

## **California Mutual Insurance Company Code of Business Conduct and Ethics**

This Code of Business Conduct and Ethics (the “Code”) applies to all officers, employees, and directors of California Mutual Insurance Company (“California Mutual”) and its direct and indirect subsidiaries, if any (together with California Mutual, the “Company”). All references in this Code to “you” and “we” are intended to include such persons. This Code is a supplement to other Company policies and procedures.

This Code provides guidance on how to maintain the Company’s commitment to being ethical in all of its business dealings. In all Company matters, you must abide by the ethics and compliance principles set forth in this Code as well as all other applicable corporate policies and procedures. Violations of the Code or other policies are subject to disciplinary action, up to and including termination. In some cases, civil and criminal penalties may also apply.

You are expected to understand and comply with the policies set forth in this Code. Accordingly, you should read the Code carefully to make sure you understand all of the provisions of the Code, the consequences of not complying with the Code, and the importance of the Code to the Company’s continuing success. You will be required to complete a statement of compliance periodically, pledging that you have read and understood this Code and that you will abide by all of its provisions.

This Code cannot anticipate every possible situation or cover every topic in detail. The central concept of the Code is to confirm the Company’s commitment to the principles of ethical and lawful business conduct, and all of our business decisions should be evaluated in this light. The business endeavors of the Company must be conducted in accordance with the highest ethical and moral standards, avoiding any activity or transaction, which would be in contravention of the law. It is important for all of us to remember that the Company’s success depends in large measure upon public confidence in our integrity and principled business conduct.

### **I. Conflicts of Interest**

You owe a duty of loyalty and a duty of care to the Company. A conflict of interest exists when your private interests interfere in any way with the interests of the Company as a whole. A conflict of interest may arise when you take actions or have personal interests that are incompatible with the interests of the Company or that may make it difficult for you to perform your work objectively and effectively. The basic principle to be observed is that your corporate position should not be used to make a personal profit. You are expected to exercise prudent judgment in the interpretation of this Code and be alert to any situation that might be subject to question.

#### **Examples of Conflicts of Interest**

A transaction involving an actual or apparent conflict of interest must be avoided unless you receive prior approval of the transaction from the California Mutual Board of Directors, if you are a Company director or officer, or prior approval of the President of the company employing you if you are a non-officer employee. The following is a non-exhaustive list of typical conflicts of interest, which are prohibited unless the required prior approval is received:

1. The direct or indirect acceptance of a commission, fee, expense payment, gift, or other pecuniary benefit, from any source other than the Company on account of, in connection with, or in any way related to any person or firm with whom the Company has existing or potential business dealings or investment interests, other than (i) an article of nominal value ordinarily given for sales promotion or as a common business courtesy, (ii) occasional and reasonable business meals or entertainment consistent with local social and industry custom, or (iii) a gift of a personal nature from a personal friend or relative unrelated to your service to the Company;
2. The ownership or acquisition, either directly or indirectly, of a material interest in any outside concern which does business with the Company or in any real or personal property which the Company is purchasing, leasing, or selling, or on which the Company is making or has an outstanding loan;

3. The holding of an office in, or the direct or indirect ownership of a material interest in any competitor of the Company; and
4. The participation in or purchase of, either directly or indirectly, an offering of any tangible or intangible personal property to the Company, including stocks, notes, securities convertible into stock, warrants or similar properties, but not including purchases made at open market quotations not less than one business day after the Company has purchased or declined to purchase any part of the offering to the Company.

### **Company Opportunities**

You may not use Company property or information or your position with the Company for personal gain. If you are presented with a business opportunity through the use of Company property or information or because of your position with the Company, and if such opportunity is within the Company's lines of business, then you must first present the business opportunity to the Company before pursuing it in an individual capacity. Each such business opportunity that you wish to pursue must be disclosed to a supervisor, who shall then contact the executive officer to whom he or she reports. If the Company issues a written waiver of its right to pursue the business opportunity and grants you written consent to pursue the business opportunity, you may do so on the same terms and conditions as originally proposed and consistent with the other ethical guidelines established by this Code and Company policies

## **II. Integrity**

You are required to act honestly and deal fairly and ethically in all of the Company's business relationships, whether with its policyholders, customers, suppliers, competitors, or other Company personnel. This requirement goes beyond mere compliance with the law. You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair or unethical practice.

### **Compliance**

You must comply fully with this Code and all applicable federal, state, and local laws, rules, and regulations that govern the Company's business. Because the laws that are applicable to the Company's business are often very complex, and penalties for violations can be severe, you should discuss any legal questions that you may have with your supervising Company officer, who may refer your question to the Company's legal counsel. If you suspect or become aware of a violation of law by a Company director, officer, or employee, it is your responsibility to report this immediately in accordance with the provisions of Section IV below.

The Company maintains a number of policies that are designed to assist employees in complying with applicable law in the conduct of the Company's business. These include, for example, applicable policies on sexual harassment, equal employment opportunity, and insider trading, which are described in other written materials available to you.

### **Bribery and Other Improper Payments**

The Company must maintain high ethical and professional standards in dealings with government officials and members of the private sector. Accordingly, you must not, on behalf of the Company, directly or indirectly promise, offer or give money, gifts or favors to anyone, including any government official, agent, or employee of any government, political party, labor organization or business entity, or any candidate of a political party, with the intent to induce favorable business treatment or to improperly affect business or government decisions. Conversely, you are not permitted to accept gifts or favors that are meant to persuade you to take an action on behalf of the Company that is favorable to the gift-giver. This prohibition does not restrict your individual, personal right to make lawful contributions of

your own funds to any organization or political candidate you wish. In addition, you must comply with the rules applicable to any governmental agency with which you are dealing

For purposes of this paragraph, a “gift or favor” shall not include a loan from a financial institution on customary terms, an article of nominal value ordinarily given for sales promotion or as common business courtesy, or occasional and reasonable business meals or entertainment consistent with local social and industry custom.

