



Guidelines on DTU employees' involvement in DTU spin-outs and DTU-based start-ups

Background

DTU cooperates with a number of companies that originate at DTU, but are not based on IPR owned by DTU (start-ups), as well as with companies based on DTU-owned IPR (spin-outs).

DTU employees are regularly offered the opportunity to get involved in these start-up and spin-out companies in different ways, e.g. by becoming co-owner of such a company.

When DTU participates in the establishment of a spin-out based on DTU technology, the handling of DTU's interests, including the negotiation of contracts etc., will – in addition to the members of the Executive Board and the heads of department – normally be undertaken by a limited group of DTU employees, typically the persons responsible for innovation and business development at the departments and lawyers from AFRI. However, other employees may also be involved in the process of handling DTU's interests. For this group of employees an offer of co-ownership of a spin-out may result in a conflict of interest.

In DTU's guideline "The employees' options when starting their own company" it is laid down that the members at DTU's executive level have the overall responsibility to ensure that an employee's involvement in a private company does not result in any actual or potential conflicts of interest with DTU. The members at the executive level must guarantee and supervise that no conflicts of interest arise between DTU employees and commercial companies.

To ensure that members at the executive level do not get involved in a company which may cause challenges with respect to their function as guarantors for and supervisors of potential conflicts of interest, and similarly to protect the group of employees handling DTU's interests in connection with the establishment of a spin-out from ending up in conflicts of interest, the below guidelines are applicable. The guidelines are a supplement to the already approved guideline "The employees' options when starting their own company".

The executive level

Members of the executive level is cut off from investing in DTU spin-outs and DTU start-ups and may not in any other way be granted the opportunity to acquire co-



ownership via options, share arrangements, etc. They are responsible for overseeing that no conflicts of interest arise with respect to DTU's employees, why a prohibition is considered the best way to safeguard this task. In the event of specific circumstances, DTU's President can deviate from this principle and take the necessary action to prevent a conflict of interest.

Notwithstanding the above, it is still possible for a member at the executive level to be part of the board of directors or an advisory board, as well as a member at the executive level can be co-inventor of a DTU patent on the same terms as other employees.

Employees handling DTU's interests in connection with spin-outs

As mentioned above, employees handling DTU's interests in connection with the negotiations about and the establishment of a DTU spin-out are – as all other DTU employees – comprised by DTU's guideline "The employees' options when starting their own company". For these employees, the present guidelines constitute a supplement to the existing guidelines.

DTU's Senior Vice President for Innovation and Entrepreneurship and the relevant member at the executive level will decide in each particular case whether one of these employees may be co-owner of a DTU spin-out.

If an employee is granted a permission to acquire co-ownership of a spin-out, that employee will be restricted from participating in any case administration and decision-making regarding the spin-out. However, a problem of impartiality may arise even before the employee has decided to become involved. The problem arises if the opportunity of co-ownership is presented before or during a negotiation process. In this case, the employee shall notify his/her immediate superior about the spin-out's approach, and the employee must no longer undertake the case administration, if he/she wants to become involved in the spin-out.

Once a year, employees who are granted the permission to acquire co-ownership of a DTU spin-out must disclose information hereof in connection with the reporting of second employment activities. The notification must include a description of such involvement (direct investment, options, etc.). Each year, the complete list of the information reported is presented to DTU's Executive Board, and the members at the executive level will receive the relevant parts of the list for closer examination.

20 January 2020