

CLIMBS LIFE AND GENERAL INSURANCE COOPERATIVE

Policy Title	A PROPOSED CONDUCT AND CODE OF ETHICAL STANDARDS FOR OFFICERS, EMPLOYEES AND MEMBERS		
Policy No.		DATE	
BOD RESOLUTION NO.			

ARTICLE I. INTRODUCTION

Section 1. TITLE. This Code shall be known as the **CODE OF CONDUCT AND ETHICAL STANDARDS FOR OFFICERS, EMPLOYEES AND MEMBERS** herein referred to as the code of conduct.

Section 2. DECLARATION OF POLICY. All officers, employees and members of this insurance cooperative shall abide and adhere to this Code of Conduct. Towards this end, they shall serve with utmost professionalism, integrity, morality, dedication and nationalism.

ARTICLE II. VISION

In keeping with the spirit of cooperativism, we envision that **CLIMBS** will actively promote and advance the upliftment of the quality of life of all its stakeholders nationwide by way of providing affordable insurance for the many people in the grassroots countryside, the marginalized poor and the not-so-poor through their cooperatives.

ARTICLE III. SERVICE PHILOSOPHY

In the accomplishment of this vision CLIMBS shall serve its cooperative members with excellence fairness, transparency and accountability, and in an ethical manner worthy of the respect and emulation by others.

ARTICLE IV. PROFESSIONAL ETHICAL STANDARDS

The following Professional Ethical Standards are hereby adopted to guide the Board of Directors, Committee Members, whether elected or appointed and the employees in the discharge of their duties and responsibilities so as to create greater teamwork and closer coordination between and among themselves:

1. Officers and employees, in the performance of their duties and responsibilities, shall be guided by the principles of honesty, dedication and sincerity.
2. They shall act with utmost professionalism, fairness and courtesy in all dealings with co-officers, staff, members, and the general public, which fosters confidence and reflects positively on the coop, its members and staff.

Officers shall not make personal attacks, either slanderous or libellous, on other officers, employees or member while performing official duties. Discussion should be directed to the issue, and not to the person who raises an opposing view.

3. They shall act as role models in uprightness, delicadeza and punctuality in the performance of their duties and responsibilities.

During meetings, cellphones must be on “off” or on “silent” mode. They shall refrain from operating smartphones and other similar gadgets or devices for playing games and connecting on social media not in any way related to the business at hand.

They shall arrive at meetings on the time and shall refrain from leaving the premises while the meeting is going on.

4. Officers and employees shall not enrich themselves nor engage in any activity that is inimical, adverse or in conflict with the objectives of the cooperative and the interest of its members.
5. Officers and employees shall, at all times, lead an upright and proper lifestyle and shall not get involved in any immoral, indecent and disgraceful conduct.
6. As trustees of the cooperative, they shall protect the funds of members in accordance with prudent business practices.

They shall not commit fraud or breach of fiduciary duty in the conduct of the cooperative’s affairs.

7. They shall provide members timely and accurate information regarding the financial condition, operations and services of the cooperative.
8. Directors and other officers shall maintain confidentiality as necessary to protect the cooperative’s interests and financial viability. They shall not use or divulge confidential or classified information to further their private interests, or give undue advantage to anyone or to prejudice the interest of the cooperative until full disclosure is approve by the board.
9. Officers and employees must not have files and financial records of a member shareholder without the consent of the member shareholder.
10. Directors must not interfere with the enforcement of policies and other management duties except during a meeting of the board of directors. Officers have a duty to participate in the operations of the cooperative only as authorized in the bylaws or by a written authority given by the Board of Directors.
11. Officers and employees shall follow all board policies, actions and processes, uphold and support the policy approved or action taken by the majority of the board as being the considered judgment or the collegial decision including those which were enacted during the regular and special meetings of the General Assembly.
12. Officers and employees serving in official capacity shall at all times, comply with government laws that regulate the operation of the cooperative, its Bylaws and

Articles of Incorporation, the Philippine Cooperative Code of 2008 (RA 9520) and its implementing rules and regulations, and pertinent official issuances and circulars of government agencies and instrumentalities of the Land.

