

Global Conflict of Interest Policy - Board

Policy Author: Global Governance Officer

Policy Owner: Office of the General Counsel

Scope/Eligibility: IJM Board of Directors and Officers; members of other IJM governing bodies; and all IJM Employees or Representatives who can influence the actions of IJM or its Board or make commitments on IJM's behalf (including the Global Leadership Team and other Key Employees) (collectively, "Covered Persons").

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Section 1: Framing

Philosophy Statement

As a non-profit organization, International Justice Mission (“IJM”) should be transparent in all our activities. A conflict of interest occurs when individuals' obligation to further IJM’s charitable purposes is at odds with personal interests. All Covered Persons are expected to act with integrity when dealing with government agencies, mission and relief and development organizations, other agencies, sponsors and donors, suppliers, fellow employees, nationals, and the general public. At the same time, Covered Persons have a wealth of connections that can be used to benefit IJM. It is not prohibited to utilize connections, only for Covered Persons to do so in a manner that does not put personal interests above IJM’s interests. Between the Organization and the Covered Persons, there exists a fiduciary duty that carries with it a broad and unbending duty of loyalty, ensuring that Covered Persons do not use their position within the organization or knowledge gained therefrom for personal benefit. This policy articulates requirements and a transparent process for ensuring Covered Persons are above reproach when utilizing their connections for the benefit of IJM.

Purpose

- Promote full transparency in all IJM’s dealings and ensure IJM is above reproach.
- Ensure that Covered Persons exercise the utmost good faith when making commitments on behalf of IJM, and that all commitments are made in IJM’s best interest, and not in the personal interest of the decision maker.
- Empower Covered Persons to use their resources and connections on IJM’s behalf while clarifying disclosure and review requirements in the event of a potential conflict of interest.

Context and Authority

Government bodies, charity oversight bodies, and granting institutions all require a charity’s board of directors to adopt and regularly evaluate a written conflict of interest policy that requires Covered Persons to act solely in the interests of the charity without regard for personal interest; includes written procedures for determining whether a relationship, financial interest, or business affiliation results in a conflict of interest; and prescribes a course of action in the event a conflict of interest is identified. For example, in the United States, where IJM, Inc. is incorporated, the annual tax filing, the 990, Section B, 12a, specifically asks if “officers, directors, or trustees, and key employees [are] required to disclose annually interests that could give rise to conflicts?” and whether “the organization regularly and consistently monitor[s] and enforce[s] compliance” with that policy. IJM’s Board requires this policy in Board Policy Manual Section 2.3.3. Additional specific legal requirements vary by jurisdiction; where local law is more restrictive than this policy, local law shall supersede this policy.

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Statement of Policy

AVOIDING CONFLICTS OF INTERESTS

Unless disclosed to the Board and approved by it as described below, no Covered Person (defined below) shall have any direct or indirect conflict of interest in his or her dealings on behalf of IJM.

Covered Persons¹: This policy is directed not only to IJM Inc. directors and officers, but to members of other IJM governing bodies, and to all employees who can influence the actions of the organization or its Board, or make commitments on their behalf, including the Global Leadership Team (GLT) and other Key Employees (as defined by the IRS and determined by the Office of the General Counsel).

Without limiting the foregoing, Covered Persons shall abide by the following applications of this policy:

Prohibited gifts and gratuities:

In accordance with [IJM's Bribery, Extortion and Improper Dealings Policy](#), you must not seek or accept from, or make or offer to, any gift, gratuity, entertainment, travel or other item or service of material value² from any person or organization doing business or seeking to do business with IJM.

Areas in which conflicts may arise

The duty to avoid conflicts of interest may arise in any number of situations. Among them are in the context of relationships with the following persons:

- Persons or entities supplying good or services, or seeking to supply goods or services to IJM.
- Persons or entities from whom IJM leases property or equipment.
- Persons or entities with whom IJM is dealing or planning to deal in connection with the gift, purchase or sale of securities, real estate or other property.
- Persons or entities paying honoraria, royalties, or other value for products or services delivered by IJM or its agents or employees.
- Other not-for-profit organizations, whether in the capacity of actual or potential donor or actual

¹ All IJM Employees and IJM Representatives are subject to [IJM's Conflict of Interest Policy](#) for all IJM Representatives, which similarly requires IJM Representatives to act in the best interest of IJM and not for their own personal interest; however, the Board Conflict of Interest Policy has more stringent requirements and procedures in recognition of the heightened authority of Covered Persons.

² For purposes of this policy, reasonable and customary gifts of memento advertising (e.g., calendars, pens, mugs, and the like), or an occasional meal (not excessive in cost) are not deemed to be an item of material value.

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- or potential recipient of a donation or grant; ministry partner or co-laborer, or other capacity.
- Donors and others supporting the organization.
- Media carrying IJM advertising or content.
- Governmental and non-governmental agencies, organizations and associations that affect or can affect the operations of IJM.
- Persons who are in a position to exercise substantial influence over the affairs and actions of IJM, or who have been in such a position at any time in the past five years.
- IJM itself.

