

BJMP Mutual Benefit Association Incorporated

CODE OF CONDUCT AND ETHICS

ARTICLE I. GENERAL PROVISIONS

Section 1. Title

This policy shall be known as the BJMPMBAI Code of Conduct and Ethics, hereinafter referred to as the “Code.”

Section 2. Purpose

This Code establishes the ethical principles, professional standards, expected behavior, and accountability requirements applicable to persons serving or working for the Bureau of Jail Management and Penology Mutual Benefit Association, Inc. (BJMPMBAI). It aims to:

- Promote integrity, accountability, professionalism, fairness, and responsible stewardship.
- Define acceptable and unacceptable conduct in the Association’s internal and external dealings.
- Protect the interests of BJMPMBAI, its members, employees, stakeholders, and the public.
- Prevent fraud, corruption, conflicts of interest, harassment, abuse of authority, misuse of resources, and other unethical practices.
- Establish clear expectations for reporting, investigating, and addressing potential violations.
- Support compliance with approved BJMPMBAI resolutions and policies; requirements of the regulating institutions such as Insurance Commission (IC), Securities and Exchange Commission (SEC), and Bureau of Internal Revenue (BIR), and other applicable laws and governance standards.
- Institutionalize ethical leadership and responsible organizational behavior in support of BJMPMBAI’s strategic direction for 2026–2030.

Section 3. Policy Statement

BJMPMBAI is committed to conducting its affairs ethically, transparently, fairly, and responsibly. Every person covered by this Code is expected to act in the best interests of the Association and its members, protect confidential information and organizational assets, comply with applicable requirements, and report suspected misconduct through appropriate channels.

No person shall use their position, authority, access, or relationship with BJMPMBAI to obtain an improper personal benefit, favor another person improperly, conceal wrongdoing, or cause harm to the Association or its stakeholders.

Ethical conduct is a shared responsibility. Compliance with this Code is required regardless of position, seniority, length of service, personal relationship, or organizational influence.

Section 4. Scope and Coverage

This Code applies to:

1. Members of the Board of Trustees, in addition to their applicable fiduciary duties and governance obligations.
2. The President, senior management, officers, and all employees of BJMPMBAI.
3. Personnel assigned to committees, working groups, or special functions when acting on behalf of the Association.
4. Consultants, contractors, service providers, and other representatives, to the extent applicable to their engagement, contractual obligations, and activities performed for or on behalf of BJMPMBAI.

The Code shall be read together with the BJMPMBAI By-Laws, Code of Corporate Governance, Manual on Good Governance, Human Resource Policy Guidelines, Whistleblowing Policy, Internal Control Procedures, Operations Manual, information security and data privacy requirements, and other approved policies.

Where a more specific approved policy or applicable law governs a particular matter, that requirement shall be observed. Nothing in this Code shall be interpreted as authorizing conduct prohibited by law or as diminishing any right or protection provided by law.

Section 5. Definition of Terms

For purposes of this Code:

Conflict of interest refers to a situation in which a personal, financial, professional, family, or other interest could improperly influence—or reasonably appear to influence—a person's judgment or performance of duties for BJMPMBAI.

Confidential information refers to non-public information relating to BJMPMBAI, its members, employees, finances, operations, systems, contracts, investments, strategies, and other matters entrusted to the Association.

Fraud refers to an intentional act of deception, concealment, falsification, or misrepresentation intended to obtain an improper benefit or cause an improper loss.

Good faith refers to an honest and reasonable intention to report a concern or perform a duty without knowingly making a false allegation or acting for an improper purpose.

Retaliation refers to an adverse action or threat against a person because they made, assisted with, or participated in a good-faith report or investigation.

Covered persons refers to the individuals identified in Section 4 of this Code.

Unethical conduct refers to behavior inconsistent with this Code, applicable law, or approved BJMPMBAI policies, including conduct involving dishonesty, abuse of authority, discrimination, harassment, conflicts of interest, or misuse of organizational resources.

ARTICLE II. BJMPMBAI’S ETHICAL FOUNDATION

Section 6. The WE CARE Core Values

All covered persons shall uphold BJMPMBAI’s WE CARE core values.