13. Officers and employees must refrain from utilizing the social media such as Facebook, Twitter, Instagram the like as platform to air their grievances, discontent, post offensive comments, spread false, malicious and perverse information that may damage the public image of the cooperative.

ARTICLE V. AUTHORITY AND ACCOUNTABILITY

The Board of Directors as a whole is responsible to the members, government and individual donors who provide for the operation of CLIMBS. The Board of Directors is also accountable, in a more general sense, to exercise good stewardship of CLIMBS on behalf of the trust placed in it by the general membership, staff, volunteers and other stakeholders. Individual members are elected and/or appointed under the authority of the By-Laws and are responsible to the members of CLIMBS who elect or appoint them. However, they have no authority to act or give direction individually other than in such manner as is approved in these policies or by resolution of the Board of Directors. The Board of Directors may delegate authority to an individual Director or officer or employee or member of a committee; however the Board of Directors retains ultimate responsibility and accountability. The Board of Directors will be accountable to CLIMBS members, funders and other key stakeholders through annual and periodic reports on the activities and finances of CLIMBS, annual audited financial statements, providing access to minutes of Board Meetings, receiving representations from and consulting with key stakeholders and generally operating in an open and transparent manner.

ARTICLE VI. DISCLOSURE AND TRANSPARENCY

1. Disclosure includes, but not limited to material information:
 - a. Financial and operating results of CLIMBS
 - b. Objectives;
 - c. Remuneration policy for members of the board and key management officers, and information about board of directors, including their qualifications, the election process, other positions held and whether they are regarded as independent by the board;
 - d. Related party transactions;
 - e. Foreseeable material risks that may include: risks specific to the financial industry or the geographical areas in which CLIMBS is operating; off balance sheet transactions such as on human resources and risks related to environment;
 - f. Issues regarding employees, officers, officials and members.
 - g. Governance structures and policies, in particular, the content of any governance code and policy process by which it is implemented.

2. Information should be prepared and disclosed in accordance with highly quality standards of accounting and financial and non-financial disclosure.
3. An annual audit should be conducted by an independent, competent and qualified auditor in order to provide external and objective assurance to the board and members that the financial statements fairly present the financial position and performance of CLIMBS in all material aspects.
4. External auditors should be accountable to the members and owe a duty to CLIMBS to exercise due professional care in the conduct of the audit.
5. Channels for disseminating information should provide for equal, timely and cost-efficient access to relevant information by users.
6. The governance framework should be complemented by an effective approach that addresses and promotes the provision of analysis or advice by analysts, rating agencies and others that is free from material conflicts of interests.

ARTICLE VII – DUE DILIGENCE RESPONSIBILITIES OF INDIVIDUAL MEMBER OF THE BOARD OF DIRECTORS

Among other things, the Board of Directors expects each Director to:

1. Be knowledgeable of the articles of cooperation and legislation under which CLIMBS exists, its by-laws, mission, values, code of conduct, and policies as they pertain to the duties of a Board of Director;
2. Understand CLIMBS businesses and the marketplace in which they operate;
3. Regularly attend meetings of the Board of Directors and of the committees on which he or she serves;
4. Review and understand the materials provided in advance of the meetings and any other materials provided to the Board of Directors from time to time;
5. Monitor and keep abreast of general economic, business and management news and trends, developments in CLIMBS' competitive environment, and performance;
6. Exercise the same degree of care, diligence and skill that a reasonably prudent person would show in comparable circumstances;
7. Actively, objectively and constructively participate in meetings and the strategic decision-making processes.
8. Offer personal perspectives and opinions on issues that are subject of board discussion and decision;
9. Express clearly and explicitly any opposition to a decision being considered by the Board of Directors;
10. Share his or her perspective, background, experience, knowledge and insights as they relate to the matters before the Board of Directors and its committees;
11. Ask the directors to review a decision, if he/she has reasonable grounds to believe that the Board of Directors has acted without full information or in a manner consistent with its

fiduciary obligations, and, if still not satisfied after such review, ask that the matter be placed before the membership;

