

DORIS DUKE CHARITABLE FOUNDATION, DORIS DUKE MANAGEMENT FOUNDATION, DUKE FARMS FOUNDATION, DORIS DUKE FOUNDATION FOR ISLAMIC ART, DORIS DUKE FOUNDATION

Conflict of Interest Policy

May 5, 2014

Last Revised on February 8, 2005

First Adopted on April 5, 1997

The Boards of the Foundations have adopted this Policy in furtherance of the Governance Principles of the Foundation mandating that all Trustees, Directors, Officers and Employees adhere to the highest ethical standards. The Trustees and Directors are keenly aware that sensitivity to and avoidance of actual or apparent Conflicts of Interest are important considerations in all the operations of the Foundations. The Trustees and Directors also recognize that no written policy or guide can cover every situation. Responsibility for integrity and fairness must be fulfilled through individual compliance with the spirit as well as the letter of the law governing private foundations, and by careful and thoughtful adherence to a strict code of ethical behavior, including avoidance of self-dealing and private inurement.

The standards set out in this policy statement are, accordingly, guiding principles, which must be used along with one's good judgment. Overall, the objective of each Trustee, Director, Officer and Employee must be honesty, fairness and integrity in all aspects of business and personal conduct, with full disclosure – erring on the side of caution – in any situations that are, or may become, conflicts of interest.

Definitions

“Conflict of Interest”: A conflict of interest exists when a Trustee, Director, Officer or Employee takes part in a Foundation decision or other activity in which he or she is unable to remain impartial or maintain objectivity in choosing between the interests of the Foundation, its assets and resources, and his or her personal or other interests (including Family Member interests). Conflicts are not limited to financial interests, but may also relate to situations that may convey a personal benefit or advantage causing an individual to have dual and conflicting loyalties in connection a grant or other Foundation expenditure.

“Family Member”: A Trustee's, Director's, Officer's or Employee's “Family Member,” when referred to in this Policy, shall include his or her spouse, significant other, or domestic partner, parents, siblings and their spouses, children, grandchildren and great grandchildren; and spouses of siblings, children grandchildren, and great-grandchildren; and others living in the Trustee's, Director's, Officer's or Employee's household.

Disclosure Forms

Each Director, Trustee, Officer and Employee of the Foundation shall furnish a Notice of Affiliations Disclosure Form listing personal affiliations (as well as Family Member affiliations) to the Secretary of the Foundation prior to his or her election to the Board, election as an Officer or appointment as an Employee and thereafter on an annual basis. Notice of Affiliations Disclosure Forms will be maintained with the Foundation's books and records. The Secretary of the Foundation shall provide a copy of all completed statements to the Chair of the Audit Committee. If desired, a summary of the annual Notice of Affiliations Disclosure Forms may also be provided.

In filling out their Notice of Affiliations Disclosure Form, Directors, Trustees, Officers, and Employees of the Foundation shall identify, to the best of their knowledge, (i) Any entity of which the Director, Trustee, Officer or Employee is an officer, director, trustee, member, owner (either as a sole proprietor or partner) or employee and with which the Foundation has a relationship and (ii) Any Conflict of Interest in which such Director, Trustee, Officer, or Employee or any of his or her respective Family Members is involved or expects could to be involved and (iii) Any transaction in which the Foundation is a participant and in which the Director, Trustee, Officer, Employee or any of his or her respective Family Members might have a conflicting interest.

Full and complete disclosure is the best protection against the harmful effects of a Conflict of Interest or the appearance of such a conflict and is an ongoing obligation. Trustees, Directors, Officers and Employees are responsible for reporting any potential conflict of interest as and when it arises to the Secretary of the Foundation regardless of how innocuous it may seem.

The Trustees and Directors acknowledge that defining and resolving an actual Conflict of Interest or the appearance of such a conflict are often matters of degree and judgment. Secretary of the Foundation is authorized to review disclosures and other information raising real, potential, or apparent conflicts and to report these to the President or, as appropriate, the Chair of the Audit Committee, Chair of the Board or the entire Board for resolution.

In implementing this Policy with respect to Officers and Employees, the President is authorized to provide clarification and process regarding acceptable behaviors and relationships and the definition of the boundaries, as appropriate.

