

	Policy Title	Code of Conduct and Business Ethics
	Policy Owner	Corporate Administration Department
	Last Approval	03/26/2025

INTRODUCTION

This policy applies to Isabella Bank Corporation, its affiliates and its subsidiaries.

In accordance with the provisions of Section 406 of the Sarbanes-Oxley Act, the Board of Directors (the “Board”) of Isabella Bank Corporation (the “Corporation”) has adopted this Code of Business Conduct and Ethics (the “Code”) applicable to all officers, directors and employees of the Corporation (collectively, “Covered Individuals”). The Code has been designed to deter wrongdoing and to promote honest and ethical conduct. Accordingly, the Code provides principles to which the Covered Individuals are expected to adhere and advocate. The Code embodies rules regarding individual and peer responsibilities, as well as responsibilities to the Corporation, the public and shareholders.

Each Covered Individual is expected to read and become familiar with the ethical standards described in this Code. If you have any doubts whatsoever as to the propriety of a particular situation, you should submit it in writing to the Board, who will review the situation and take appropriate action in keeping with this Code, our other corporate policies and the applicable law.

Unless the context otherwise requires, all references to the Corporation in this Code include the subsidiaries and affiliates of the Corporation.

ACCOUNTABILITY FOR ADHERENCE TO THE CODE

Failure to comply with the standards outlined in the Code will result in disciplinary action including, but not limited to, reprimands, warnings, probation or suspension without pay, demotions, reduction in salary, discharge and restitution. Certain violations of the Code may require the Corporation to refer the matter to the appropriate governmental or regulatory authorities for investigation or prosecution.

REPORTING ANY ILLEGAL OR UNETHICAL BEHAVIOR

Covered Individuals who are concerned that violations of the Code or that other fraudulent, illegal or unethical conduct by employees, officers or directors of the Corporation have occurred or may occur should promptly contact the Chief Executive Officer (“CEO”) of the Corporation. Failure to report such conduct also constitutes a violation of this Code. If Covered Individuals do not believe it is appropriate or are not comfortable approaching the CEO about their concerns or complaints, then they may contact the Audit Committee of the Board. If their concerns or complaints require confidentiality, including keeping their identity anonymous, then this confidentiality will be protected, subject to applicable law, regulation or legal proceedings.

NO RETALIATION

The Corporation will not permit retaliation of any kind by or on behalf of the Corporation and its employees, officers and directors against good faith reports or complaints of violations of the Code or other illegal or unethical conduct, even if the report or complaint is mistaken. Any act of retaliation should be reported immediately and will be disciplined appropriately.

COMPLYING WITH LAW

The Covered Individuals shall respect and comply with all of the laws, rules and regulations of the U.S. and the states, counties, cities and other jurisdictions, in which the Corporation conducts its business or the laws, rules and regulations of which are applicable to the Corporation.

Such legal compliance should include, without limitation, compliance with the insider trading prohibitions applicable to the Corporation and its employees, officers and directors. Generally, Covered Individuals who have knowledge of material nonpublic information from or about the Corporation are not permitted to buy, sell or otherwise trade in the Corporation's securities, whether or not they are using or relying upon that information. This restriction extends to sharing or tipping others about such information, especially since the individuals receiving such information might utilize such information to trade in the Corporation's securities. This restriction generally does not extend to normal recurring transactions such as purchase transactions under the dividend reinvestment plan. The Corporation's Board has adopted an Insider Trading Policy that should be reviewed by all Covered Individuals. Covered Individuals are directed to the Corporation's Secretary if they have questions regarding the applicability of such insider trading prohibitions.

Although you are not expected to know the details of all applicable laws, rules and regulations, we expect you to seek advice from our CEO if you have any questions about whether the requirement applies to the situation or what conduct may be required to comply with any law, rule or regulation.

The Code does not summarize all laws, rules and regulations applicable to the Corporation and its employees, officers and directors. Please consult the employee handbook and the various guidelines which the Corporation has prepared on specific laws, rules and regulations.

CONFLICTS OF INTEREST

Conflicts of Interest, Generally

The primary principle underlying the Corporation's conflicts of interest policies is that Covered Individuals must not use their position for private gain, to advance personal interests or to obtain favors or benefits for themselves, members of their families or any other individuals, corporations or business entities. The Covered Individuals should be scrupulous in avoiding a conflict of interest with regard to the Corporation's interests. A conflict of interest exists whenever an individual's private interests interfere or conflict in any way (or even appear to interfere or conflict) with the interests of the Corporation. A conflict situation can arise when a Covered Individual takes actions or has interests that may make it difficult to perform work objectively and effectively for the Corporation.