NATURE OF POTENTIAL CONFLICTS

A material conflicting interest may be defined as an interest, direct or indirect, between any person or entity mentioned above and a Covered Person which might affect, or might reasonably be thought by others to affect, the judgment or conduct of a Covered Person. Such an interest might arise, for instance, through:

- Owning stock or holding debt or other proprietary interests in any third party dealing with IJM.
- Holding office, serving on the Board of Directors, participating in management or being otherwise employed (or formerly employed) in any third party dealing with IJM.
- Receiving remuneration for services with respect to individual transactions involving IJM.
- Using IJM's personnel, equipment, supplies, or good will for other than Organization-approved activities, programs and purposes.
- Please see [IJM's Bribery, Extortion and Improper Dealings Policy](#) for guidance on receiving personal gifts or loans from third parties dealing with IJM.
- Obtaining an interest in real estate, securities or other property that IJM might consider buying or leasing.
- Expending staff time during normal business hours for personal affairs or for other organizations, civic or otherwise, to the detriment of work performance for IJM.
- Providing excessive or unreasonable benefits to third parties, on behalf of IJM, or receiving excessive or unreasonable personal benefits from third parties while acting as a Covered Person.

Conflicts or potential conflicts may be direct or indirect. Indirect conflicts may arise if any of the following have an interest:

- A family member of a Covered Person. (Family member is defined broadly, and under Internal Revenue Service regulations includes all persons related by whole or half-blood or by marriage, including but not limited to siblings, siblings' spouses, ancestors, children, grandchildren, great-grandchildren, and all their spouses.)
- An estate or trust of which the director, officer, manager, influential agent, or member of such person's family is a beneficiary, personal representative, or trustee.
- A company of which a member of the family of the Covered Person is an officer, director or employee, or in which such person has ownership or other proprietary interests.
- Any other party with which a director has any personal relationship that could be seen as interfering with judgment.

If there is an open question or it is otherwise unclear as to whether a conflict or potential conflict exists, the matter must be brought before the Board Development and Governance Committee ("BDGC"); the disinterested members of the BDGC will then decide whether a conflict exists that requires action (see Procedures below).

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REVIEW OF POTENTIAL CONFLICTS

The fact that one of the interests catalogued above exists does not necessarily mean that that an actual conflict of interests exists, or that if a conflict exists, that it is sufficiently material to be of practical importance or adverse to the best interests of IJM.

It is the policy of IJM that the existence of any conflict of perceived or potential conflict be disclosed as soon as possible after the potential conflict is discovered, and at minimum, before any transaction is consummated. It is the continuing responsibility of Covered Persons to scrutinize their transactions, outside business interests, and relationships for potential conflicts and immediately make any required disclosure. Additionally, it is the policy of IJM that Covered Persons must annually review and affirm this policy and disclose existing conflicts of interest. See the procedures below for information on the process of disclosure and review.

Decisions and authority

Summarize who has key decision-making authority within this policy

Item	Recommend	Agree	Perform	Input	Decide
Disclosing a real-time Conflict of Interest	Covered Persons		Covered Persons		If an open question exists, disinterested members of BDGC.
Reviewing and approving disclosed real-time conflicts	Chair of BDGC If Chair of BDGC discloses conflict, General Counsel		BDGC Conflict Review Body (or delegated Conflict Review Body for non-Board members). If Chair of BDGC discloses conflict, disinterested Conflict Review Body made up of Board members. If disclosed by directors,		BDGC Conflict Review Body (or delegated Conflict Review Body for non-Board members). If Chair of BDGC discloses conflict, disinterested Conflict Review Body made up of Board members. If disclosed by directors,

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			officers of other IJM governing bodies, or country office directors, then disinterested members of that governing body make up the Conflict Review Body		officers of other IJM governing bodies, or country office directors, then disinterested members of that governing body make up the Conflict Review Body.
Disclosing Annual Conflicts of Interest	Covered Persons		Covered Persons		
Approving and amending the Board policy	General Counsel, Global Governance Officer			Regional Counsel, Enterprise Governance	BDGC/IJM Board of Directors
Enforcing the Policy	OGC		BDGC		
Interpret who qualifies as a Key Employee	Default recommendation is the definition provided by the IRS in the Form 990.				Office of the General Counsel

Definitions and terms

For Reference

- **[Common definitions](#)**: Common terms related to on governance or frequently used IJM terms.
- **[IJM's global glossary of terms](#)**: IJM's full global glossary of terms.

Term	Description	Example
Potential Conflict of Interest	A potential conflict of interest is present when an IJM Representatives member may potentially enjoy a financial or other personal benefit from a decision he or she could make in his or her capacity within IJM.	

