreign or domestic non-publicly traded entity, an SFI exists if the value of any remuneration, not otherwise disclosed as current, pending, or other support, received from the entity in the twelve months preceding the disclosure, when aggregated, exceeds \$5,000, or when the Investigator (or the Investigator’s spouse or dependent children) holds any equity interest (e.g., stock, stock option, or other ownership interest); or

III. Intellectual Property Rights

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

(2) Sponsored Travel. Investigators also must disclose the occurrence of any reimbursed or sponsored travel (*i.e.*, that 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 RTX responsibilities that is not otherwise disclosed in current and pending or other support disclosures, provided that this disclosure requirement does not apply to travel that is reimbursed or sponsored by a federal, state, or local government agency of the United States; a domestic Institution of Higher Education; or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

To be reportable, the SFI should reasonably relate to your (the Investigator’s) RTX Responsibilities, which are defined as: an Investigator’s professional responsibilities for work performed for, or on behalf of RTX. Examples of “RTX Responsibilities” include, but are not limited to, performance of research on behalf of RTX, research consultation, institutional committee memberships, and service on panels such as institutional review boards or data and safety monitoring boards.

The term *Significant Financial Interest* does not include the following types of financial interests:

- a. Salary, royalties, or other remuneration paid by RTX to the Investigator if the Investigator is currently employed or otherwise appointed by RTX, including intellectual property rights assigned to RTX and agreements to share in royalties related to such rights;
- b. Any ownership interest in RTX held by the Investigator;
- c. 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;
- d. Income from seminars, lectures, or teaching engagements sponsored by a federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education; or
- e. Income from service on advisory committees or review panels for a federal, state, or local government agency of the United States, a domestic Institution of Higher Education, or a domestic research institute that is affiliated with a domestic Institution of Higher Education.

Do you have any potential SFIs (as defined above) to be reported?

NO

YES

Please indicate below the applicability of this SFI Questionnaire by selecting one of the following:

At proposal

Prior to commencing work on the project

Annually

Within 30 days of discovering or acquiring a new SFI

Within 30 days of each new Investigator

I understand that this Disclosure is required to obtain funding from the U.S. Government. I, _____ **[Full Name and Title]**, certify to the best of my knowledge and belief that the information contained in this Disclosure Statement is true, complete, and accurate. I understand that any false, fictitious, or fraudulent information, misrepresentations, half-truths, or omissions of any material fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims, or otherwise. (18 U.S.C. §§ 1001 and 287, and 31 U.S.C. 3729-3730 and 3801-3812). I further understand and agree that (1) the statements and representations made herein are material to the U.S. Government's funding decision, and (2) I have a responsibility to update the

disclosures during the period of performance of the award should circumstances change which impact the responses provided above.

Signature

Date

Print name