

CONFLICT OF INTEREST POLICY

International Beauty Professionals Association, Inc.

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Effective Date:

03.12.2026

Adopted By:

Board of Directors of International Beauty Professionals Association, Inc.

1. Purpose

The purpose of this Conflict of Interest Policy (the “Policy”) is to protect the interests, integrity, and credibility of **International Beauty Professionals Association, Inc.** (the “Association” or “IBPA”) whenever the Association is considering a transaction, arrangement, decision, review, appointment, award, sponsorship, committee action, or other matter that may benefit the private interest of a director, officer, committee member, reviewer, judge, employee, contractor, volunteer, member, or other person acting on behalf of the Association.

This Policy is intended to:

- promote honest, fair, and objective decision-making;
 - prevent improper personal benefit from Association activities or authority;
 - protect the Association from real, potential, or perceived conflicts of interest;
 - support compliance with applicable law and good governance practices;
 - preserve trust in the Association’s leadership, review procedures, events, awards, and professional standards.
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2. Persons Covered by This Policy

This Policy applies to all persons serving the Association in a position of trust, authority, influence, or decision-making, including but not limited to:

- directors;
- officers;
- committee members;

- members of the Membership Review Board;
- members of the Standards & Ethics Committee;
- judges, jurors, reviewers, and evaluators;
- event organizers acting on behalf of the Association;
- employees;
- contractors;
- consultants;
- volunteers;
- any other person designated by the Board of Directors as subject to this Policy.

For purposes of this Policy, each such person may be referred to as a “Covered Person.”

3. Definition of Conflict of Interest

A conflict of interest exists when a Covered Person’s personal, financial, professional, family, business, or other private interest may interfere with, influence, compromise, or appear to compromise the Covered Person’s objectivity, independence, judgment, or duty to act in the best interests of the Association.

A conflict of interest may be:

- **actual**, meaning the conflict currently exists;
- **potential**, meaning the conflict could reasonably arise;
- **perceived**, meaning an outside observer could reasonably believe that the person’s judgment may be affected, even if no improper conduct actually occurred.

The existence of a conflict does not necessarily mean wrongdoing. However, failure to disclose and properly manage a conflict may constitute misconduct.

4. Examples of Conflicts of Interest

Conflicts of interest may include, without limitation, the following situations:

4.1 Financial Interest

A Covered Person has a direct or indirect financial interest in a transaction, contract, sponsorship, vendor arrangement, compensation matter, or business relationship involving the Association.

4.2 Family or Close Personal Relationship

A Covered Person participates in a decision affecting a spouse, partner, family member, household member, close friend, or other person with whom the Covered Person has a close personal relationship.

4.3 Business Relationship

A Covered Person has a business partnership, employment relationship, consulting arrangement, ownership interest, referral arrangement, or other economic connection with a person or entity affected by the decision.

4.4 Membership Review Conflict

A reviewer, committee member, or decision-maker is asked to evaluate an applicant, nominee, contestant, speaker, award candidate, or member with whom they have a personal, competitive, financial, teaching, mentoring, judging, or business relationship.

4.5 Awards, Competitions, and Judging Conflict

A judge or evaluator reviews a participant who is their student, client, employee, employer, business partner, family member, close associate, or direct competitor under circumstances that may impair objective judgment.

4.6 Leadership or Committee Appointment Conflict

A director, officer, or committee member participates in appointing themselves or someone close to them to a role, opportunity, award, contract, or public recognition position without proper disclosure and independent review.

4.7 Use of Association Opportunity

A Covered Person uses Association information, authority, access, position, contacts, or opportunities for private gain in a manner inconsistent with the Association's interests.

4.8 Compensation Conflict

A Covered Person participates in a decision regarding their own compensation, reimbursement, contract, or personal financial benefit.

4.9 Sponsorship or Partnership Conflict

A Covered Person influences a sponsorship, partnership, vendor, speaker, publication, or media decision involving their own company, brand, employer, client, or affiliated entity.

5. Duty to Disclose

Each Covered Person has an ongoing duty to disclose any actual, potential, or perceived conflict of interest as soon as the conflict becomes known or reasonably should have become known.

Disclosure must be:

- timely;
- complete;
- made in good faith;
- sufficiently specific to allow the Association to evaluate the situation properly.

A Covered Person must not wait until a vote occurs or a complaint is made if the conflict is already known.

6. Manner of Disclosure

A conflict of interest may be disclosed:

- in writing to the Secretary, President, or Board of Directors;
- at the beginning of a meeting before discussion of the relevant matter;
- through an annual disclosure form, if required by the Association;
- through a committee chair or designated ethics/governance contact, if applicable.

Whenever practical, disclosure should be documented in writing.

7. Recusal and Non-Participation

A Covered Person with a disclosed or recognized conflict of interest must, unless otherwise directed by a disinterested governing body for limited factual purposes:

- not participate in discussion of the matter;
- not attempt to influence the discussion;
- not make or second motions relating to the matter;
- not vote on the matter;
- not be counted for purposes of decision-making on the matter beyond lawful quorum rules, where applicable;
- leave the meeting or recuse themselves from the relevant portion of the meeting, if requested or appropriate.

A person with a conflict may, if requested by the disinterested body, provide factual information relevant to the matter before recusal.

