

CODE OF BUSINESS CONDUCT AND ETHICS

CHAPTER I. MISSION, VISION, VALUES AND APPLICABILITY

I. Mission – Assuring a Safer Tomorrow

As a significant member of the non-life insurance industry, we are in the business of providing peace of mind to our stakeholders, thus *assuring a safer tomorrow* for all concerned.

II. Vision and Purpose

As professional employees of the **RELIANCE SURETY & INSURANCE CO., INC. (RSICI)**, we are committed to doing what is right and honorable.

We set high standards for ourselves and we aspire to meet these standards in all aspects of our lives – at work, home, and in service to our profession.

This Code of Business Conduct and Ethics describes the expectations that we have for ourselves and our fellow employees in the non-life insurance community. It articulates the ideals to which we aspire as well as the behaviors that are mandatory in our profession.

The purpose of this Code is to instill confidence in our profession and to help an individual become a better employee. We do this by establishing a profession-wide understanding of appropriate behavior. We believe that the credibility and reputation of the company is shaped by the collective conduct of the individual employees.

We believe that we can advance our profession both individually and collectively, by embracing this Code of Business Conduct and Ethics.

We also believe that this Code will assist us in making wise decisions, particularly when faced with difficult situations where we may be asked to compromise our integrity or values.

Our hope that this Code of Business Conduct and Ethics will serve as a catalyst for other to study, deliberate, and write about ethics and values.

Further, we hope that this Code will ultimately be used to build upon and evolve our profession.

III. Persons to Whom the Code Applies

The Code of Business Conduct and Ethics applies to:

- i. All RSICI employees (officers and staff)
- ii. Individuals who are not employees of RSICI

IV. Structure of the Code

The Code of Business Conduct and Ethics contains standards of conduct which are aligned with the eight core values that were identified as most important to the company.

V. Core Values that Support this Code

Our Company espouses a set of values that are critical to the success of the organization as well as contributing to the self-esteem and well-being of the employees. These set of eight (8) values form the acronym “RIFLECTT”, and was formulated from the contributions of the employee work force.

Respect - Reliance employees are considerate toward others. People have different views or perspectives on things or may react differently in situations, but that does not mean one is right and the others are wrong. It is expected that each employee accepts individual differences and accords everyone with respect.

Integrity - Uprightness of character, trustworthiness and incorruptibility are some of the hallmarks of a person with integrity. A Reliance employee is expected to steadfastly adhere to high moral principles and professional standards.

Fairness - Business transactions inside and outside of our Company should be impartial and honest, free from self-interest, prejudices or favoritism. There should be equal treatment of all concerned without favoring any party in particular.

Loyalty - We expect each employee to always project a positive image of the Company and manifest pride in the organization. Each one must take ownership of his job and assume personal responsibility for the success of the entire company.

Excellence - Each employee must dedicate his full faculties, efforts and competencies in the excellent performance of his job and the fulfillment of his individual role in the organization. Complacency on the job is not tolerated.

Commitment - We expect that each individual commits himself to his respective duties and responsibilities wholeheartedly and does each task with a passion. Each

one contributes his best efforts in the performance of the job, not only to benefit the Company but for self-improvement and growth as well.

T rust - All employees are expected to deal with each other and our clients with personal integrity, sincerity and honesty. A high level of trust, dependability and fidelity is expected among employees and in dealing with agents and clients.

T eamwork - We expect that each member of the organization respect and value the different unique competencies of each team member contributing to the achievement of team goals and objectives.

VI. Aspirational and Mandatory Conduct

The Code of Business Conduct and Ethics includes both **aspirational standards** and **mandatory standards**.

The aspirational standards describe the conduct that we strive to uphold as employees. Although adherence to the aspirational standards is not easily measured, conducting ourselves in accordance with these is an expectation that we have of ourselves as professionals—it is not optional.

The mandatory standards establish firm requirements, and in some cases, limit or prohibits employee behavior. Employees who do not conduct themselves in accordance with these standards will be subject to disciplinary procedures before Committee.

CHAPTER II. RESPONSIBILITY

I. Description of Responsibility

Responsibility is our duty to take ownership for the decisions we make or fail to make, the actions we take or fail to take, and the consequences that result.

II. Responsibility: Aspirational Standards

As employees of RSICI:

- i. We make decisions and take actions based on the best interests of the company, society, public safety, and the environment.
- ii. We accept only those assignments that are consistent with our background, experience, skills, and qualifications.
- iii. We fulfill the commitments that we undertake – we do what we say we will do.
- iv. When we make errors or omissions, we take ownership and make corrections promptly. When we discover errors or omissions caused by others, we communicate them to the appropriate body as soon as they are

discovered. We accept accountability for any issues resulting from our errors or omissions and any resulting consequences.