12. Be reasonably available when requested to advise the CEO/President and Management on specific issues not requiring the attention of the full Board of Directors but when an individual Director's insights might be helpful to the CEO/President or Management;
13. Maintain solidarity with fellow directors in support of a decision that has been made in good faith in a legally constituted meeting, by directors in reasonably full possession of facts;
14. Know and respect the distinction in the roles of Board of Directors and staff consistent with the principles underlying these governance guidelines, and
15. Exercise vigilance for and declare any apparent or real personal conflict of interest in accordance with CLIMBS by laws and policies.

ARTICLE VIII. DIRECTORS' LIABILITIES

1. Directors who willfully and knowingly vote for or assent to patently unlawful acts or who are guilty of gross negligence or bad faith in directing the affairs of CLIMBS or acquire any personal or pecuniary interest in conflict with their duty shall be liable jointly and severally for all damages resulting to CLIMBS, members and other persons.
2. When a director attempts to acquire or acquires, in violation of his/her duty, any interest or equity adverse to CLIMBS in respect to any matter which has been reposed in him/her in confidence, he/she shall, as a trustee for CLIMBS, be liable for damages and shall be accountable for double the profits which otherwise would have accrued to CLIMBS.

ARTICLE IX. DISPOSITION OF COMPLAINTS AND DISPUTES INVOLVING DIRECTORS

1. The Conciliation and Mediation Committee (CMC), in a meeting duly called for the purpose, shall review any complaints that a director has violated any provision of CLIMBS By-Laws, Governance Policies and the Code of Conduct.
2. The (CMC) shall similarly review disputes between members of the Board of Directors that interfere the ability of the Board of Directors to carry on its business.
3. Complaints of a grave nature may be referred to an independent arbiter.
4. Allegations of illegal activity shall be immediately referred to appropriate authorities for investigation. Any director against whom such allegations are made shall take a leave of absence from the Board of Directors pending completion of the investigation.
5. The review of such complaints or disputes shall include an opportunity for the members concerned to present their positions. Members of the CMC who are the subject of such complaints or disputes must declare their conflict and inhibit themselves from such meeting.

6. Every attempt should be made to resolve such matters expeditiously and fairly.
7. The recommendations from CMC regarding resolution of such matters shall be brought to the Board of Directors for its approval.
8. The ruling of the Board of Directors shall be final. The Board's action may include a formal or informal censure by the Chairperson of the Board of Directors or the Board of Directors, suspension or a request for the member's resignation or suspension or removal from office.
9. Above provisions on Conflict of interest shall likewise apply to committee members.

ARTICLE X. ETHICAL STANDARDS FOR EMPLOYEES

RATIONALE

CLIMBS recognizes its commitment to provide efficient services and excellent products to its members and can only be achieved if the Cooperative has the continuous and unrelenting support of highly professionalized, well-trained and disciplined workforce.

Discipline is of paramount importance to achieve efficiency and effectiveness in the operations of this Insurance cooperative.

This Code of Conduct is therefore established to prescribe the highest possible standards of professional and ethical conduct from all Cooperative employees in order to provide a workplace that is conducive to higher productivity and enhance and safeguard the cooperative image of CLIMBS. However, while the Code defines the offenses as well as the corresponding disciplinary measure that may be imposed, its overall intent is more of prevention of the infraction rather than the administration of the disciplinary measures.

COVERAGE

The provisions of this Code of Conduct shall apply to everybody in the workforce of the cooperative from top management officers and managerial employees to the rank-and-file, regardless of position and tenure, hence, hereafter, in relation to this code, collectively called **EMPLOYEES**.

STANDARDS OF CONDUCT

In any established organization, there is a system of rules, regulations, policies, guidelines, standards and procedures to regulate the conduct of employees based on accepted norms of honesty, integrity, efficiency and morality.