Conflict of Interest Voting and Documentation

Where it has been determined that a Conflict of Interest is present:

- a. The conflicted person shall immediately disclose the existence and material facts of the Conflict of Interest; and

- b. The conflicted person may participate in the information-gathering stage of the Board's or Authorized Board committee's (the "Authorized Committee") discussion, but shall not be physically present during the final deliberation or vote on the matter; and
- c. If a Trustee or Director of the Board, he or she shall not vote on the matter; and
- d. The conflicted person shall refrain from improperly influencing the deliberation or vote on the matter.
- e. Such disclosure, departure and abstention will be recorded in the minutes of the meeting at which the consideration and vote occurred and/or in the appropriate record.
- f. Actions of the Board must be approved by a vote sufficient for such purpose without counting the vote or votes of the conflicted Trustees, Directors, or Employees.

The Board may, in its sole direction, elect to treat any relationship or potential Conflict of Interest disclosed by any Director, Trustee, Officer or Employee of the Foundation as a "Conflict Interest" subject to terms of this voting and documentation procedure.

Secretary of the Foundation will make periodic reports to the Audit Committee regarding the receipt of disclosures made pursuant to the Policy's disclosure requirements, the disposition of each disclosure, and the actions taken with respect to the applicable transaction.

*See **Related Party Transactions** for voting and documentation process for Financial Conflict Transactions.*

Related Foundations

In fulfilling its mission, it is expected that the Doris Duke Charitable Foundation may provide funds as necessary or appropriate to the Newport Restoration Foundation, the Doris Duke Foundation for Islamic Art, the Duke Farms Foundation, the Doris Duke Management Foundation and the Doris Duke Foundation. It is anticipated that one or more Trustees or Directors of the Doris Duke Charitable Foundation may also be directors, members or officers of any or all of these other foundations, and in some cases certain Officers and Employees of this the Doris Duke Charitable Foundation or the other foundations above mentioned, may also have responsibilities for these other foundations. While it is important that Trustees, Directors, Officers and Employees at all times keep in mind the spirit and intent of this Policy, it is also not the intention of this Policy to prevent or interfere with the Doris Duke Charitable Foundation funding of these other foundations. Therefore, the following Policy guidelines shall not apply to decisions involving the provision of funds or other dealings by the Doris Duke Charitable Foundation to and with any of the other foundations named above, provided that such decisions are nonetheless otherwise made with utmost attention to the high standard of integrity and ethical behavior espoused by this Policy.

Affiliations with Grantee Organizations

Grant requests from organizations with which a Trustee, Officer, Employees or their Family Members are connected are subject to particularly thorough review. The guidelines below

are to be followed in making grants to organizations with which a Trustee, Director, Officer, Employee or their Family Members are affiliated as directors, trustees, officers, or in any other capacity with responsibility for the organization's management or operations, or with which there is a relationship, other than casual:

Trustees and Directors

- No Trustee, Director or their Family Member may act as an advocate or intermediary with the Foundation for a grant (or re-grant) to an organization or individual with which the Trustee, Director or their Family Member is affiliated as a director, trustee or officer, or in any other capacity with responsibility for such organization's management or operations, or has a relationship, other than casual. This does not preclude others connected with the same organization from having access to the Employees of the Foundation to discuss grant proposals. A Trustee, Director or their Family Member wishing to provide information about grant proposals from organizations with which they are so connected should initiate communications with the Foundation through the President or the Chair of the Board. It is then the responsibility of the President or Chair of the Board to arrange any meeting or communication in a manner consistent with this policy.
- Whenever a Trustee, Director or their Family Member is an officer, director or trustee of a grantee, prospective grantee, or is directly involved in a proposal under consideration, the Trustee or Director must disclose the relationship, refrain from influencing deliberations, and not participate on the vote on the matter.

Officers and Employees

- Whenever an Officer or an Employee or their Family Member is connected with a grantee, prospective grantee, or a potential recipient of grant funding, the Officer or Employee must disclose the relationship as part of the docket item and refrain from influencing deliberations regarding the grantee or prospective grantee.