It is almost always a conflict of interest for a Corporation employee to work simultaneously for a competitor or customer. The Covered Individuals are not allowed to work for a competitor as a consultant or board member. The Covered Individuals shall avoid any direct or indirect business connection with the Corporation's customers or competitors, except on the Corporation's behalf. Conflicts of interest may also arise when a Covered Individual or members of his or her family receives improper personal benefits as a result of the Covered Individual's position in the Corporation, whether received from the Corporation or a third party.

No Covered Individual may act on behalf of the Corporation in any transaction involving persons or organizations with whom his or her family has any significant connection or financial interest. In addition, Covered Individuals must be particularly careful to avoid representing the Corporation in any transaction with others with whom the staff member has any business affiliation or relationship. Covered Individuals must always be alert to possible conflicts of interest.

Conflicts of interest are prohibited as a matter of Corporation policy, except under guidelines approved by the Board or committees of the Board. This Code requires that all situations involving a conflict of interest or potential conflict shall be disclosed to the CEO. This will permit consideration of the circumstances; however, under no circumstances will an activity be permitted that is competitive to the Corporation unless the Board or its designee has declined, after full disclosure of all relevant facts, to pursue the opportunity. Covered Individuals who have questions about potential areas of conflict should consult the CEO.

Transactions with the Corporation

The Corporation maintains a system of internal controls in order to provide assurance that assets are safeguarded and that all transactions are properly recorded. Staff members are prohibited from memo posting, processing or approving their own transactions, or conducting transactions on accounts over which they have any ownership interest in, control or signing authority over or accounts of related persons.

Misuse of banking services by staff members may result in account restrictions. Certain types of conduct may be deemed serious enough to warrant immediate termination. The Corporation reserves the right to review all employee-related accounts for unusual activity, both regularly and during investigations involving potential losses.

Directors and executive officers proposing to engage in any transaction, arrangement or relationship with the Corporation must ensure compliance with this Code, our Board of Directors Conflict of Interest Policy, Section 23A and Section 23B of the Federal Reserve Act, Regulation W promulgated by the Board of Governors of the Federal Reserve System (the "Federal Reserve"), Regulation O promulgated by the Federal Reserve, and all applicable requirements of the U.S. Securities and Exchange Commission (the "SEC") and the Nasdaq Global Select Market with respect to such transaction, arrangement or relationship.

No loans will be made by the Corporation or any direct or indirect subsidiary, other than Isabella Bank (the "Bank"), to any executive officer (as defined in Rule 3b-7 of the Securities Exchange Act of 1934, as amended) of the Corporation. The Bank may make any such loan only in accordance with Section 22(h) of the Federal Reserve Act and Regulation O promulgated thereunder.

Compliance with Corporate Expense Policies

Receipts and disbursements must be fully and accurately described on the books and records of the Corporation. No director or staff member may request or approve any payment that is to be used for a purpose not reflected in the documents supporting the payment. Payments will be made only upon appropriate approval and only for services rendered or products delivered as required by the Corporation in the conduct of business. No invoices believed to be false or fictitious may be paid.

Corporate Opportunity

Covered Individuals are prohibited from taking for themselves, personally, opportunities that properly belong to the Corporation or are discovered through the use of corporate property, information or position, unless the Board has declined, after full disclosure of all relevant facts, to pursue the opportunity. No Covered Individual may use corporate property, information or position for personal gain, and no staff member or director may compete with the Corporation directly or indirectly. Covered Individuals owe a duty to the Corporation to advance its legitimate interests when the opportunity to do so arises.

Fair Dealing

Each Covered Individual should endeavor to deal fairly with the Corporation's customers, competitors, directors, officers and employees. None should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair business practice. The Corporation seeks competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

GIFTS, GRATUITIES AND ENTERTAINMENT

The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage. No gift or entertainment should be offered, given, provided or accepted by a Covered Individual or family member of a Covered Individual unless it: (1) is not a cash gift, (2) is consistent with customary business practices, (3) is of reasonable value, (4) cannot be construed as a bribe or payoff, (5) does not violate any laws or regulations, and (6) has been approved by the CEO or fits within pre-approved parameters.

Solicitation of Gifts

The Covered Individuals have a duty to comply with requirements of the law, to act in fairness and good faith in dealing with customers, and to observe high standards of personal conduct. This includes, but is not limited to, The Bank Bribery Act (18 U.S.C. 215).