Warm-heartedness

Treat members, colleagues, and stakeholders with courtesy, patience, consideration, and genuine concern. Provide assistance professionally and avoid behavior that is humiliating, dismissive, or needlessly hostile.

Empathy

Recognize the circumstances, concerns, and legitimate needs of others. Exercise fairness and understanding while maintaining professional boundaries, impartiality, and compliance with applicable policies.

Commitment

Perform assigned duties diligently, meet legitimate work obligations, pursue the Association’s objectives, and contribute to the delivery of reliable member services.

Accountability

Accept responsibility for decisions, actions, omissions, and the proper use of resources. Maintain accurate records, disclose relevant concerns, cooperate with authorized reviews, and take appropriate corrective action when errors occur.

Reliability

Be honest, consistent, dependable, and accurate in performing duties and communicating information. Honor authorized commitments and comply with established procedures.

Empowerment

Support the development of competent employees and responsible leadership. Share appropriate knowledge, encourage constructive participation, and enable others to perform their roles within established authority and accountability.

Section 7. Fundamental Ethical Principles

Covered persons shall:

- Act honestly and in good faith.
- Observe applicable laws, regulations, and approved policies.
- Exercise sound judgment, diligence, impartiality, and professional care.
- Protect the Association’s financial resources, property, information, and reputation.
- Treat people fairly and with respect.
- Disclose actual, potential, or perceived conflicts of interest.
- Maintain confidentiality and protect personal and sensitive information.
- Avoid improper personal gain, favoritism, coercion, and abuse of authority.
- Report suspected illegal, fraudulent, or unethical conduct.
- Cooperate truthfully with authorized investigations, audits, and compliance reviews.

ARTICLE III. PROFESSIONAL CONDUCT AND WORKPLACE RELATIONSHIPS

Section 8. Professionalism and Respect

Every covered person shall maintain professional behavior in the workplace and in dealings with members, colleagues, suppliers, regulators, service providers, and other stakeholders.

Expected conduct includes:

1. Communicating courteously and accurately.
2. Treating colleagues and stakeholders fairly, without unlawful discrimination or improper favoritism.
3. Respecting professional boundaries and legitimate differences of opinion.
4. Resolving disagreements through appropriate and constructive channels.
5. Giving accurate information and avoiding misleading statements.
6. Protecting the dignity, privacy, and legitimate interests of others.
7. Avoiding conduct that disrupts work, undermines legitimate operations, or damages the Association’s reputation.

Disagreement with a supervisor, officer, trustee, or colleague is not, by itself, misconduct. Concerns should be raised respectfully and through appropriate channels.

Section 9. Harassment, Bullying, and Discrimination

BJMPMBAI does not tolerate unlawful discrimination, sexual harassment, bullying, intimidation, or other prohibited conduct.

Covered persons shall not:

1. Engage in unwelcome sexual conduct, harassment, or conduct prohibited by applicable law.
2. Threaten, humiliate, intimidate, or repeatedly demean another person.
3. Use offensive or discriminatory remarks, slurs, or conduct prohibited by law or applicable policy.
4. Retaliate against a person for raising a concern or participating in a legitimate complaint process.
5. Use authority, employment decisions, work assignments, or access to benefits to pressure another person for an improper personal purpose.

Complaints shall be handled under applicable law and BJMPMBAI’s established complaint, HR, and reporting procedures. This Code does not replace any legally required process or specialized policy.

Section 10. Attendance, Leave, and Work Responsibilities

Employees shall comply with the approved Human Resource Policy Guidelines and other applicable work rules governing:

- 1.Attendance, punctuality, working hours, and authorized breaks.
- 2.Leave applications, approvals, and documentation.
- 3.Notification of absences and delays.
- 4.Accurate recording of time worked and attendance.
- 5.Completion of assigned duties and authorized work arrangements.

Employees shall not falsify attendance records, submit knowingly false leave documents, claim work or benefits not earned, or direct another person to make an inaccurate record.

Attendance-related violations and other employment matters shall be handled under the applicable HR policy, subject to due process and applicable law.

Section 11. Use of Authority and Position

Authority shall be exercised only for legitimate BJMPMBAI purposes and within approved delegations and responsibilities.