Relationship to Suppliers of Goods or Services

No Trustee, Officer or Employee may make, participate with others in making, or otherwise influence, any decision to purchase goods or services, or borrow money, from any organization or individual in which the Trustee, Officer, Employee or his or her Family Member has a financial interest or with which he or she is connected, other than casually, that may influence their judgment in conducting the work of the Foundation. Subject to the prohibition on self-dealing under the Internal Revenues Code, these guidelines are not intended to prevent the Foundation from purchasing goods or services, doing business with or borrowing money from an organization or individual in which a Trustee, Officer, Employee or his or her Family Member has a direct financial interest or is connected. Any decision to purchase goods or services, do business with or borrow money from any such individual or organization must have first been made in compliance with these guidelines and with the private foundation rules of the Internal Revenue Code, and disclosed in writing to the Secretary of the Board, together with a summary of the relationship and the factors

that influenced the decision (such as comparison of costs from other suppliers or other benefits to the Foundation). This writing should then be appended to the documents reflecting the transaction. (The term “supplier” in this Policy includes but is not limited to consultants, advisors, agents, brokers and contractors).

See ***Related Party Transactions*** for voting and documentation process for *Financial Conflict Transactions*

Acceptance of Gifts/Items/Invitations

No Trustee, Director, Officer or Employee or his or her Family Member may accept any payment or item of value (except the occasional item of nominal value which is \$100.00 or under), including invitations to an event/performance for personal use, from a grantee, grant applicant or supplier, except nominal hospitality, appropriate occasional social or infrequent dining invitations, or if presented to the Foundation through the Trustee, Director, Officer or Employee as its representative and then turned over to the Foundation by such Trustee, Director, Officer or Employee. In general, Trustees, Directors, Officers and Employees should make every effort to decline to accept expensive gifts or items, but in cases where it would be considered ungracious to do so, the Trustee, Director, Officer or Employee should make clear that the item is being accepted on behalf of and will be given to the Foundation. Disclosure, except of nominal value (\$100.00 or under), should be made in writing to the Secretary of the Board when received.

Complimentary attendance at events, performances, gatherings, and the like which are typically made available to donors, grantors, investors or groups of professionals are permitted only if attendance is required in order to fulfill the attendee’s job responsibilities and the Foundation’s charitable purpose.

Use of Foundation Assets

In order to avoid the appearance of a Conflict of Interest and private inurement, no Trustee, Director, Officer or Employee may use the assets or property of the Foundation for personal benefit, without the prior written approval of the President or Chair of the Board. Assets and resources include but are not limited to: Employees, real property, vehicles and other equipment, office equipment, technology, supplies, tools, services, financial, postal meters, tour tickets, etc. An incidental use of the fax machine, a pen, the copier, an assistant or the like, is not banned in the absolute, unless it is frequent and/or extensive.

Outside Activities of Employees

Nonprofit board or committee memberships, speaking engagements, teaching assignments, and consultancies related to the Foundation

The following guidelines should be adhered to by Officers and Employees in responding to any offer of a board or committee membership, speaking engagement, teaching assignment, or consultancy that is extended because of the individual’s Foundation affiliation or is related to the Officer’s or Employee’s Foundation responsibilities or duties:

- The Officer or Employee should make a judgment as to the significance of the project and its appropriateness for Foundation participation and consider whether the invitation represents an important opportunity to perform in a professional capacity that contributes to objectives that are consistent with the general interests of the Foundation.
- A written request for approval to undertake such an assignment should be made to the President, or in the case of the President, to the Chair of the Board or in accordance with the President's agreement with the Board. The factors considered for approval should include the relationship between the organization and the Foundation and any potential Conflict of Interest; the service to be performed and its relationship to the Foundation's work; any expected benefit to the Foundation, Officer or Employee; the amount of time that will be required and any possible cost to the Foundation for travel, etc.; and any plan for the outside organization to cover travel or other expenses.
- In almost no case may a full-time Officer or Employee accept honoraria or payment for such services. A request for an exception to this Policy should be made to the President, or in the case of the President, to the Chair of the Board, at the time the Officer or Employee requests approval to accept the assignment. In declining an honorarium/payment, the Officer or Employee may instruct the sponsor to donate the payment to a charitable organization of the sponsor's choosing.
- Payment for travel expenses for such services is ordinarily appropriate if such reimbursement will have no effect on any Foundation grant, potential grant, or investment decision. In some instances, however, an outside assignment will be closely enough related to official duties that travel expenses should be borne by the Foundation (except for incidentals provided similarly situated attendees).