- v. We protect propriety or confidential information that has been entrusted to us.
- vi. We uphold this Code and hold each other accountable to it.

III. Responsibility: Mandatory Standards

As employees of RSICI, we require the following of ourselves and our fellow employee:

Regulations and Legal Requirements

- i. We inform ourselves and uphold the policies, rules, regulations and laws that govern our work, professional, and volunteer activities.
- ii. We report unethical or illegal conduct to appropriate management committee, and if necessary, to those affected by the conduct.

Ethics Complaints

- iii. We bring violations of this Code to the attention of the appropriate management committees for resolution.
- iv. We only file ethics complaints when they are substantiated by facts.
- v. We pursue disciplinary action against an individual who retaliates physically against a person raising ethics concern.

CHAPTER III. RESPECT

I. Description of Respect

Respect is our duty to show a high regard for ourselves, others, and the resources entrusted to us. Resources entrusted to us may include people, money, reputation, the safety of others, and natural or environmental resources.

An environment of respect engenders trust, confidence, and performance excellence by fostering mutual cooperation — an environment where diverse perspectives and views are encouraged and valued.

II. Respect: Aspirational Standards

As employees of RSICI:

- i. We inform ourselves about the norms and customs of others and avoid engaging in behaviours they might consider disrespectful.

- ii. We listen to others' point of view, seeking to understand them.
- iii. We approach directly those persons with whom we have a conflict or disagreement.
- iv. We conduct ourselves in a professional manner, even when it is not reciprocated.

III. Respect: Mandatory Standards

As employees of RSICI, we require the following of ourselves and our fellow employee:

- i. We negotiate in good faith.
- ii. We do not exercise the power of our expertise or position to influence the decisions or actions of others in order to benefit personally at their expense.
- iii. We do not act in an abusive manner toward others.
- iv. We respect the property rights of others.

CHAPTER IV. FAIRNESS

I. Description of Fairness

Fairness is our duty to make decisions and act impartially and objectively. Our conduct must be free from competing self-interest, prejudice, and favoritism.

II. Fairness: Aspirational Standards

As employees of RSICI:

- i. We demonstrate transparency in our decision-making process.
- ii. We constantly re-examine our impartiality and objectivity, taking corrective action as appropriate.
- iii. We provide equal access to information to those who are authorized to have that information.
- iv. We make opportunities equally available to qualified candidates

III. Fairness: Mandatory Standards

As employees of RSICI, we require the following of ourselves and our fellow employee:

Conflict of Interest Situations

- i. We proactively and fully disclose any real or potential conflicts of interest to the appropriate management committee stakeholders.
- ii. When we realize that we have a real or potential conflict of interest, we refrain from engaging in the decision making process or otherwise attempting to influence outcomes, unless or until:

- we have made full disclosure to the affected stakeholders;
- we have an approved mitigation plan;
- we have obtained the consent of the stakeholders to proceed.

Favoritism and Discrimination

- iii. We do not hire or fire, reward or punish, or award or deny contracts based on personal considerations, including but not limited to, favoritism, nepotism, or bribery.
- iv. We do not discriminate against others based on, but not limited to, gender, race, age, religion, disability, nationality, or sexual orientation.
- v. We apply the rules of the organization (employer, non-life insurance governing bodies, or other group) without favoritism or prejudice.

CHAPTER V. HONESTY

I. Description of Honesty

Honesty is our duty to understand the truth and act in a truthful manner both in our communications and in our conduct.

II. Honesty: Aspirational Standards

As employees of RSICI:

- i. We earnestly seek to understand the truth.
- ii. We are truthful in our communications and in our conduct.
- iii. We provide accurate information in a timely manner.
- iv. We make commitments and promises, implied or explicit, in good faith.
- v. We strive to create an environment in which others feel safe to tell the truth.

III. Honesty: Mandatory Standards

As employees of RSICI, we require the following of ourselves and our fellow employees:

- i. We do not engage in or condone behavior that is designed to deceive others, including but not limited to, making misleading or false statements, stating half truths, providing information out of context or withholding information that, if known, would render our statements as misleading or incomplete.
- ii. We do not engage in dishonesty behavior with the intention of personal gain or at the expense of another.

CHAPTER VI. CONCLUSION

The result of this effort – Code of Business Conduct and Ethics – not only describe the ethical values to which management and staff of the RELIANCE SURETY &

INSURANCE CO., INC. aspires, but also addresses the specific conduct that is mandatory for every individual bound by this Code.

Violations of the Code of Business Conduct and Ethics may result in sanctions by RSICI management committee. That as employees of RSICI, our company takes its commitment to ethics very seriously and we hold ourselves and our peers at RELIANCE SURETY & INSURANCE CO., INC. in the non-life insurance community accountable to conduct ourselves in accordance with the provisions of this Code.