Covered persons shall not:

- 1.Use their position to obtain unauthorized payments, gifts, services, favors, or other personal benefits.
- 2.Pressure subordinates, colleagues, members, or suppliers to provide personal benefits.
- 3.Interfere improperly with hiring, promotion, procurement, loan processing, benefit decisions, investigations, or other official processes.
- 4.Direct personnel to violate law, policy, internal controls, or established approval requirements.
- 5.Use organizational influence to secure preferential treatment for relatives, friends, associates, or related parties.
- 6.Suppress legitimate complaints, audit findings, or compliance concerns.
- 7.Represent personal instructions or opinions as approved BJMPMBAI decisions when they are not.

A person who receives an instruction reasonably believed to be unlawful, fraudulent, or contrary to an approved policy should seek clarification or report the concern through an appropriate channel.

Section 12. Outside Employment and Personal Activities

Employees shall disclose outside employment, business interests, or activities when required by applicable policy or when these may materially interfere with their BJMPMBAI duties, create a conflict of interest, misuse confidential information, or compromise the Association’s legitimate interests.

No covered person shall use BJMPMBAI time, facilities, equipment, information, personnel, or funds for unauthorized private business or personal activities.

Nothing in this section is intended to prohibit lawful personal activities that do not create a conflict or violate applicable employment requirements.

ARTICLE IV. CONFLICTS OF INTEREST AND IMPROPER BENEFITS

Section 13. Avoidance and Disclosure of Conflicts of Interest

Covered persons shall avoid conflicts between personal interests and their responsibilities to BJMPMBAI. Actual, potential, and reasonably perceived conflicts must be disclosed promptly to the appropriate authorized person or body.

Conflicts may arise from:

- 1.Financial interests in a supplier, contractor, service provider, borrower, or other party dealing with BJMPMBAI.
- 2.Family, personal, or close business relationships that could affect impartial decisions.
- 3.Outside employment or business activities that compete with or compromise BJMPMBAI’s interests.
- 4.Participation in decisions involving a person's own interests or those of a related party.
- 5.Use of confidential information or organizational opportunities for personal benefit.
- 6.Gifts, favors, hospitality, or other benefits that could improperly influence judgment.

Disclosure does not automatically constitute misconduct. The conflict must be assessed and managed through appropriate measures, which may include recusal, reassignment, restrictions on access to information, or other controls.

No person shall participate in a decision where they are required to abstain under applicable law, policy, or governance rules.

Section 14. Gifts, Favors, and Hospitality

Covered persons shall not solicit or accept gifts, money, loans, commissions, entertainment, favors, or other benefits that could improperly influence—or reasonably appear to influence—the performance of their duties.

Covered persons shall not offer or give such benefits to obtain an improper advantage for BJMPMBAI or themselves.

Any permitted nominal gifts or hospitality must comply with applicable law and approved BJMPMBAI rules. Where the acceptability of a gift or benefit is uncertain, the recipient shall seek guidance from the designated authorized official before accepting or retaining it.

Cash gifts, kickbacks, secret commissions, and benefits offered in exchange for an improper decision are prohibited.

Section 15. Anti-Bribery, Anti-Corruption, and Fraud

BJMPMBAI prohibits fraud, bribery, corruption, embezzlement, falsification, collusion, coercion, and other dishonest or unlawful practices.

Prohibited conduct includes:

1. Offering, soliciting, giving, or accepting a bribe or kickback.
2. Diverting, stealing, or misappropriating funds or assets.
3. Falsifying financial, accounting, attendance, procurement, personnel, member, or other official records.
4. Concealing transactions or creating false supporting documents.
5. Making knowingly false representations to members, management, trustees, auditors, regulators, or other stakeholders.
6. Manipulating approvals, bidding, quotations, vendor selection, payments, or reimbursements.
7. Colluding with another person to defraud BJMPMBAI or obtain an improper advantage.
8. Concealing, destroying, or altering records to obstruct an audit, investigation, or compliance review.
9. Knowingly facilitating money laundering, financing of terrorism, or other unlawful activity.
10. Retaliating against a person who reports suspected wrongdoing in good faith.

Any suspected fraud, corruption, or material irregularity shall be reported through the established Whistleblowing Policy and other applicable reporting procedures.