It is not uncommon for bankers to have close social or family ties with those with whom they do business. Things of value exchanged between a staff member and family members or social friends are not covered by this Code if they are exchanged solely because of the family or social relationship and not in connection with a Corporation transaction or Corporation business.

However, the exchange of things of value that may create the appearance of a conflict of interest should be avoided.

Acceptance of things of value in connection with Corporation business is generally prohibited. However, in the course of a meeting or other occasion for which the purpose is to hold bona fide business discussions or to foster better business relations, an employee may accept meals, refreshment, travel arrangements or accommodations or entertainment of a reasonable value, provided the benefit would be paid for by the Corporation as a reasonable expense. In most cases “reasonable” value is considered to be \$500.00 or less.

Other items that are acceptable include advertising or promotional material of nominal value such as pens, pencils, note pads, key chains, calendars and similar items; discounts or rebates on merchandise or services that do not exceed those available to other customers; gifts of modest value that are related to commonly recognized events or occasions such as promotion, new job, wedding, retirement or holidays or civic, charitable, educational or religious organizational awards for recognition of service and accomplishments.

On a case-by-case basis, the Corporation may approve other circumstances, not described herein, in which employees may accept something of value in connection with Corporation business. Approval may be given by the CEO in writing on the basis of a full written disclosure of all relevant facts submitted by the employee, providing compliance with federal law.

Whenever any situation arises with regard to matters concerning things of value, you must make full disclosure to the CEO and receive a written response. Permanent files must be maintained of all disclosures and responses. The failure to disclose the receipt of gifts or gratuities, whether deliberate or inadvertent, will constitute a violation of this Code and may be punishable by a warning, probation or termination of employment.

Giving Gifts and Entertainment

Giving business gifts and entertainment in connection with the Corporation’s business promotes goodwill and beneficial working relationships. Business gifts and entertainment do not create an impermissible conflict of interest if they are customary in nature and value and are given or received without any express or implied understanding that the recipient is in any way obligated or expected to exercise judgment on behalf of their Corporation or provide other benefits in return.

However, Covered Individuals are strictly forbidden from offering, promising, or giving money, gifts, loans, rewards, favors or anything of value to any governmental official, employee, agent or other intermediary (either inside or outside the United States) if doing so will: unduly obligate, appear to obligate, influence or impact any business decision the director, officer or employee will make on behalf of the Corporation or the Bank; be construed as a bribe, kickback, payoff or illegal payment; or be inconsistent with customary business practices or violate any laws or regulations. Those paying a bribe may subject the Corporation and themselves to civil and criminal penalties. When dealing with government customers or officials, no improper payments will be tolerated. If any offer of money, gifts or favors is received by any director, officer or employee that is or could appear to be intended to influence a business decision, then it should be reported to the Board immediately.

The Corporation prohibits improper payments in all of its activities, whether these activities are with governments or in the private sector.

In addition, Covered Individuals are prohibited from giving gifts in the form of cash and cash equivalents to any third party, and must obtain prior approval from the CEO before giving any third party gifts valued at \$500.00 or more, including transportation, lodging or entertainment. Further, any gift or entertainment provided by the Corporation or the Bank should have a clear business purpose and be in compliance with Internal Revenue Service regulations and the Corporation's expense account rules.

This policy is not intended to interfere with the normal exchange of common courtesies, reasonable favors, and the expressing of goodwill between the Corporation and its customers or friends. The spirit of the policy is to ensure that directors, officers and employees and others with whom they have contact maintain objectivity and avoid conflicts of interest in business relationships.

Corporate Hospitality to Public Officials

Acts of hospitality toward public officials should never be on such a scale or of such a nature as might tend to compromise or give the impression of compromising the integrity or the reputation of either the public official or the Corporation. When appropriate hospitality is extended, it should be with the expectation that it will become a matter of public knowledge.

Fair Competition

Under no circumstances should Covered Individuals enter into arrangements with competitors affecting pricing or marketing policies.

A staff member must never become a director or an official of a business organized for profit without first notifying the CEO in writing and receiving a "no objection" from the same. Any statement that there is no objection to such service should not be construed by the staff member as tantamount to a request or approval by the Corporation for an employee to serve in such outside capacity.

A staff member of the Corporation is not permitted to engage in any business or to accept any other employment for salary, wages or commission, either during or after working hours, without the knowledge and consent of the CEO.

