

**1 COOPERATIVE INSURANCE SYSTEM OF THE PHILIPPINES
LIFE AND GENERAL INSURANCE**

CODE OF ETHICAL STANDARDS

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Article 1: 1CISP Code of Ethical Standards

This Code shall be known as the **1CISP CODE OF ETHICAL STANDARDS** (hereinafter referred to as “The Code”). The Code is the Cooperative’s set of ethical rules guided by its Articles of Cooperative, By-laws and as mandated by Republic Act 9520, otherwise known as “Philippine Cooperative Code of 2008”, as amended, its implementing rules and regulations and other relevant laws of the Philippines. It sets the ethical standards to guide 1CISP directors, officers, members, and employees in the performance of their duties and responsibilities.

Article 2: Guiding Principles

This Code adheres, among others, to the Cooperative Principles under R.A. 9520 stating that every cooperative shall conduct its affairs in accordance with Filipino culture, good values and experience and the universally accepted principles of cooperation.

It likewise abides by 1CISP’s core values of (1) commitment to reliability; (2) under-promise, over deliver; (2) mutual prosperity; and (4) excellent service.

Article 3: Coverage of the Code

This Code shall apply to all 1CISP governing board and its directors, officers, members, and employees. They shall observe and adhere to the norms of conduct as set forth in this Code in the performance of their duties and responsibilities as contained in the Articles of Cooperative and By-laws and as mandated by the laws of the Philippines.

Article 4: Cooperative Standards

The Cooperative, as an entity, shall abide by the following standards:

1. It shall be open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, cultural, political or religious discrimination;
2. It shall be a democratic organization controlled by its members who actively participate in setting its policies and making decisions. Its directors or officers are accountable to its members;
3. It shall provide education and training for its directors, officers, employees, and members, so that they can contribute effectively and efficiently to the development of ICISP;
4. It shall serve its members most effectively and strengthen the cooperative movement by working together through local, national, regional and international structures; and
5. It shall work for the sustainable development of their communities through policies approved by their members.

Article 5: The Governing Board

In the performance of its duties and responsibilities, the Board of Directors shall act in accordance with the following standards:

1. It shall consider the welfare and well being of the general membership and its employees as well as the advancement of the cooperative, the community and the nation in the formulation of resolutions and policies.

2. It shall exercise its functions with due care and prudence like a good father of a family and must be thoroughly knowledgeable on the management and operation of its cooperative.
3. It shall adopt bold and aggressive policies that can withstand the rigors of public scrutiny and a policy of transparency for the welfare of the general membership;
4. It shall seek new and better ways in making the cooperative responsive, viable and progressive;
5. Be supportive of program and activities of unions and federations where its cooperative is a member;
6. Balance its oversight and support for the President and/or Chief Executive Officer, as duly defined in the Articles of Cooperation and By-laws of the cooperative;
7. It shall coordinate with committees and management to effect harmonious business operation;
8. It shall not engage in the business which directly competes with the business of the cooperative;
9. Its Directors shall not be an officer of any cooperative whose business is in conflict with the line of business of the cooperative, except in secondary organizations like Federation.

Article 6: Directors and Officers

In addition to other applicable provisions set forth in this Code, 1CISP directors and officers shall abide by the following professional ethical standards:

1. Directors and officers should keep abreast and comply with laws, rules and regulations pertinent to the operations of 1CISP as well as internal policies, guidelines or procedures of the Cooperative;
2. Directors and officers shall act responsibly, fairly and not engage in any illicit activities. Specifically, they shall:
 - a. Act in a courteous and considerate manner at all times, and should be respectful of the rights of other persons;
 - b. Ensure compliance with laws, rules, regulations as well as 1CISP's internal policies and core values in every decision-making activity;
 - c. Act with the highest standard of integrity and professionalism in the conduct of activities and in its interactions with member cooperatives, business partners, third party service providers, competitors, other directors, officers, and individuals;
 - d. Be committed to maintaining and operating effective organizational and administrative arrangements to identify and manage conflicts of interest;
 - e. Exhibit appropriate behavior outside of 1CISP, as improper behavior, or unlawful acts and deeds may also reflect negatively or may cause an appearance of a conflict with principles and values set in this Code;
 - f. Make themselves presentable especially during meetings, functions, seminars or other gatherings by wearing appropriate attire;

- g. Refrain from collusive, defamatory anti-competitive discussions, policies, practices and agreements, pertaining to interest rates, service charges and other services of member cooperatives, which would injure or tend to injure the reputation and ultimately distort business transactions and member cooperatives' confidence;
- h. Observe fair and ethical conduct in dealing with the competitors and shall not make any derogatory remarks regarding the competitors.
- i. Not derive any personal benefits using their position and title;
- j. Not cause any loss of reputation of ICISP in the performance of their function and in their attitudes nor behave in contradiction with the principles of justice, integrity, honesty, reliability and social responsibility;
- k. Not engage in any act involving dishonesty, fraud, forgeries, thefts, deceit or commit any act that reflects adversely on their professional reputation, integrity or competence.
- l. Not engage in excessive gambling or alcohol especially within the premises of the Cooperative to avoid any adverse effect on the employee's ability to fulfill his/her professional responsibilities.
- m. Not engage in demeaning, inappropriate or offensive verbal or physical conduct or any conduct of sexual nature that creates an intimidating, hostile or offensive environment;
- n. Not use coercive means or promise special treatment to influence professional judgments of colleagues.