Section 16. Procurement and Transactions with Third Parties

All procurement, contracting, purchasing, and other transactions shall be conducted fairly, transparently, and in accordance with approved internal controls and delegated approval authority.

Covered persons involved in these activities shall:

1. Follow applicable quotation, evaluation, approval, documentation, and recordkeeping requirements.
2. Evaluate suppliers and proposals using legitimate and documented criteria.
3. Disclose relevant personal or related-party interests.
4. Avoid favoritism, collusion, manipulation of specifications, and unauthorized commitments.
5. Maintain accurate supporting documents and a proper audit trail.
6. Avoid splitting transactions, bypassing approval limits, or otherwise circumventing established controls.
7. Protect confidential bid, quotation, negotiation, and supplier information.
8. Report suspected irregularities or improper benefits.

No person may approve or commit BJMPMBAI to a transaction beyond their authorized powers.

Detailed purchasing and procurement procedures shall remain governed by the applicable Internal Control Procedures and Operations Manual.

Section 17. Protection of BJMPMBAI Funds and Financial Integrity

Covered persons entrusted with financial responsibilities shall exercise due care, comply with authorization requirements, maintain accurate records, and safeguard the Association’s resources.

No person shall:

- 1. Use Association funds for unauthorized purposes.
- 2. Submit false, inflated, duplicate, or unsupported claims.
- 3. Conceal losses, liabilities, irregular transactions, or material errors.
- 4. Circumvent financial controls or required approvals.
- 5. Misuse access to bank accounts, payment systems, accounting records, investments, or financial platforms.
- 6. Improperly influence investment, lending, collection, disbursement, or financial reporting decisions.
- 7. Make unauthorized commitments or representations concerning BJMPMBAI’s financial position.

Financial irregularities shall be reported promptly through the appropriate management, Compliance, Internal Audit, or whistleblowing channel, depending on the nature of the concern and any conflict involving the normal recipient.

ARTICLE V. CONFIDENTIALITY, DATA PRIVACY, AND INFORMATION SECURITY

Section 18. Confidentiality Obligations

Covered persons shall protect confidential and non-public information obtained through their relationship with BJMPMBAI.

Confidential information may include:

- 1. Members’ personal, financial, employment, loan, benefit, and account information.
- 2. Employee personnel records, compensation, performance, and disciplinary information.
- 3. Financial statements, investment information, forecasts, budgets, and internal reports not authorized for public release.
- 4. Board deliberations, internal investigations, legal advice, and privileged communications.
- 5. Business plans, contracts, negotiations, operational procedures, and internal controls.
- 6. Passwords, credentials, security configurations, system architecture, and other restricted IT information.

Covered persons shall access, use, disclose, retain, and dispose of such information only for authorized purposes and in accordance with applicable policies and law.

Confidentiality obligations continue after the end of employment, appointment, or engagement, subject to applicable law and any lawful disclosure obligations.

Section 19. Data Privacy and Records Handling

All covered persons shall comply with applicable data privacy requirements and BJMPMBAI’s approved privacy, records management, and information security policies.

They shall:

- 1. Access personal information only when authorized and necessary for legitimate duties.
- 2. Use approved systems and channels to store, transmit, and process information.
- 3. Avoid unauthorized copying, downloading, photographing, forwarding, or publication of records.
- 4. Protect documents and devices against unauthorized access or loss.
- 5. Report suspected data breaches, unauthorized access, loss of records, or other security incidents promptly through established procedures.
- 6. Cooperate with authorized incident response, investigation, and remediation activities.

No person shall access another person’s account, bypass security controls, share credentials improperly, or use Association systems to access or distribute unlawful or unauthorized content.

Section 20. Use of Technology, Artificial Intelligence, and Digital Tools

Technology and digital tools shall be used responsibly, securely, and for authorized purposes.

Covered persons shall not enter confidential, personal, financial, privileged, or restricted BJMPMBAI information into external applications, artificial intelligence systems, cloud services, or other tools unless their use is authorized and appropriate safeguards are in place.

Automated or AI-generated outputs used in official work must be reviewed for accuracy, confidentiality, fairness, and compliance before being relied upon or distributed.

No person shall use technology to falsify records, impersonate another person, manipulate transactions, bypass controls, or conceal misconduct.