8. Determination of Whether a Conflict Exists

If there is uncertainty about whether a conflict exists, the matter shall be reviewed by the disinterested members of the Board of Directors, committee, or other authorized body.

The determination of whether a conflict exists shall be made in good faith and based on the totality of the circumstances, including:

- the nature of the relationship;
- the degree of personal or financial benefit;
- the effect on independent judgment;
- the risk to the Association's reputation or fairness;
- whether a reasonable outside observer would question the person's objectivity.

The decision of the disinterested body regarding the presence and management of a conflict shall be documented where appropriate.

9. Procedures for Addressing a Conflict

When a conflict of interest is disclosed or identified, the Association may take one or more of the following actions:

- determine that no material conflict exists and permit participation;
 - determine that a conflict exists and require recusal;
 - permit limited participation solely for factual clarification;
 - assign the matter to a different reviewer, judge, committee member, or decision-maker;
 - require enhanced oversight or documentation;
 - postpone the matter pending further review;
 - deny the conflicted person access to confidential materials related to the matter;
 - take any other reasonable governance action necessary to protect fairness and integrity.
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10. Interested Transactions

A transaction, contract, or arrangement involving a conflict of interest may be approved only if:

- the material facts of the conflict are disclosed;
- the decision is made by disinterested decision-makers;
- the transaction is fair, reasonable, and in the best interests of the Association;
- the arrangement is consistent with applicable law and the governing documents of the Association.

Where appropriate, the disinterested decision-makers may compare alternatives, request independent information, or defer the matter pending additional review.

11. Compensation Decisions

A person with a direct financial interest in a compensation, reimbursement, stipend, consulting, contractor, or payment matter must not participate in voting or deliberation on that matter, except to provide factual information if requested.

The Association may require compensation decisions to be supported by documentation of reasonableness, budget authority, and approval by disinterested persons.

12. Review, Membership, Awards, and Competition Decisions

Because the Association operates selective membership, awards, recognition, competitions, and committees, conflicts in evaluation matters are especially important.

Any Covered Person participating in:

- membership review;
- appeal review;
- standards or ethics matters;
- award nominations or decisions;
- speaker or publication selection;
- judging or competition evaluation;
- committee appointments;
- partnership or sponsorship review

must disclose any relationship or interest that could affect or appear to affect fairness, impartiality, or credibility.

Where a conflict exists, the person shall be removed from the decision-making role for that matter unless the disinterested authority determines otherwise for limited factual participation.

13. Annual Disclosure

The Board of Directors may require directors, officers, committee members, reviewers, judges, and other Covered Persons to complete an annual conflict of interest disclosure statement.

Such statement may require disclosure of:

- business affiliations;
- ownership interests;
- compensation relationships;
- family or household relationships relevant to Association matters;
- organizations or companies with which the person is professionally affiliated;
- any other information reasonably necessary for governance purposes.

The Association may also require updated disclosure whenever material circumstances change.

14. Confidentiality

All disclosures, reviews, and determinations concerning conflicts of interest shall be handled with appropriate confidentiality, consistent with the need for good governance, fair process, legal compliance, and proper documentation.

A person disclosing a conflict must still respect the confidentiality of Association discussions, records, and non-public materials.

15. Documentation

The minutes of the Board of Directors, committees, or other decision-making bodies should, where applicable, reflect:

- the name of the person who disclosed the conflict;
- the nature of the conflict;
- whether the person recused themselves;
- whether the person left the meeting for the matter;
- the decision made by the disinterested body;
- the final disposition of the matter.

The Association may also maintain written disclosure forms or conflict memoranda in its governance records.

16. Violations of This Policy

If the Association has reasonable cause to believe that a Covered Person failed to disclose an actual, potential, or perceived conflict of interest, or otherwise violated this Policy, the Association may investigate the matter and provide the person with an opportunity to explain.

If, after appropriate review, it is determined that this Policy was violated, the Association may take action consistent with the governing documents and applicable policies, including:

- education or corrective guidance;
 - warning;
 - recusal requirement;
 - removal from a review, judging, or committee role;
 - restriction of participation;
 - denial of appointment or reappointment;
 - disciplinary action;
 - suspension or termination of membership, if applicable;
 - removal from office or committee, if authorized and warranted.
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17. Relationship to Other Governing Documents

This Policy shall be read together with:

- the Bylaws;
- the Code of Ethics;
- the Professional Standards;
- the Membership Policy;
- the Membership Review Procedure;
- the Cancellation & Membership Termination Policy;
- committee charters;
- and any other duly adopted governance policies of the Association.

If a conflict exists between this Policy and the Bylaws, the Bylaws shall control unless otherwise required by law.

18. Administration of This Policy

The Board of Directors shall have ultimate authority over the interpretation, application, and enforcement of this Policy.

The Board may delegate aspects of administration to:

- the Secretary;
- a governance officer;
- a Standards & Ethics Committee;
- a Governance Committee, if established;
- or another designated body,

provided that the Board retains oversight authority.

19. Amendments

This Policy may be amended by the Board of Directors at any duly noticed meeting or by other lawful action of the Board.

Any amendment shall become effective on the date specified in the approving action unless otherwise stated.

20. Official Language

The official version of this Conflict of Interest Policy shall be maintained in English. Any translation may be provided for convenience only. In the event of inconsistency, the English version shall control.