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Indirect Conflict of Interest	An indirect conflict involves a situation when the IJM Representatives member does not <i>directly</i> experience a benefit but may <i>indirectly</i> experience a benefit through his or her relationships.	
Covered Persons	IJM Board of Directors and Officers; members of other IJM governing bodies; and all IJM Employees or Representatives who can influence the actions of IJM or its Board or make commitments on IJM's behalf (including the Global Leadership Team and other Key Employees).	
Key Employee	Employees with particular authority within an organization, as determined by the Office of the General Counsel. For the purpose of requiring annual conflict disclosures, IJM uses the definition for IJM's required tax filing, the Form 990 as a minimum; leaders can further request additional staff proactively disclose relationships.	

Section 2: Procedures and resources

Global procedures

Action	Procedure	Who is Responsible?	Resources
Disclose real-time potential or actual conflicts of interest	<p>Disclose and report conflict or potential conflict as soon as you are aware of it.</p> <p>Covered Persons should disclose to IJM's General Counsel, who will report the conflict or potential conflict to the Chair of the BDGC.</p> <p>If the conflict or potential conflict is held by the BDGC Chair, he or she should disclose to the Board Chair.</p>	Covered Persons with an actual or potential conflict, whether direct or indirect.	See IJM's current Conflict of Interest Annual Disclosure and Affirmation Form here .

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Review and approve potential conflict of interest	<p><u>Directors or Officers of IJM, Inc., and GLT:</u></p> <p>Where the conflict is held by Directors or Officers of IJM, Inc., or GLT, disinterested members of the BDGC (“Conflict Review Body”) will review and approve or deny conflicts or potential conflicts at a meeting of the Board or other Committee meeting of the Board where meeting minutes are taken. The individual with the Conflict (the “Conflicted Party”) shall provide the Conflict Review Body with all information and respond to all questions from the Conflict Review Body, necessary to fully assess the conflict or potential conflict. An individual with an existing or potential conflict of interest shall not be present for, and shall be recused from, any discussions about, or voting on, that conflict. The Conflict Review Body shall then determine in their sole discretion whether a conflict of interests exists and is material, and if so, whether any contemplated transaction may nevertheless be authorized as just, fair and reasonable in the best interests of IJM.</p> <p><u>BDGC Chair:</u></p> <p>Where the conflict is held by the BDGC chair, or if a Conflict Review Body does not exist, the Board Chair shall delegate review to an ad hoc</p>	<p>“Conflict Review Body”³</p> <p>If IJM, Inc. Directors or Officers, or GLT hold the conflict, the Conflict Review Body is made up of disinterested members of the BDGC. If the conflict is held by an IJM Employee or other IJM Representative (not a Director), the BDGC may delegate authority to disinterested management to serve as the Conflict Review Body.</p> <p>If the BDGC Chair holds the conflict, an ad hoc Conflict Review Body is composed of non-related parties.</p> <p>If Directors or Officers of other IJM governing bodies hold the conflict, or a Country Office Director, the Conflict Review Body will be made up of three</p>	
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³ Pursuant to a Board resolution made on November 9, 2018, the Board delegates authority to serve as the Conflict Review Body to the Board Development and Governance Committee.

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	<p>Conflict Review Body comprised entirely of non-related parties authorized to evaluate potential or perceived conflicts or related-party transactions. The same procedures outlined above should be followed.</p> <p><u>Directors or Officers of Other IJM Governing Bodies, Country Directors:</u></p> <p>Three disinterested members of that governing body will form the Conflict Review Body. The same procedure as above should be followed. If it is not possible to convene such a review body, BDGC will review as outlined above.</p> <p><u>Other IJM Staff:</u></p> <p>Note that other IJM staff should follow the Conflict of Interest Policy for IJM Representatives, even if they are required to complete the annual disclosure outlined below.</p>	disinterested members of that governing body.	
Track and report potential conflicts of interest	Written record of the decision of the BDGC or other Conflict Review Body.	BDGC Chair/Board Secretary; other Conflict Review Body	

Action	Procedure	Who is Responsible?	Resources
Proactively disclose any standing conflicts of interest annually	Complete the Annual Affirmation of Service and Conflict of Interest Disclosure via the online form. The form will be distributed to Covered Persons by IJM staff annually.	Any Board Member, Officer, GLT, member of any other IJM governing body, or any other Key Employee (as determined by the OGC), with an actual or potential conflict, whether direct or indirect.	See IJM's current Conflict of Interest Annual Disclosure and Affirmation Form here .

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Regional or local exceptions and addendums

None at this time.

Related Policies or Standards

- [Global Contracts Policy](#)
- [Global Standards for Implementing Partnerships](#)
- [Conflict of Interest Policy - IJM Representatives](#)
- [Corporate Governance SharePoint page](#) - Refer to the Board Policy Manual
- [Global Gifts Policy](#)

Training resources, FAQs

Conflict of Interest FAQs (Coming soon)