Section 21. Official Communications and Public Statements

Only persons authorized by BJMPMBAI may issue official statements, disclose non-public information, or make commitments on behalf of the Association.

Covered persons shall not disclose confidential information to media organizations, online audiences, third parties, or other recipients without proper authorization or a lawful basis.

Nothing in this section prohibits lawful reporting to regulators or law enforcement authorities, protected whistleblowing, participation in lawful proceedings, or disclosures otherwise protected or required by law.

ARTICLE VI. ORGANIZATIONAL ASSETS AND REPRESENTATION

Section 22. Proper Use of Assets

BJMPMBAI property, equipment, funds, vehicles, devices, software, facilities, records, accounts, and other resources shall be used for authorized purposes and protected against loss, damage, theft, misuse, and unauthorized access.

Covered persons shall:

- 1.Exercise reasonable care over assets entrusted to them.
- 2.Use assets in accordance with approved policies and assigned responsibilities.
- 3.Maintain accurate inventory, custody, and transaction records where required.
- 4.Return Association property when required or upon separation from service.
- 5.Report suspected loss, theft, damage, misuse, or unauthorized disposal.
- 6.Avoid using Association resources for unauthorized personal gain or private commercial activity.

Incidental personal use, if permitted, must comply with applicable BJMPMBAI policy and must not interfere with work, compromise security, or impose unauthorized costs.

Section 23. Social Media and Online Conduct

Covered persons shall exercise sound judgment when communicating through social media, messaging platforms, online forums, and other digital channels.

They shall not:

- 1.Publish confidential or restricted BJMPMBAI information without authorization.
- 2.Impersonate the Association or imply official endorsement without authority.
- 3.Publish knowingly false information about BJMPMBAI, its members, or colleagues.
- 4.Use online platforms to harass, threaten, intimidate, or unlawfully discriminate against others.
- 5.Use BJMPMBAI logos, branding, official accounts, or resources for unauthorized purposes.
- 6.Disclose member or employee information through screenshots, photographs, documents, or messages without proper authorization.

Personal opinions must not be presented as official BJMPMBAI positions unless the person is authorized to speak on behalf of the Association.

This section shall be applied consistently with applicable law and shall not be used to prohibit lawful expression, protected disclosures, or legitimate reporting of misconduct.

Section 24. Relations with Members, Suppliers, Regulators, and Other Stakeholders

Covered persons shall treat stakeholders fairly and professionally, provide accurate information within their authority, protect confidential information, and avoid improper promises or preferential treatment.

Decisions affecting members, suppliers, contractors, employees, or other stakeholders must be based on legitimate criteria, applicable policies, and authorized procedures.

No person shall demand an improper payment, favor, or personal benefit in connection with the provision of a service, approval, transaction, or other official function.

ARTICLE VII. REPORTING, WHISTLEBLOWING, AND NON-RETALIATION

Section 25. Duty to Report

Covered persons are encouraged and, where required by law or applicable policy, obligated to report suspected violations of this Code, applicable law, or approved BJMPMBAI policies.

Reportable concerns include:

- 1. Fraud, bribery, corruption, theft, embezzlement, or financial irregularities.
- 2. Conflicts of interest, improper benefits, favoritism, or abuse of authority.
- 3. Harassment, bullying, discrimination, or retaliation.
- 4. Unauthorized disclosure, misuse, or loss of confidential information.
- 5. Manipulation of records, procurement, financial transactions, or approval processes.
- 6. Violations of internal controls, security procedures, or regulatory requirements.
- 7. Concealment of misconduct or interference with an authorized investigation.
- 8. Other conduct that may materially harm BJMPMBAI, its members, employees, or stakeholders.

Reports should provide available facts, dates, records, witnesses, or other relevant information. A person is not required to establish that a violation has conclusively occurred before making a good-faith report.

Section 26. Reporting Channels

Reports shall be made through the channels and procedures established in the BJMPMBAI Whistleblowing Policy and applicable complaint procedures.

