

**PLARIDEL SURETY & INSURANCE COMPANY**

**CODE OF ETHICS & CONDUCT**

## **VISION**

To be a strong and truly Filipino insurance company dedicated to professionalism, swift action, innovation, and care.

## **MISSION**

To provide excellent customer service and prompt claim attendance.

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To achieve our Vision and Mission, the Board of Directors, Officers, Managers, and Staff of PLARIDEL SURETY & INSURANCE COMPANY (the “Company”) hereby strive to abide by and comply with this Code of Ethics & Conduct in the conduct of its business.

### **I. What the Company Pledges**

1. To act and treat each other and our clients, producers, partners, and suppliers with fairness, responsibility, dignity, and respect;
2. To conduct business with excellence, integrity, credibility, professionalism, and transparency;
3. To provide and promote a safe and healthy work environment for its employees, consistent with building and city standards, and to take measures to maintain such environment;
4. To maintain a safe, healthy, comfortable, service-oriented place for assureds, clients, and claimants to make inquiries and transact business,
5. To select competent, capable, professional, industry-proven partners, affiliates, and suppliers – such as reinsurers, agents, brokers, printers, adjusters, motorshops, etc. – that will collaborate with and help the Company in providing quality products and efficient

service to its assureds, claimants, clients, and the public. These suppliers, partners, or affiliates shall be selected only after careful evaluation and deliberation by the Management, with a continuing observation of their good performance. The services of those who, upon study by Management, shall be found to have been performing at a subpar level, shall no longer be retained;

6. To protect claimants' rights by maintaining with the Insurance Commission a twenty-five percent (25%) security deposit at all times, which is always replenished in the event that any amount is deducted from such twenty-five percent (25%) security deposit;
7. To pay valid debts to creditors without unjustified delay or breach. The Company is committed to the observance of creditor's rights, and the honoring of our contractual obligations. The Company shall fulfill our obligations within the bounds of law and in a timely manner, and shall observe proper documentation, disclosure, and reporting;
8. To comply with financial reporting requirements;
9. To not permit violence, harassment, abuse, or corruption at the workplace;
10. To deliberate upon, prepare, and come up with a succession plan for key positions within the Company, to ensure the continuity of the Company's operations;
11. To promote and enhance the knowledge, development, and training of employees by sending to seminars, holding lectures, inviting resource speakers, or sponsoring memberships in industry organizations;
12. To maintain licit and respectful relations with regulators, government authorities, and public institutions.

## **II. What Is Expected of Everyone Within Plaridel**

1. To act in a responsible and ethical manner;
2. To employ good judgment in the exercise of job duties and the use of Company resources;
3. To comply with this Code of Ethics and Conduct, and all company policies, rules, and regulations as may be contained in the Company's Manual of Operations, Corporate Governance Manual, and all memoranda, directives, or instructions issued by the Management. Failure to do so may result in disciplinary action;
4. To respect and maintain the privacy and confidentiality of Company information, as well as personal data of clients, and not to use, disclose, or mishandle these knowledge in violation of trust. These information assets include paper and electronic records, data, documents, systems, materials, trade secrets, internal deliberations, and the like. Examples of improper handling include unauthorized viewing, copying, recording, distributing, selling, removing from the premises, and altering of said information;
5. The Company prohibits the use, possession, distribution, possession, or sale of controlled substances and illegal drugs within its premises. This prohibition shall also apply outside Company premises as long as the employee is conducting Company business, or operating Company equipment;
6. Any employee under the influence of alcohol is prohibited from entering Company premises, engaging in Company business, or operating Company equipment;
7. Where allowed by law, the Company may conduct searches and conduct testing for drug use and/or alcohol use if necessary;

8. The Company prohibits actual or threatened violence or illegal harassment on Company premises. Concerns must be immediately reported. Safety within the premises is always a Company concern, and the building's security may be contacted at all times;
9. To report to his or her superior or supervisor if he or she has any reason to suspect that anyone in the Company or its partners, producers, affiliates, or suppliers has violated or acted against Company policies or local laws, or has committed illegal or unethical practices. The reporting employee shall be able to speak personally and privately if desired, and the reports will be taken seriously and investigated as appropriate;
10. In the case of producers, suppliers, partners, or affiliates, to report to the Company's Management if a Company employee has acted contrary to proper business conduct or has committed illegal or unethical practices. Reports will be taken seriously and investigated as appropriate;
11. The Company and its employees shall take measures to ensure that the customer's health and safety are protected within Company premises, such as cleanliness, the absence of hazardous materials or surfaces, and the provision of well-lit, well-planned areas;
12. Clients' inquiries shall be answered, and claims shall be processed and addressed, as quickly as practicable, upon complete submission of the required documents;
13. The Company shall objectively assess emotional and rational needs on each step of the customer journey, identify the gaps and implement actions to address the gaps.

### **III. Non-Retaliation Policy**

The Company appreciates help on identifying possible or potential problems and issues that may need to be addressed by the Management. The Company does not tolerate any form of retaliation for reports made in good faith, and shall take steps to prevent and/or protect against such retaliation.

The Company has put in place a whistleblowing policy that will aid in the uncovering of irregularities or anomalies. Employees and other shareholders are encouraged to raise genuine concerns about possible improprieties in the conduct of our business, whether in matters of financial reporting or other malpractices, at the earliest opportunity and in an appropriate manner and process. The Company shall provide confidentiality and privacy, as well as freedom from retaliation to the whistleblower. Allegations shall be received and investigated by the Audit Committee.