This Code of Conduct, which is the fundamental rule of conduct of CLIMBS, not only defines the standard of conduct expected of all cooperatives employees, but also enumerates the acts and omissions prejudicial to the interest of the cooperative. The provisions of this Code shall

be supplemented by the applicable provisions of the Manual of Operations in conformity with the Cooperative Code of the Philippines (R.A. 9520).

A. HONESTY

Honesty is an essential virtue. Hence all employees are expected to be honest, truthful and upright in the performance of their work, in the handling of cooperative funds and properties and in their dealings with their fellow employees, cooperative members and suppliers.

B. PROPER CONDUCT AND BEHAVIOR

CLIMBS employees should conduct themselves with proper decorum at all times to protect the integrity of the organization, as well as to merit and maintain the confidence, not only of the member-owners but the public in general.

C. WORK RESPONSIBILITIES

Employees of the cooperative should perform their assigned work with utmost efficiency and dedication to duty, and with the highest degree of excellence, professionalism and skill.

D. COOPERATIVE PROPERTY

CLIMBS employees are expected to properly use, protect from damage or loss and conserve the properties/assets of the organization.

E. ATTENDANCE AND PUNCTUALITY

CLIMBS employees are required to be punctual and regular in their attendance. They are expected to report for work on time and perform their work responsibilities during working hours.

F. OFFICIAL ATTIRE AND IDENTIFICATION CARD

When reporting for work, all employees should be in the prescribed office attire/uniform. Identification card issued by CLIMBS is part of the office attire. Therefore, for security identification purposes, all employees are required to wear their CLIMBS IDs when inside the premises.

G. HEALTH AND SAFETY

Employees are responsible for the promotion of proper housekeeping, cleanliness and safety not only within their work areas but also within the CLIMBS premises. Employees are also required to abide by the safety regulations of the organization.

H. SECURITY BREACH

The CLIMBS, by the very nature of its business, is a repository of confidential information pertaining to cooperative operations, personnel, and member-owners. Safeguarding such confidential information is essential in order to maintain public trust.

All cooperative employees are therefore enjoined to keep in strictest confidence all information which, if divulged, would be prejudicial to the interest of the cooperative, its employees and officers, and its members.

ARTICLE XI. DISCIPLINARY ACTIONS AGAINST ERRING EMPLOYEES

The following provisions define the kinds of offenses that may be committed by an employed and the corresponding penalties in violation thereto, and the manner and conduct of the investigation and administrative proceedings.

KINDS OF OFFENSES

A. *Minor Offenses* refer to –

- An act or failure to act by an employee which results in the violation of any cooperative policy, rule or regulation without causing financial loss to the cooperative, physical injury to any employee or member or damage to cooperative property or damage to the reputation of the cooperative.
- Those which arise from negligence, without malicious intent, not resulting in serious inconvenience to the cooperative or any of its employees or member clients.

Less Serious Offenses refer to –

- Those which indicate a disregard for the cooperative's interest through repeated violations of the cooperative's policies, rules and regulations and which otherwise would have been minor offenses, or the culpable commission or omission of an act which results in serious embarrassment or inconvenience for the cooperative or any of its employees or officers or member-owners.

Serious Offenses refer to –

- Acts or omissions which are characterized by:
 - Wantonness, deliberate and malicious intent; or
 - Gross negligence; or
 - Habitual disregard for established procedures; or
 - Serious undermining of authority

And which involve or result in any of the following:

- breach of trust relative to confidential information; or

- public scandal and consequent erosion or loss of confidence due to dishonesty, habitual drunkenness, immorality, etc; or
- financial loss or administrative/ operational difficulty or embarrassment for the cooperative or physical harm to its shareholders, public, officers, or employees.

B. KINDS OF PENALTIES

Written Reprimand – this penalty imposed upon an employee who commits a minor offense.

This is served upon the offender to warn him that a repetition of the offense will subject him to a stiffer penalty

Restitution – in the event that the Cooperative incurs any loss due to the fault or negligence of an employee, restitution or restoration of the loss shall, in addition to the prescribed penalty, be required of the employee either by application of whatever benefits he is entitled to receive from the Cooperative or through salary deduction or by other means which allows the employee to pay the amount involved after due process. \

Suspension – this penalty is a physical detachment from service for a specific period of time without pay depending on the gravity of the offense or violation. For minor offenses, the period of suspension shall be from one (1) working day but not to exceed five (5) working days; for less serious offenses, from six (6) working days but not to exceed one (1) month; and for serious offenses, more than one (1) month suspension but not to exceed three (3) months. All suspension are without pay.

