I. Policy

It is the policy of Bon Secours Mercy Health and all related organizations and affiliates (collectively referred to as "BSMH"), that all BSMH Board members, Board Committee members, all senior and executive leaders and other key management personnel throughout the System, including physicians in certain leadership roles, will:

a. Ensure that their outside activities and interests do not compromise their fiduciary duties in service to the interests of BSMH;

b. Disclose any activities or relationships where there could be a conflict of interest ("COI"), or the appearance of a conflict of interest;

c. Abstain from voting on any transaction or matter where they have a conflict of interest that could be material.

A majority of the BSMH Board of Directors may not, at any time, have a conflict (as defined herein). All members of the BSMH Audit and Compliance Committee ("ACC") and the BSMH Human Resources Committee responsible for executive compensation will be independent of BSMH by being free of any financial Interests (as defined herein) during their term. The BSMH ACC is authorized to grant exceptions for any member of the BSMH Board or BSMH Board Committees, except for itself. The BSMH Human Resources Committee responsible for executive compensation will be free of financial Interests that conflict with their services and exceptions may not be considered for such Committee members.

This policy will be administered by the BSMH Corporate Responsibility (CR) Department, and overseen by the BSMH ACC. This policy supplements, but does not replace, any applicable state laws or regulatory requirements pertaining to conflicts of interest in non-profit and charitable corporations.

II. Purpose

This policy is intended to protect BSMH’s interests and tax-exempt status when contemplating a transaction or arrangement that could benefit an officer, director, or associate.

III. Scope

This policy applies to the following covered individuals:
1. Bon Secours Mercy Ministries Board
2. BSMH Board of Directors and Board Committees
3. Market (Affiliate) Board of Directors and Board Committees
4. Foundation Boards
5. Mercy Health Insurance Company (SPC), Ltd. Board
6. Management (System Director and above)
7. Employed physicians, physician assistants and nurse practitioners
8. Certain contracted physicians that exercise influence and are involved in contracting and purchasing decision-making for BSMH
9. All associates working in the following departments:
   a. Enterprise Risk Management
   b. Legal
   c. Supply Chain
10. Other roles with substantial influence

IV. Policy Details

1. Fiduciary Duties and Duties in Service to the Interests of the Corporation - All covered individuals shall exercise the fiduciary duties of care, loyalty and obedience on behalf of BSMH. They shall not use their positions, or knowledge gained therefrom, in a manner that would compromise or otherwise impede the exercise of these duties.

2. Disclosure - Covered individuals shall disclose fully, accurately and in a timely manner the existence and relevant material facts pertaining to any potential COI. If an individual is uncertain whether or not a potential COI exists, he or she shall disclose it to the BSMH Chief Corporate Responsibility Officer ("CCRO") so that an objective determination can be made.

3. Board and Board Committee Appointments - Prior to being appointed to any BSMH Board or Board Committee, all candidates shall complete the COI Questionnaire. No individual shall be appointed to the BSMH Board or Board Committee until all relevant aspects of the COI process have been completed.

4. Conflict of Interest Process - COI Questionnaire. On an annual basis all covered individuals shall certify in writing on the COI Questionnaire that they:
   a. Have received, read and understand the BSMH Conflict of Interest policy and agree to comply with all obligations under the policy;
   b. Have received, read and understand the BSMH Code of Conduct and agree to comply with all obligations under the Code; and
   c. Agree to maintain the confidentiality of all matters which are sensitive or proprietary relating to BSMH

5. Ongoing Disclosure - Subsequent to the completion of the Annual COI Questionnaire, if a covered individual becomes aware of a potential COI, the covered individual shall promptly disclose it to the BSMH CCRO. If the Board, a Board Committee or management has reasonable cause to believe that a covered individual has failed to disclose a potential COI, it shall inform the covered individual of the basis for such
belief and provide the covered individual an opportunity to explain the alleged failure to disclose.