Further, directors and staff members are not permitted to engage in any business for personal or financial gain that is the same or similar to the business activities conducted by the Corporation.

Service with Civic and Charitable Organizations

The Corporation encourages staff members to participate in civic, municipal and charitable activities. In some cases, the Corporation may require assurances that service as a member, director, officer or employee of a municipal corporation, agency, school board or library board is not prohibited or limited by statutory or administrative requirements regarding conflicts of interest.

Personal Fees and Commissions

No staff member may accept personal fees or commissions in connection with any transactions on behalf of the Corporation. The acceptance of payments from customers or prospective customers of the Corporation for personal consulting or other professional services requires the prior approval of the CEO.

PROTECTION AND PROPER USE OF CORPORATION ASSETS

All Covered Individuals should protect the Corporation's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Corporation's profitability. All Corporation assets should be used for legitimate business purposes related to the Corporation and not for personal benefit. Corporate assets include your time at work and work product, as well as the Corporation's equipment and vehicles, computers and software, customer lists, marketing information, customer financial records, employee information, unpublished financial data and reports and other similar matters. Directors and staff members are obligated to protect the security of corporate assets under their control. The unauthorized use or distribution of corporate assets, including corporate information, would violate this Code, and may also be illegal and result in civil or even criminal penalties.

ACCOUNTING COMPLAINTS

The Corporation requires honest and accurate recording and reporting of information. The Corporation's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Corporation. All of the Corporation's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Corporation's transactions and must conform both to applicable legal requirements and to the Corporation's system of internal controls. All Covered Individuals share responsibility for maintaining and complying with required internal controls.

Unrecorded or off the balance sheet funds or assets should not be maintained unless permitted by applicable laws or regulations. If any Covered Individual has concerns or complaints regarding questionable accounting or auditing matters of the Corporation, then he/she is encouraged to submit those concerns or complaints (anonymously, confidentially or otherwise) to the Audit Committee of the Board (which will, subject to its duties arising under applicable law, regulations and legal proceedings, treat such submissions confidentially). Such submissions may be directed to the attention of the Audit Committee, or any director who is a member of the Audit Committee, at the principal executive offices of the Corporation.

CONFIDENTIALITY

Covered Individuals must maintain the confidentiality of information entrusted to them by the Corporation or its customers, except when disclosure is authorized by the CEO or required by laws, regulations or legal proceedings. Confidential information includes any and all non-public information concerning the business, operations, results of operations, financial condition, cash flows, prospects, forecasted performance, acquisitions, proposed acquisitions, financing, proposed financing, transactions and proposed transactions of or relating to the Corporation or to which the Corporation is or may be a party; regarding personal and business affairs; that might be

of use to competitors of the Corporation; and that might be harmful to the Corporation or its customers or employees if disclosed. Other examples of confidential non-public corporate information include corporate policies (other than those made publicly available by the Corporation), business plans, objectives, goals, strategies and undisclosed financial developments. It also includes information that suppliers and customers have entrusted to the Corporation as well as staff member information.

Whenever feasible, Covered Individuals should consult the CEO if they believe they have a legal obligation to disclose confidential information. Covered Individuals may access and use such confidential and proprietary business information, including information gained while performing their job duties and responsibilities, only for legitimate business purposes and under no circumstances for their personal gain or benefit or to the detriment of the Corporation. The need for confidentiality extends to everyone, including family, friends and acquaintances. The obligation to preserve confidential information continues even after employment ends.

PUBLIC CORPORATION REPORTING

As a public corporation, it is of critical importance that the Corporation's filings with the SEC be accurate and timely. Depending on his or her position with the Corporation, a Covered Individual may be called upon to provide necessary information to assure full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the Corporation with the SEC. The Corporation expects Covered Individuals to take this responsibility very seriously and to provide prompt accurate answers to inquiries to the Corporation's public disclosure requirements.

AMENDMENT, MODIFICATION AND WAIVER

The Code may be amended, modified or waived by the Board, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, as amended, and the rules there under. If you are uncertain whether a particular activity or relationship is improper under this Code or requires a waiver of this Code, you should disclose it to the CEO, who will make a determination first, whether a waiver of this Code is required and second, if required, whether a waiver will be granted. You may be required to agree to conditions before a waiver or a continuing waiver is granted. However, any waiver of this Code for an executive officer or director may be made only by the Board and will be promptly disclosed to the extent required by applicable law, rule (including any rule of any applicable stock exchange) or regulation.