Subject to the current approved policy, the following routing principles shall apply:

- 1. Fraud, corruption, collusion, coercion, money laundering, financing of terrorism, or other unlawful activity detrimental to BJMPMBAI's financial interests: refer the concern to the Compliance Officer, subject to the escalation arrangements in the Whistleblowing Policy.
- 2. Serious ethical misconduct: report through the Compliance Officer or another authorized channel provided under the Whistleblowing Policy.
- 3. Bullying, harassment, or workplace dignity concerns: report to the HR Officer through the applicable procedure.
- 4. When the designated recipient is implicated, a conflict exists, there is a risk of reprisal, or the recipient fails to act: use the alternative escalation channel prescribed by the Whistleblowing Policy, which may include the Board Audit Committee, President, or a member of the appropriate Governance Committee, depending on the circumstances.
- 5. Anonymous reports: anonymous written reports shall be handled in accordance with the Whistleblowing Policy and assessed on the information available.

The current approved Whistleblowing Policy shall control if a reporting route differs from the summary above. Official contact details and any dedicated reporting channels shall be maintained in the approved policy and communicated to covered persons.

Section 27. Confidentiality of Reports

Reports and related information shall be handled discreetly and shared only with persons authorized to receive, assess, investigate, or resolve the concern, subject to applicable law and legitimate procedural requirements.

The identity of a reporting person shall be protected to the extent required by the Whistleblowing Policy and applicable law. Absolute anonymity or confidentiality shall not be promised where disclosure is legally required or necessary for a fair process.

Information about a report shall not be disclosed for gossip, retaliation, personal advantage, or other unauthorized purposes.

Section 28. Protection Against Retaliation

BJMPMBAI prohibits retaliation against any person who, in good faith:

- 1. Reports suspected misconduct or a violation of this Code.
- 2. Participates in an authorized investigation, audit, or compliance review.
- 3. Provides information or evidence through an approved reporting channel.
- 4. Refuses to participate in conduct reasonably believed to be unlawful or prohibited.

Retaliation may include threats, intimidation, unjustified adverse work actions, harassment, exclusion, or other improper treatment connected to the report or participation.

Allegations of retaliation shall be addressed promptly under the Whistleblowing Policy and applicable procedures.

Knowingly making a materially false report or deliberately fabricating evidence may itself constitute misconduct. However, a report shall not be treated as bad faith merely because it is unsubstantiated, mistaken, or ultimately not proven.

Section 29. Cooperation with Investigations and Audits

Covered persons shall cooperate honestly with authorized investigations, internal audits, compliance reviews, and other legitimate inquiries.

They shall not:

- 1. Destroy, alter, conceal, or falsify relevant records.
- 2. Coach or pressure witnesses to provide false information.
- 3. Interfere improperly with investigators or decision-makers.
- 4. Disclose restricted investigation information without authorization.
- 5. Retaliate against persons involved in the process.

Investigations shall be conducted by authorized and appropriately impartial persons, with conflicts of interest addressed. Findings and recommendations shall be documented and referred to the proper authority for action.

ARTICLE VIII. IMPLEMENTATION, ACCOUNTABILITY, AND DISCIPLINE

Section 30. Responsibilities of the Board of Trustees

Consistent with its governance responsibilities, the Board of Trustees shall:

- 1. Approve this Code and material amendments through the appropriate governance process.
- 2. Set the ethical tone for the Association and demonstrate leadership by example.
- 3. Oversee the implementation and monitoring of compliance with this Code.
- 4. Ensure that appropriate mechanisms exist for reporting, reviewing, and addressing violations.
- 5. Provide appropriate oversight of management and designated control functions.
- 6. Review significant or recurring ethical concerns and require corrective action where appropriate.
- 7. Ensure that conflicts involving the Board or senior leadership are referred to an appropriate impartial authority or committee.

The Board shall exercise these responsibilities consistently with the By-Laws, Code of Corporate Governance, committee mandates, and applicable law.

Section 31. Responsibilities of the President and Management

The President and Management shall, within their respective authority:

- 1. Implement the Code and communicate its requirements.
- 2. Integrate ethical conduct into relevant operational and management processes.
- 3. Ensure employees receive appropriate orientation and periodic training.
- 4. Support a workplace where concerns can be raised without retaliation.

5. Address reported concerns promptly and refer matters to the appropriate authorized function.
6. Maintain adequate records of implementation, training, acknowledgments, and corrective action.
7. Ensure that existing policies and procedures are reviewed for consistency with this Code.