### **IV. Diversity Policy**

The Company respects diversity among its employees. The Company shall provide equal employment opportunities to applicants and prohibit discrimination in its employment practices. No employee shall be discriminated against by reason of his/her race, religion, gender, age, color, regional origin, or political preference.

### **V. Employee Compensation and Rewards**

The Company shall administer salaries and benefits that are competitive in the marketplace and consistent with the Company's culture, strategy, and the business environment in which it operates. Management may also give incentives, rewards, or bonuses to encourage and promote good performance and promote the success of the Company's business.

## **VI. Professional Education and Development**

The Company encourages its directors, officers, managers, and staff to attend professional education programs, seminars, and lectures to enhance their knowledge and competencies. The Company may sponsor or invite resource speakers to lecture on their areas of expertise. The Company also supports membership of its directors, officers, managers, and staff in various insurance industry organizations, especially those related to their particular departments.

The Company is committed to the development and training of its employees in order for them to reach and maximize their full potential and productivity. Employees shall be sent to seminars or lectures at the expense of the Company, resource speakers shall also be invited to the Company to speak on their areas of expertise and share their insights for the enrichment of the employees' knowledge.

## **VII. Internal Controls**

The Company believes in sound, reliable, efficient, and effective internal controls. It is important for proper and complete reporting and accounting. Each officer, manager, and employee must be aware of and understand the internal controls pertinent to his/her position, and follow and implement the policies and procedures related to those controls.

## **VIII. Audits**

Audits are regularly performed by competent internal and external auditors who ensure that policies, procedures, controls, or accounting and reporting standards are complied with. Clear and complete information is provided

in order for possible weaknesses, bottlenecks, or areas needing improvement to be identified. Cooperation is always provided during the audit process.

## **IX. Fraud and Corruption**

It is against Company policy to engage in any scheme to defraud anyone of money, property, or services. Fraudulent activities, theft, conversion, and other unauthorized use of Company funds and assets shall be penalized.

The Company pledges to make transactions and engage in dealings that are transparent and above-board, in keeping with the Company's policy of integrity and trustworthiness.

The Company shall maintain a system of checks and balances, including but not limited to spot checking, reconciliation, random audits, and regular submission of reports, in order to maintain the conduct of business with integrity and prevent misconduct of any kind.

## **X. Conflicts of Interest**

Conflicts of interest must be avoided or minimized as much as possible. These conflicts of interest may occur when an individual's personal interests conflicts with his or her responsibilities to the Company such that it interferes with the individual's judgment in carrying out his work duties and responsibilities and there is a resulting negative impact or effect on the Company's reputation, relations, or business interests. A related-party transaction is a business deal or arrangement between two parties joined by a special relationship prior to the deal. To this end:

1. Directors, officers, managers, and staff are required to disclose related-party transactions or conflicts of interest

such as their interest, personal stake, or possible benefit in business transactions;

2. A committee meeting, such as that of the Management Committee or Executive Committee, may be convened to review, evaluate, and decide upon material or significant related-party transactions or conflicts of interest to determine whether they are in the best interests of the Company or detrimental thereto;
3. Directors, officers, managers, and staff may be asked not to attend or participate in the meeting on a particular agenda where they are conflicted. However, he or she may be asked to attend or participate in the meeting if the Committee deems it fit in order to hear his or her side or explanation;
4. Loans or transactions by or involving directors must be conducted at arm's-length basis and at prevailing market rates to ensure fairness. In dealing in Company shares, directors are required to report such dealings at least three (3) business days prior to such dealing, and to report the results thereof within three (3) business days after such dealing.

## **XI. Inside Information**

Directors and employees must never use their position, influence, or work access to secure a benefit for themselves. Revealing inside information, trade secrets, or using Company information, assets, or resources for personal gain or improper benefit of others are violative of Company policy and shall be penalized.

Taking advantage of one's position, power, and access to Company information to gain knowledge not generally available to the public or market in order to obtain a benefit therefrom, is strictly prohibited.

## **XII. Environmental Consciousness**

The Company shall do its share responsibly in environmental conservation efforts, consistent with promoting sustainable development, by minimizing environmental impacts, employing eco-friendly measures where possible, and following environmental regulations. The Company is committed to making use of environmentally-sound business practices that minimize, as far as practicable, any further damage to our ecology and environment. The Company makes use of LED lighting, recycling, and adheres to a no-littering, proper garbage segregation and disposal policy.

## **XIII. Corporate Social Responsibility**

The Company pledges and commits to engage in Corporate Social Responsibility activities, to give aid or contributions to deserving groups and organizations that will benefit the community, and to collaborate with civic or charitable institutions in improving social attention or quality of life of disadvantaged people.

The Company maintains a policy of providing for partnerships both between and within different sectors of society, considering the impact of current actions on future generations. The Company shall encourage initiatives in sustainable economic and social development, such as supporting programs for education, health, disaster relief, and donations for the less-privileged members of our society.

## **XIV. Administration of this Code**

Implementation and compliance with this Code shall be monitored by the Board of Directors, Executive Committee, and Management Committee.

The Company takes all reports of potential Code violations seriously and is committed to confidentiality and a full investigation of all allegations. Employees who are being investigated for a potential Code violation will have an opportunity to be heard prior to any final determination.

The Company strives to impose discipline that fits the nature and circumstances of each Code violation.