Outside Activities (unrelated to the Foundation)

Such outside activities must be performed without the use of any assets or resources of the Foundation and on personal time, unless specifically authorized in advance by the President or Chair of the Board. Officers and Employees may accept speaking fees or royalties for the publication of materials that in either case are prepared and/or given on their own time, without the use of Foundation assets or resources, and do not result directly or indirectly from the affiliation with the Foundation or Foundation activities. Outside activities should not interfere with Employee responsibilities to the Foundation.

Corporate Boards

Officers and Employees are permitted to serve and to receive compensation for service on private corporate boards. Such service is subject to advance written approval by the President or, in the case of the President, by the Chair of the Board or pursuant to the President's agreement with the Board. Such approval will be based on consideration of the nature of the corporation, its business and the anticipated time commitment.

Each Employee serving on a corporate board is expected to be alert to the emergence of possible or apparent Conflicts of Interest and to bring them to the attention of the Secretary of the Board. If a Conflict of Interest or the appearance of a Conflict of Interest would jeopardize the Foundation's objectives or interests, the Officer or Employee may be asked to resign from the corporate board.

Each Officer and Employee is required to report to the Secretary of the Board at least annually his or her corporate board memberships and the compensation received from each such position. The President will review Officer's and Employee's service on corporate boards periodically and the Chair of the Board will review at least annually the President's service on any such boards.

Honorary degrees and other awards

Trustees, Officers and Employees may accept prizes awarded to them for work done on their own time, without the use of Foundation assets or resources, and that are not the direct or indirect result of affiliation with the Foundation or Foundation activities. If an Officer or Employee is designated to receive an honorary degree or other award because of, or that makes reference to, his or her Foundation affiliation, written approval to receive the honor must be sought in advance from the President or, if the President is to receive the honor, from the Chair of the Board and, if the Chair is the intended recipient, from the entire Board.

Investment Activities

Trustees, Directors, Officers and Investment/Finance Employees associated with the investment program have a paramount obligation to make all decisions affecting that program solely on the basis of the Foundation's best interests. Investment-related disclosures will assist the Foundation in avoiding excess business holdings, in addition to self-dealing and private inurement. To make such scrutiny possible, each Trustee, Officer and Investment/Finance Employee will be required make disclosures regarding the ownership of investments held by the Foundation by such Trustee, Officer and Investment/Finance Employee, his or her Family Members and/or any corporation, partnership, trust or estate in which such Trustee, Officer and Investment/Finance Employee or his or her Family Members have voting power, profits interest (in a partnership), or beneficial interest (in a trust or estate). A list of current and potential Foundation investment will be provided for review to Trustees, Directors, Officers and Investment/Finance Employees, as appropriate, so that necessary disclosures are made on an ongoing basis.

The following guidelines apply to Conflict of Interest or potential Conflict of Interest situations involving the Foundation's investment program.

- The Foundation will not engage the services of or invest directly in organizations or individuals in which a Trustee, Directors, Officer, Investment/Finance Employees or their Family Member has more than 35% ownership of the total combined voting power, profits interest or beneficial interest, respectively.
- Trustees and Directors

If a Trustee or Director is directly or indirectly connected (other than casually) or if a Trustee or Director, or their Family Member has significant non-Foundation business dealings or relationships, including investment or co-investment, purchases or sales of goods and/or services with an organization or individual then the Investment Committee will adhere to the following procedures:

- The Trustee or Director with the connection shall promptly disclose the connection and any other relevant facts to the Investment Committee and shall not participate in the deliberations or vote on the transaction.
 - The disclosure and the recusal will be recorded in the minutes.
- Officers and Investment/Finance Employees