No manager or supervisor may waive a requirement of this Code without lawful authority and a properly documented approval under the applicable governance framework.

Section 32. Responsibilities of Human Resources

Human Resources shall, within its approved functions:

1. Coordinate employee orientation and dissemination of this Code.
2. Maintain employee acknowledgments and training records.
3. Apply relevant HR policies and procedures to employment-related violations.
4. Ensure that disciplinary matters are processed consistently and with appropriate due process.
5. Coordinate with the Compliance Officer or other authorized functions when a matter overlaps with whistleblowing, fraud, harassment, or other specialized procedures.
6. Recommend updates to related HR policies where inconsistencies or gaps are identified.

HR shall not independently assume investigative or sanctioning authority beyond its approved mandate.

Section 33. Responsibilities of the Compliance Officer and Internal Audit

The Compliance Officer shall perform the responsibilities assigned under the approved governance framework and Whistleblowing Policy, including applicable compliance guidance, reporting, escalation, and monitoring functions.

Internal Audit shall perform its assigned independent assurance and review responsibilities under the Internal Audit Charter and approved audit plans.

Neither this Code nor an allegation of misconduct shall be used to bypass established reporting lines, undermine the independence of control functions, or confer authority beyond their approved mandates.

Section 34. Responsibilities of All Covered Persons

Every covered person shall:

1. Read, understand, and comply with this Code.
2. Complete required orientation or training.
3. Disclose conflicts of interest when required.
4. Protect BJMPMBAI assets and confidential information.
5. Report suspected violations in good faith through appropriate channels.
6. Cooperate with authorized inquiries.
7. Seek clarification when uncertain about an ethical requirement.
8. Refrain from directing, encouraging, assisting, or concealing violations.

Failure to read or acknowledge the Code does not automatically excuse a violation after the Code has been properly communicated, subject to applicable law and the circumstances of the case.

Section 35. Violations, Penalties and Corrective Action

Violation of this Code of Ethical Standards constitute “Willful Disobedience”, “Breach of Trust” or “Acts Inimical/Prejudicial to the Interest of the BJMPMBAI” under its Rules and Regulations and existing employment contracts, and shall be investigated and penalized in accordance with established Association’s Disciplinary Machinery. All acts prohibited under this Code of Ethics are incorporated in the BJMPMBAI’s Disciplinary Administrative Machinery, Rules and Regulations;

Provided further, that any violation of this Code not explicitly categorized in the existing Disciplinary Machinery shall be classified according to its nature, gravity, and impact on the Association under the general principles on “Proportionality of the Offense” and the “Penalty Imposed”.

Provided Finally, that BJMPMBAI reserves the right to impose corrective ethical measures (including mandatory re-training, reassignment, recusal, or forfeiture of discretionary privileges) in addition to, or in lieu of, standard administrative penalty under existing disciplinary rules, subject to procedural due process. Administrative

sanctions under the Code are without prejudice to civil or criminal actions if the prohibited act also violates applicable statutes.

For employees, disciplinary measures shall be governed by the approved Human Resource Policy Guidelines, applicable employment rules, due process requirements, and Philippine law.

For trustees, officers, and other covered persons, action shall be taken by the authority or body empowered under applicable law, the By-Laws, governance policies, employment or engagement terms, and other approved rules.

Possible actions, where authorized and appropriate, may include:

1. Counseling or corrective instruction.
2. Written warning or other formal administrative action.
3. Suspension or termination of employment, where legally justified and authorized.
4. Removal from an assignment, committee, or delegated function, where permitted.
5. Contractual remedies or termination of an engagement, where authorized.
6. Referral to the appropriate regulatory or law enforcement authority when warranted.

These are not automatic or mandatory penalties for particular categories of conduct. The appropriate action shall depend on the nature and seriousness of the violation, applicable rules, evidence, relevant circumstances, consistency of treatment, and due process.

Section 36. Due Process and Fair Treatment

Allegations shall be assessed fairly, impartially, and on the basis of available evidence.

For employee disciplinary matters, BJMPMBAI shall follow the applicable HR policy and legal requirements, including appropriate notice of the allegations, an opportunity to respond or be heard, impartial consideration, and communication of the decision as required.