3. Directors and officers shall act with integrity in all its dealings. Accordingly, they shall:
 - a. Not exploit persons over whom they have supervisory, evaluative or other authority;
 - b. Avoid conflict between self-interest and 1CISP interests;
 - c. Not encourage a director or officer to engage in political and religious activities in potential conflict with the interest of 1CISP;
 - d. Avoid engaging directly or indirectly in any business activity that competes, or in conflict with 1CISP's interest, or which gives the appearance of a conflict that can diminish the valuable relationships and impair or affect independence and objective judgment;
 - e. Avoid engaging directly or indirectly in any personal business transactions involving member cooperatives or similar acts that may bring about appearance of a conflict of interest, or impairs their ability to meet their regular responsibilities of 1CISP;
 - f. Avoid serving as an officer, director, consultant, or business partner of another cooperative federation primarily engaged in the same products and services of 1CISP;
 - g. Be fair and honest in declaring their itinerary and all expenses involve in their official travel in 1CISP, or to participate with other activities for 1CISP;
 - h. Not accept gifts or items of value, or cash, in any amount to include cash equivalents which may readily be converted to cash as expression of gratitude, or in exchange of the service for participating in any

discussion, approval and in any action which would effectuate a servicing relationship between 1CISP and the institution;

- i. Not engage directly or indirectly in soliciting, giving, accepting, receiving or agreeing to receive gifts of any kind or anything of value for himself or for any other person in connection with any transaction or business of 1CISP and such acts that bring about appearance of a conflict of interest;

Notwithstanding the immediately preceding provisions of (h) and (i), a director or officer may periodically give or receive meals, refreshments, or other forms of entertainment provided that the same are (1) of reasonable value, and would not be considered lavish; (2) the purpose of the meeting or attendance at the event is business related, and both the giving and receiving party will be in attendance to discuss business; and (3) non-cash gifts of reasonable value at special occasions and events, such as a new job, promotion, wedding, birthday, or retirement that represents expression of friendship.

4. Directors and officers shall treat each other with fairness, respect and impartiality, and shall collaborate based on trust and mutual support. They shall:
 - a. Be helpful at all times but not to the extent of granting special favors which may prejudice the interest of 1CISP;
 - b. Recognize and respect the rights and privileges of individuals in 1CISP; and
 - c. Comply with the continuing professional development governed by existing laws or regulations.

5. Directors and officers shall maintain confidentiality of information and observe the highest standards of information security. Thus, they shall:

- a. Be prohibited during or after their term of office, from disclosing sensitive and confidential information including personal data held by 1CISP about its operations or of its directors, officers, members, employees, service providers, among others, unless otherwise authorized;
- b. Avoid the use of email, social media, websites, phones, and other communication facilities to express or publish defamatory and demeaning statements which may cause damage to the reputation of the Cooperative or any of its directors, officers, members or employees or otherwise negatively affect relationships and mutual trust.

6. Directors and officers shall build relationships with member cooperatives and shall:

- a. Develop a sense of commitment towards cooperative members and imbibe in them a deep sense of loyalty, devotion to duty, and a proper work attitude with the view of maintaining a high standard of service worthy of the faith and confidence of the member cooperatives;
- b. Ensure that the business interests of 1CISP and the member cooperatives are protected and served to the highest standards and skills;
- c. Behave in a respectable manner and avoid any conduct which may either directly or indirectly bring discredit or injury to a member cooperative and to 1CISP.

Article 7: Members

1. Cooperative members are expected to:
 - a. Be respectful and observe proper decorum considering the organizational hierarchy;
 - b. Be receptive to constructive criticisms by developing and maintaining emotional maturity and stability;
 - c. Be actively involved in cooperative and community affairs; and
 - d. Refrain from giving and receiving gifts to obtain or in exchange for favor (bribery or being the recipient of bribery), engaging in activities inimical to the interest of the cooperative; and using the cooperative for personal interest.
2. Every member should exercise his/her rights and privileges and perform his/her duties as defined in the articles of cooperation and by-laws.

Article 8: Employees

Employees of the Cooperative must be of good moral character, honest, responsible, competent, loyal and committed to the Cooperative. They shall give the best possible service to the members and officers of the Cooperative keeping in mind the Cooperative's vision, mission and core values. Among others, they shall:

1. Observe the cooperative's existing policies and procedures especially those governing personnel discipline and conduct;

2. Subject themselves to management policies and should not be beholden to any member of the board and inhibit themselves from campaigning during the cooperative elections; and
3. Take the initiative to develop themselves and undergo training, seminar and other manner of education to improve their competence and perspective.

Article 9: Separability Clause

In case any one or more of the provisions of this Code is held to be invalid or illegal in any respect, the validity or legality of the remaining provisions shall not in any way be affected or impaired thereby.

Article 10: Effectivity Clause

This Code is duly approved during the Board Meeting of 1CISP Board of Directors through Board Resolution No. 142, series of 2019 on 23 September 2019, at Quezon City and takes effect 15 days after its approval and publication to the three conspicuous places where the cooperative operates.