6. COI Administration, Evaluation, Resolution and Enforcement - The BSMH ACC has oversight for conflicts of interest and has delegated the implementation of the COI program to the BSMH CCRO. The CCRO shall oversee the collection and review of COI questionnaires for all covered individuals. The CCRO shall be responsible for:

   a. Annually distributing COI questionnaires to and collecting completed disclosure statements from all covered individuals
   
   b. Reviewing all completed COI questionnaires and gathering additional relevant information, if needed, to identify all actual or potential COIs
   
   c. Recommending, in consultation with appropriate executive leadership, conflict management actions including but not limited to, on-going disclosure, recusal from deliberations and voting relating to certain matters or separation from BSMH or a particular interest
   
   d. Preparing and submitting to the BSMH ACC an annual summary of potential conflicts related to Board members with recommendations for proper conflict management for its review and approval
   
   e. Preparing and submitting to the BSMH ACC an annual summary of potential conflicts related to management with recommendations for proper conflict management for its review and approval
   
   f. Preparing and submitting to the BSM Ministries Board an annual summary of potential conflicts related to its members with recommendations for proper conflict management for its review and approval

The BSMH ACC shall review and approve the conflict management recommendations made by the CCRO. The BSMH ACC shall exercise due care in its review of the summaries to evaluate potential and actual conflicts and the manner in which it should be managed. Disinterested members of ACC shall discuss and determine whether a matter is an actual Conflict. The ACC may, in its discretion, decide that an Interested Person has no conflict, potential or actual conflict and determine how to manage such conflict appropriately, in the best interests of the BSMH. The determination of the ACC shall be documented appropriately.

7. Periodic Reviews - The ACC shall conduct periodic reviews of its activities to ensure that BSMH is operating in a manner consistent with accomplishing its charitable purpose and that its operations do not result in private inurement or impermissible benefit to private interest.

8. Compliance with this Policy - Noncompliance with this Policy is a serious matter and may result in removal of a covered individual. The failure to return the COI Questionnaire, or to complete it fully, accurately and in a timely manner, is considered to be noncompliant with this Policy.
V. Definitions

**Affiliate** - A party that, directly or indirectly through one or more intermediaries, controls, is controlled, or is under common control of BSMH.

**Close Personal Relationship** - A close personal relationship includes a romantic relationship and/or a friendship that involves frequent, non-work related social interaction.

**Conflict of Interest** - A potential COI exists any time an individual has an interest that conflicts, or may appear to conflict, with the interests of BSMH. A COI could potentially compromise the individual's duty of loyalty to BSMH. An individual with any type of Conflict is considered an Interested Person (as defined herein).

**Family** - Relation by blood, marriage or adoption, or with whom the individual resides: spouse/partner, parents, children, spouses/partners of children, siblings, or spouses/partners of siblings.

**Financial Interest** - A Financial Interest may be direct or indirect through a business, investment, family, or other relationship. Examples include but are not limited to:

1. Ownership or an investment interest in any entity involved or proposed to be involved in a contract, transaction, or arrangement with BSMH.
2. Compensation arrangement (through employment, contractual relationship, consulting agreement, or otherwise) with any individual or entity involved or proposed to be involved in a contract, transaction, or arrangement with BSMH.

**Interested Person** - An Interested Person is any person or entity who has a direct or indirect financial Interest in a transaction or arrangement and is in a position to exercise substantial influence over the affairs of BSMH.

**Political Activity** - Direct or indirect participation in, or intervening in, any political campaign on behalf of (or in opposition to) any candidate for elective public office.

**Substantial influence by virtue of title** - Board and Board Committee members; senior and executive leaders; medical staff leadership; internal auditors, corporate responsibility officers and revenue cycle compliance officers.

**Substantial influence by virtue of function** - any BSMH associate or agent who is directly involved in decisions relating to any of the following activities: (1) Purchasing; (2) Vendor selection and/or monitoring; and, (3) Negotiations related to mergers and acquisitions, contracts and agreements, insurance products and services, joint ventures, or contracted consultants.

VI. Attachments

N/A
VII. Related Policies

   a. BSMH Code of Conduct
   b. BSMH Vendor Relations and Gift Policy

VIII. Version Control

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