

The Charter of Professional Standards & Ethics (CPSE)

Preamble

The Charter House Institute of Business (CHIB) Charter of Professional Standards & Ethics (CPSE) are vital to its values, and essential to achieving its mission by setting high standards of education, integrity, and professional excellence.

High ethical standards are critical to maintaining the public's trust in the modern global economy. We promote the integrity of CHIB clients and members by serving as a model for measuring the ethics of organisations and business professionals globally, regardless of job function, cultural differences, or local laws and regulations.

The Charter House Institute of Business (the organisation) members must abide by CPSE and are encouraged to notify their employer of this responsibility. Violations may result in disciplinary sanctions by the organisation.

Sanctions can include revocation of membership, candidacy in the CHIB Program, and the right to use the CHIB designation.

The Charter of Professional Standards and Ethics (CPSE)

Members of The Charter House Institute of Business (CHIB) (hereafter, members) must adhere to the following Standards of Professional Conduct:

- Act with integrity, competence, diligence, respect, and in an ethical manner that is consistent with the public, clients, prospective clients, employers, employees, colleagues and other participants in the global business markets.
- Place the integrity of the their profession and the interests of clients above their own personal interests.
- Use reasonable care and exercise independent professional judgment when conducting business and engaging in other professional activities.

- Practice and encourage others to practice in a professional and ethical manner that will reflect on themselves, their employers, and their profession.
- Maintain and improve their professional competence and strive to maintain and improve the competence of other professionals.

PROFESSIONALISM

Knowledge of the Law. Members must understand and comply with all applicable laws, rules, and regulations (including CPSE) of any government, regulatory organisation, licensing agency, or professional association governing their professional activities. In the event of a conflict, Members must comply with the more strict law, rule, or regulation.

Members and Candidates must not knowingly participate or assist in and must dissociate from, any violation of such laws, rules, or regulations.

Independence and Objectivity. Members must use reasonable care and judgment to achieve and maintain independence and objectivity in their professional activities.

Misrepresentation. Members must not knowingly make any misrepresentations relating to the products and/or services that they offer. This includes self-misrepresentation of education or professional experience on any website, in the media, or any other form of communication.

Misconduct. Members must not engage in any professional conduct involving dishonesty, fraud, or deceit or commit any act that reflects adversely on their professional reputation, integrity, or competence.

DUTIES TO CLIENTS

Loyalty, Prudence, and Care.

Members have a duty of loyalty to their clients and must act with reasonable care and exercise prudent judgment. Members must act for the benefit of their clients and place their client's interests before their employers or their own interests. In relationships with clients, Members must determine

applicable fiduciary duty and must comply with such duty to persons and interests to whom it is owed.

- **Fair Dealing.** Members must deal fairly and objectively with all clients when providing services and/or products.
- **Suitability.** When Members are in an advisory and/or consulting relationship with a client, they must:
 - Make a reasonable inquiry into clients or prospective clients knowledge before recommending a course of action.
 - Determine that their products and/or services are suitable to the client's goals and objectives.

Confidentiality

Members must keep information about current, former, and prospective clients confidential unless:

- The information concerns illegal activities on the part of the client or prospective client.
- Disclosure is required by law.
- The client or prospective client permits disclosure of the information.

DUTIES TO EMPLOYERS

1. **Loyalty.** In matters related to their employment, Members must act for the benefit of their employer and not deprive their employer of the advantage of their skills and abilities, divulge confidential information, or otherwise cause harm to their employer.
2. **Additional Compensation Arrangements.** Members must not accept gifts, benefits, compensation, or consideration that competes with, or might reasonably be expected to create a conflict of interest with, their employer's interest unless they obtain written consent from all parties involved.
3. **Responsibilities of Supervisors.** Members must make reasonable efforts to detect and prevent violations of applicable laws, rules, regulations, and the CPSE by anyone subject to their supervision or authority.

COMMUNICATION

Communication with Clients and Prospective Clients

Members must:

1. Disclose to clients and prospective clients the basic format and general principles of the products and/or services that they provide, and, they must promptly disclose any changes that might materially affect those processes.
2. Use reasonable judgment in identifying which factors are important to their advisory and/or consulting analyses, recommendations, or actions and include those factors in communications with clients and prospective clients.
3. Distinguish between fact and opinion in the presentation of their products and/or services when making recommendations or providing analysis.

CONFLICTS OF INTEREST

1. **Disclosure of Conflicts.** Members must make full and fair disclosure of all matters that could reasonably be expected to impair their independence and objectivity or interfere with respective duties to their clients, prospective clients, and employer. Members must ensure that such disclosures are prominent, are delivered in plain language, and communicate the relevant information effectively.
2. **Referral Fees.** Members and Candidates must disclose to their employer any compensation, consideration, or benefit received from or paid to, others for the recommendation of products or services.

CHIB MEMBER RESPONSIBILITIES

Conduct as Members in the CBI Program.

1. Members must not engage in any conduct that compromises the reputation or the integrity of The Charter House Institute of Business (CHIB), The Charter House of International Business Development (CHIBD), or The Charter House of Real Estate (CHRE) designation.
2. Members must not misrepresent or exaggerate the meaning or implications of membership in The Charter House of International Business Development holding the CHIB designation, or candidacy in the CHIB Program.