



Trustee and Officer Code of Ethics and Conflict of Interest Policy

The public purpose and tax exempt status of charitable organizations includes an obligation to maintain the public trust. The Ford Foundation has always taken this obligation very seriously and strives to set an example for the field of philanthropy in all of its activities. Accordingly, it is incumbent upon the members of the foundation's Board of Trustees and the foundation's officers to conduct the affairs of the foundation with a commitment to the highest standards of integrity. This includes performing at all times in an honest and ethical manner, in compliance with all laws and regulations and avoiding actual, potential or apparent conflicts of interest. Compliance with this code will sustain a culture where honest and ethical conduct is recognized, valued and exemplified throughout the foundation.

It is expected that trustees and officers will be involved in important activities and worthwhile causes outside of the foundation. The experience of trustees and officers who serve as officers, directors or trustees of for-profit and nonprofit organizations enables them to provide special knowledge and perspective to the foundation in its grantmaking and governance processes.

Because good governance requires full disclosure, the disclosure requirements of this code are intended to prevent any conflicts of interest. This policy also provides procedures that permit the foundation and its trustees and officers to identify, evaluate and address any actual, potential or apparent conflicts of interest that might, in fact or in appearance, call into question their duty of undivided loyalty to the foundation.

Officers who are employees of the foundation are also required to comply with the Staff Code of Conduct and Ethics.

1. Compliance with Laws and Regulations. A variety of laws and regulations apply to the foundation and its trustees and officers, the violation of which may carry civil

or criminal penalties for the foundation and the individual. It is the responsibility of each trustee and officer to be knowledgeable about and comply with all such laws and regulations. Trustees and officers are also required to be knowledgeable about and comply with the laws and regulations of countries in which they travel on behalf of the foundation, including each country's currency exchange regulations.

2. Conflict of Interest Policy. Trustees and officers have an obligation to put the interests of the foundation first and not to use their position with the foundation for personal gain or other personal benefit. The procedures outlined below provide specific guidance to trustees and officers with respect to the handling of conflicts of interest.

- a. *Affiliated Transactions.* This policy applies to transactions ("Affiliated Transactions") between the foundation and a trustee or officer, or between the foundation and another party with which a trustee or officer has a significant relationship (each, an "Affiliated Person"). A trustee or officer is considered to have a significant relationship with another party if, to the knowledge of the foundation, trustee or officer, the other party is:
 - i. an immediate family member of a trustee or officer (meaning his or her spouse or domestic partner, and his or her parents, siblings, children, grandchildren, great-grandchildren and their spouses);
 - ii. an entity in which the trustee or officer or an immediate family member of the trustee or officer holds, either individually or in the aggregate, a material financial interest (meaning a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%); or
 - iii. an entity of which the trustee or officer or an immediate family member of the trustee or officer is an officer, director, trustee or employee.

Affiliated Transactions also include any transaction in which a trustee or officer believes there may be an actual or perceived conflict of interest, including any transaction in which his or her interests may be seen as competing with the interests or concerns of the foundation. Affiliated Transactions do not include: (1) grants or other payments under nondiscretionary charitable contribution matching programs; (2) the use of the foundation's facilities (including its convening space) for charitable purposes on the same terms as non-affiliated persons; and (3) transactions valued at \$10,000 or less.

- b. *Disclosure, Refrain from Influence and Recusal.* When a trustee or officer becomes aware of a proposed Affiliated Transaction, he or she is required to:
- i. immediately disclose the existence and circumstances of the Affiliated Transaction to the chair of the Audit Committee, the chair of the board or, if the trustee or officer becomes aware of the proposed Affiliated Transaction during a meeting of another committee of the board, the chair of that committee;
 - ii. refrain from using his or her personal influence to encourage the foundation to enter into the Affiliated Transaction; and
 - iii. physically excuse himself or herself from participation in any discussions regarding the Affiliated Transaction with officers and employees of the foundation and at meetings of the board or any board committee, except to respond to requests for information about the Affiliated Transaction (without such excusal affecting the existence of a quorum).
- c. *Standard for Approval of Affiliated Transactions.* The foundation may enter into an Affiliated Transaction if, after consultation with the foundation's legal counsel as necessary, it is determined that the Affiliated Transaction does not constitute an act of self-dealing, and:
- i. for any Affiliated Transaction that is a grant, it is determined that the grant is aligned with strategy or otherwise in furtherance of the