### **Full, Fair, Accurate, Timely, Understandable Disclosure**

It is Company policy to make full, fair, accurate, timely, and understandable disclosure in compliance with all applicable laws and regulations in all reports and documents that the Company files with, or submits to, applicable regulatory bodies and in all other public communications made by the Company.

### **Concerns Regarding Accounting and Auditing Matters**

The California Mutual Audit Committee has established written procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters, and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

## **III. Protection of Company Assets**

### **Company Assets**

You must protect the Company’s assets and ensure their efficient and appropriate use. Theft, carelessness, and waste have a direct impact on the Company’s profitability. All Company assets must be used in accordance with applicable Company policies and procedures.

### **Confidentiality and Privacy Policies**

You may have access to extensive files of information regarding policyholders, customers, suppliers, employees, and consultants. Much of this information is confidential, and we have an obligation to keep it that way. In this regard, information about our policyholders is particularly sensitive. They must be able to trust that we will treat such information with care and not disclose it except as may be required or permitted by law. Applicable Company policies govern the use and disclosure of confidential policyholder information and confidential Company financial information.

### **Corporate Information Management**

The information systems activity of the Company is to be conducted in a secure environment. Information systems have become an integral part of all business and administrative processes of the Company. As such, the security, reliability, and integrity of the associated data, processes, and systems are of vital importance. Applicable Company policies set forth the guiding principles for ensuring such security, reliability, and integrity.

### **Human Resource Assets**

**California Mutual is committed to protecting human resource assets by providing a work environment that is safe and free from discrimination and harassment that may affect an employee's terms or conditions of employment**

Employees will not engage in any harassment or discriminatory conduct based on sex, race, color, religion, age, disability, citizenship status, national origin, sexual orientation, status as a veteran with a disability or veteran of the Vietnam Era.

Employees are prohibited from:

- **Conducting Company business while under the influence of intoxicants or controlled substances that have not been prescribed to the employee by a licensed physician;**
- **Consuming or possessing unauthorized intoxicants or controlled substances that have not be prescribed to the employee by a licensed physician, while conducting Company business or while on the Company premises.**

Employees will not bring firearms or weapons onto Company premises or carry them while on Company business. Threats or acts of violence or physical intimidation are prohibited.

Most workplace concerns can be resolved through open and honest discussion with your supervisor or another member of your department management. The Resolution Process may also be used to report workplace concerns.

#### **IV. Enforcement of the Code**

##### **Reporting of Violations of the Code**

If you have knowledge or suspicion of a violation of this Code, you must immediately report it in accordance with the following guidelines. You may report anonymously if you choose.

###### **a. Violations Involving Accounting and Auditing Matters**

Any reported violations or suspected violations of the Code involving any accounting, internal accounting controls, or auditing matters relating to the Company should be reported to the California Mutual Audit Committee in accordance with the Audit Committee Complaint Procedures discussed above in the section "Concerns Regarding Accounting and Auditing Matters."

###### **b. Other Violations**

Other violations may be reported to either (i) your supervisor, or (ii) California Mutual's CEO.

Reports of suspected Code violations received by supervisors or persons designated in applicable Company policies shall be reported to California Mutual's CEO. Reports of suspected Code violations involving California Mutual's CEO, shall be directed to the Audit Committee of California Mutual.

The Company will not permit retaliation for reports made in good faith.

##### **Investigations of Reported Violations of the Code**

###### **a. Violations Involving Accounting and Auditing Matters**

Investigations of reported violations of the Code involving accounting, internal accounting controls, or auditing matters shall be conducted in accordance with the Audit Committee Complaint Procedures.

###### **b. Other Violations**

Investigations of reported violations of the Code not involving accounting, internal accounting controls, or auditing matters shall be at the direction of California Mutual's CEO. The Audit Committee shall be

notified of the facts and recommendations associated with any investigation of any Company officer or director for violations of this Code.

### **Disciplinary Actions for Noncompliance**

The Company intends to use every reasonable effort to prevent the occurrence of conduct not in compliance with this Code and to halt any such conduct as soon as reasonably possible after its discovery. Company personnel who violate this Code or other Company policies and procedures may be subject to disciplinary action up to and including termination. In appropriate circumstances, the Company may pursue civil remedies or seek criminal prosecution.

### **Waivers of or Exceptions to the Code**

Waivers of or exceptions to the Code for directors or officers must receive approval of the California Mutual Board of Directors. All other waivers of or exceptions to the Code must be approved by the President of California Mutual or his or her designee.

### **Certification of Compliance**

You will be required to complete a certification upon first accepting a position with the Company and periodically thereafter acknowledging your understanding of, and compliance with, this Code.

## **V. Publication of the Code; Annual Statement Disclosure**

This Code shall be published on California Mutual's Internet website ([www.calmutual.com](http://www.calmutual.com)). The adoption of this Code must be disclosed in California Mutual's annual statement. Such disclosure shall state that the Code is available on California Mutual's Internet website, stating the address of such website, and that any waivers granted will be posted on the website.

## **VI. No Rights Created**

This Code is a statement of fundamental principles and key policies and procedures that govern the Conduct of the Company's business. It is not intended to and does not in any way constitute an employment contract or an assurance of continued employment or otherwise creates any rights in you.

## **VII. Modification to the Code**

This Code is subject to change and modification at any time by the Board of Directors of California Mutual or by the California Mutual Audit Committee. Company directors, officers, and employees will be notified of any material changes as soon as practicable.