Persons involved in a complaint or investigation shall be treated respectfully. Confidentiality shall be maintained to the extent appropriate, and no person shall be presumed guilty solely because a complaint has been filed.

Nothing in this Code shall be interpreted as creating a new disciplinary penalty, reducing statutory rights, or overriding an applicable due process requirement.

ARTICLE IX. DISSEMINATION, MONITORING, AND REVIEW

Section 37. Dissemination and Acknowledgment

Following approval, BJMPMBAI shall disseminate this Code to the Board of Trustees, senior management, employees, and other covered persons, as applicable.

Dissemination may include:

1. Formal distribution of the approved document.
2. Orientation sessions and ethics training.
3. Written or electronic acknowledgment of receipt and understanding.
4. Inclusion in employee onboarding and relevant governance materials.
5. Communication of reporting channels and available protections.

BJMPMBAI shall maintain reasonable documentary evidence of dissemination, attendance, training, and acknowledgments.

Section 38. Public Disclosure

The approved Code shall be made available to the public through the BJMPMBAI website or another officially authorized public disclosure channel, consistent with the Annual Corporate Governance Report requirements.

The publicly disclosed version shall be the approved version. Internal contact details, restricted information, or confidential operational information shall not be included in the public copy unless authorized and appropriate.

Section 39. Monitoring and Reporting

BJMPMBAI shall establish an appropriate process for monitoring implementation of this Code. Monitoring may include:

- 1. Completion of training and acknowledgment requirements.
- 2. Review of reported violations and the status of corrective action.
- 3. Monitoring of recurring risks and control weaknesses.
- 4. Review of conflicts-of-interest disclosures, where applicable.
- 5. Internal audit or compliance review within the authorized mandate of the relevant function.
- 6. Periodic reporting to Management, the appropriate Board committee, or the Board, consistent with approved governance arrangements.
- 7. Identification of policy gaps and recommended improvements.

Reports shall preserve confidentiality and comply with applicable data privacy and recordkeeping requirements.

Section 40. Review and Amendment

This Code shall be reviewed at least once every three (3) years, or earlier when required by changes in law, regulatory expectations, governance arrangements, organizational operations, or identified compliance risks.

Amendments shall be reviewed by the appropriate responsible functions and submitted to the authorized approving authority.

The Code shall be maintained in a controlled version, with the approval date, effectivity, revision history, and responsible policy administrator documented.

Section 41. Relationship with Existing Policies

This Code establishes BJMPMBAI's overarching ethical standards. It does not replace detailed procedures in other approved policies.

In particular:

- 1. Attendance, leave, and employment discipline shall remain subject to the applicable HR Policy Guidelines and employment rules.
- 2. Reporting channels, whistleblower protections, and escalation procedures shall remain subject to the approved Whistleblowing Policy.
- 3. Procurement, financial approvals, internal controls, and transaction documentation shall remain subject to the approved Internal Control Procedures and Operations Manual.
- 4. Board duties, conflicts, governance responsibilities, and committee authority shall remain subject to the By-Laws, Code of Corporate Governance, Manual on Good Governance, and applicable committee mandates.
- 5. Information handling and security shall remain subject to applicable privacy, records management, and information security requirements.

Where an inconsistency is identified, the responsible policy owners shall refer it for review and resolution through the proper approval process. No provision of this Code shall be interpreted to silently amend another approved policy.

ARTICLE X. FINAL PROVISIONS

Section 42. Interpretation

This Code shall be interpreted consistently with applicable Philippine law, Insurance Commission requirements, BJMPMBAI's By-Laws, and approved governance and operational policies.

Questions concerning interpretation shall be referred to the appropriate responsible function or authorized approving authority. Legal questions shall be referred for appropriate legal review.

Section 43. Separability

If any provision of this Code is declared invalid or unenforceable by a competent authority, the remaining provisions shall continue to apply to the extent permitted by law.

Section 44. Effectivity

This Code shall take effect upon approval by the duly authorized approving authority and shall be disseminated and implemented in accordance with the approved implementation plan.

Approved by:

BJMPMBAI Board of Trustees
Resolution No. 2026-37