- foundation's charitable goals, is reasonably calculated to achieve such goals, is free from undue influence from the Affiliated Person and does not pose unreasonable reputational risk to the foundation;
- ii. for any Affiliated Transaction that is a contract or other transaction, it is determined that the transaction is fair and reasonable to the foundation, is free from undue influence from the Affiliated Person and does not pose unreasonable reputational risk to the foundation; or
 - iii. for any Affiliated Transaction that is an investment, it is determined that the investment meets the foundation's customary investment criteria, is free from undue influence from the Affiliated Person and does not pose unreasonable reputational risk to the foundation.
- d. *Procedure for Approval of Affiliated Transactions.* An Affiliated Transaction must be approved by a disinterested body or decisionmaker according to the following procedures:
- i. Affiliated Transactions that involve any potential personal financial benefit (such as grants to organizations that employ an Affiliated Person) must be approved by the Audit Committee at a meeting or by written approval of a majority of the committee by e-mail or other correspondence. At the request of any committee member or the general counsel, consideration will be at a meeting. The committee will from time to time adopt guidelines for its review of such Affiliated Transactions.
 - ii. Affiliated Transactions that do not involve any potential personal financial benefit (such as grants to organizations that an Affiliated Person serves as a volunteer trustee) may be approved by the chair of the Audit Committee or, if the chair of the Audit Committee is not disinterested with respect to the particular transaction, the chair of the board.

At the Annual Meeting of the board, the Audit Committee and the full board will be provided with a complete list of all Affiliated Transactions approved during the previous fiscal year.

3. Investments and Mission-Related Investments. All investment decisions made by the board, the Investment Committee, the Mission-Related Investment Committee or officers of the foundation are subject to the conflict of interest policy set forth in Section 2 above.

In addition, trustees and officers have a duty not to engage in any investment activity that conflicts with the foundation's interests and a duty not to derive personal financial benefit through the use of special knowledge or privileged information acquired through their service. Trustees and officers may not communicate any information known to them by reason of their position with the foundation that has not been made public and may not at any time use such information to private advantage. No trustee or officer may affect any transaction in a security, or recommend any transaction in a security or other financial interest, if such transaction would in any way conflict with, or be detrimental to, the interests of the foundation. Furthermore, no trustee or officer may affect any transaction in a security, or recommend such a transaction, on the basis of confidential or privileged information with respect to the foundation's investments.

4. Gifts and Other Payments. Trustees and officers may accept in connection with their position with the foundation gifts of nominal value, meals and social invitations that are in keeping with good business and ethical standards, do not violate any laws, do not in any way obligate the recipient, foundation staff members or members of their immediate families, and the public disclosure of which are not likely to have a negative impact on the foundation's reputation. Trustees and officers may not solicit or accept gifts of more than nominal value, commissions, payments, lavish entertainment, services, loans, other benefits or promises of future benefits from any person or entity relating to their position with the foundation.

5. Anti-Corruption Compliance. The foundation expressly prohibits bribery, kickbacks, facilitation payments (i.e., payments to expedite routine, non-discretionary government action), and other corrupt conduct of any kind. Trustees and officers are expressly prohibited from providing, offering, proposing, promising, or authorizing, directly or indirectly, the payment of any bribe, kickback, gift, entertainment, or anything of value as an improper inducement to any person for the purpose of securing any kind of undue favorable treatment or advantage for the foundation, its grantees or any other party.

6. Government Service. A trustee that decides to run for elective office must resign from the board if, in the judgment of the Nominating and Governance Committee, the position could result in the appearance of a conflict of interest. A trustee that is appointed to a government position must resign from the board (a) if the position would qualify as a "government official" under section 4946(c) of the Internal Revenue Code, (b) service on the board while holding the government position would violate any applicable law, or (c) the position is related to the work of the foundation and could result in the appearance of a conflict of interest in the judgment of the Nominating and Governance Committee.

7. Whistleblower Policy. The foundation has adopted a Whistleblower Policy providing procedures for the receipt, retention and treatment of complaints or concerns ("complaints") regarding accounting, internal financial controls or auditing matters, legal or regulatory requirements or foundation policies. Trustees and officers are expected to follow the Whistleblower Policy to report any complaints whether under this policy or otherwise.

8. Compliance and Annual Disclosure. Trustees and officers are expected to review this policy annually and acknowledge that they are in compliance. In addition, in order to assist the foundation in identifying proposed Affiliated Transactions, each trustee and officer annually shall complete a disclosure questionnaire provided by the foundation, and shall update the questionnaire as

necessary to reflect changes during the course of the year. The Audit Committee will review reports regarding the disclosure questionnaires on an annual basis. Completed questionnaires shall be available for inspection by any trustee, and may be reviewed by the foundation's legal counsel.

9. Administration of Policy. This policy will be administered by the Audit Committee, which is responsible for reviewing the operation of this policy and recommending changes to the board from time to time as it may deem appropriate.

Approved as of February 21, 2019