If an Officer's or Investment/Finance Employee's Family Member has significant non-Foundation business dealings or relationships, including investment or co-investment, purchases or sales of goods and/or services with an organization or individual then the Investment Committee will adhere to the following procedures:

 - The Officer or Employee with the connection shall promptly disclose the connection and any other relevant facts to the Investment Committee and shall not participate in the deliberations or vote on the transaction.
 - The disclosure and recusal will be recorded in the minutes.
 - Because of Officers and Investment/Finance Employees day to day oversight of the Foundation's investments and regular contact with the Foundation's investment managers and advisors, the following additional guidelines apply to such Investment/Finance Employees:
 - Officers and Investment/Finance Employees should not participate in any limited partnership of other investment opportunity not generally available or known to the public in which the Foundation has made or is considering making an investment or that is not generally available or known to the public that is suggested by a current or prospective investment manager.

Related Party Transactions

Definitions

“Key Employee”: means any person who is in a position to exercise substantial influence over the affairs of the Foundation.

“Related Entity”: means any entity in which a Director, Trustee, Officer, or Key Employee of the Foundation, and/or his or her Family Members, have a 35% or greater ownership interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest of more than 5%.

“Related Party”: means a Director, Trustee, Officer, or Key Employee of the Foundation and his or her Family Members and Related Entities.

- 1) Any transaction, agreement or arrangement in which a Related Party has a financial interest and in which the Foundation is a participant (each, a “Financial Conflict Transaction”) shall be approved by the Board or an Authorized Committee only after the Board or the Authorized Committee determines that the transaction, agreement or arrangement is fair, reasonable and in the best interest of the Foundation. When a Director, Trustee, Officer, or Key Employee of the Foundation becomes aware that he or she, or his or her Family Member or Related Entities is involved in the Financial Conflict Transaction:
 - a. He or she shall immediately disclose the existence and material facts of the financial interest in the Financial Conflict Transaction to the Audit Committee; and
 - b. He or she may participate in the information-gathering stage of the Board’s or Authorized Committee’s discussion, but shall not be physically present during the final deliberation or vote on the Financial Conflict Transaction; and
 - c. If a Trustee or Director of the Board, he or she shall not vote on the Financial Conflict Transaction; and
 - d. He or she shall refrain from improperly influencing the deliberation or vote on the Financial Conflict Transaction.
- 2) In determining whether to approve a Financial Conflict Transaction, disinterested members of the Board or the Authorized Committee shall take into account the restrictions regarding self-dealing under Section 4941 of the Internal Revenue Code.
- 3) In determining whether to approve a Financial Conflict Transaction in which a Related Party has a “substantial financial interest” (as such term is interpreted from time to time for purposes of Section 715 of the New York Not-for-Profit Corporation Law), not just a financial interest, disinterested members of the Board shall, in addition to following the procedures set forth above:
 - a. Consider alternative transactions to the extent available;
 - b. Approve the Financial Conflict Transaction by not less than a majority vote of the members of the Board present at the meeting of the Board or the Authorized Committee; and
 - c. Contemporaneously document in the meeting minutes the basis for the Board’s or the Authorized Committee’s approval of the Financial Conflict Transaction, including its consideration of any alternative transaction.
- 4) All questions as to whether a Related Party has a financial interest or a substantial financial interest in transaction, agreement or arrangement in which the Foundation is a

participant shall be resolved by a vote of the Board or the Authorized Committee in which the interested individual, if he or she is a member of the Board, may not vote.

- 5) The minutes of the meeting of the Board or the Authorized Committee considering the Financial Conflict Transaction shall:
 - a. reflect the Related Party's financial interest in the transaction, agreement or arrangement in which the Foundation is a participant was disclosed, and
 - b. state that the Related Party (and any directors, trustee, officer, or key Employee affiliated with the Related party) was not present during the final deliberation or vote of the Board of the Authorized Committee on the Financial Conflict Transaction, and
 - c. state that the Related Party, if a member of the Board, abstained from voting on the Financial Conflict Transaction, and
 - d. describe the action taken by the Board or the Authorized Committee relating to the Financial Conflict Transaction (e.g., approval or disapproval), and
 - e. describe any consideration of alternative transactions, to the extent applicable, by the Board or the Authorized Committee.