Forced Resignation – this is the penalty for offenses normally punishable by dismissal but mitigated by reason of other circumstances short of acts of dishonesty.

Dismissal – it is the termination of an employee's services for cause. The employees shall automatically forfeit all benefits which would normally accrue to him on retirement or separation for reasons other than for cause.

WITHHOLDING OF RETIREMENT/RESIGNATION BENEFITS

An employee cited in audit or under investigation or with pending administrative case may be allowed to retire/resign from the service except when said employee was involved in fraud, anomaly or irregularity resulting in a financial loss to the Cooperative or where the probability of the Cooperative suffering a financial loss by reason of said fraud, anomaly, or irregularity is high. Where the employee is allowed to retire/resign, the payment however, of his retirement/resignation and other benefits due him shall be held in abeyance until he is cleared liability after the investigation or until the final resolution of his case.

CIRCUMSTANCES THAT AFFECT ADMINISTRATIVE LIABILITY

Mitigating circumstances shall mean those circumstances by reason of which the penalty corresponding to the offense committed by an employee is made lighter or less severe than what is usually imposed for such offense. These include past performance, degree of participation, lack of prior offenses, responsible for the anomaly or fraud to be discovered and, in general, such circumstances which, in Management's view, justify the imposition of a penalty less severe than what is usually prescribed in the schedule of penalties.

Aggravating circumstances shall mean those circumstances by reason of which the penalty corresponding to an offense committed by an employee is increased or made severe than what is usually imposed for such offense. These include the employee's past record of offenses, habitual in the commission of offenses, the accompanying adverse publicity stirred by the offense(s) which tends to erode the cooperative image of CLIMBS, and such other circumstances which, in Management's view, justify the imposition of a penalty more severe than what is usually prescribed in the schedule of penalties.

C. ADMINISTRATIVE JURISDICTION/RULES AND PROCEDURES

JURISDICTION

The Internal Audit together with the Audit Committee shall perform the fact-finding investigation of all alleged violations of the provisions of this Code and of the Cooperative policies, rules and regulations including reported allegations of fraud, anomalies, and irregularities committed by cooperative personnel.

All cases, however, involving violations of the Code on Attendance and Punctuality shall be investigated/handle by the Human Resources Group.

Administrative charges involving officers with the rank of department head or higher shall be addressed to the Chairman of the Board, or the entire Board, to evaluate and decide said charges.

RULES AND PROCEDURES

1. Commencement of Administrative Proceedings

An administrative investigation may be commenced against an employee by the Cooperative on its own initiative or upon the report of the department head or manager (main or branch), or the Internal Audit group or upon the written complaint under oath of any person (may be a co-employee, a member, or a private person).

2. Preliminary Investigation

The Investigating team (may be the Internal Audit Group or a committee formed by Management) shall conduct a preliminary investigation to determine if there is a reasonable ground for filing of administrative charge against an employee.

3. FORMAL CHARGE

Should the investigating team, after evaluation of the report or complaint and such evidence as may be attached hereto, find a prima facie case or a reasonable ground to believe that the employee committed a chargeable offense, the investigating team shall prepare the formal charge which shall contain the specification of charges, a brief statement of material or relevant facts, accompanied by copies of the documentary evidence and sworn statements of witnesses, if any.

On the other hand, if no prima facie case is found, the investigating team shall prepare a report to the Board to the effect that there exists no prima facie case against employee and shall recommend that the charge be dropped. The Board shall then decide on whether to approve or disapprove the investigating team's recommendation.

Where an employee, however, voluntarily admitted his participation in an irregularity/fraud/anomaly/offense or having violated any provisions in the Code, the Administrative Adjudication Panel or the Management Committee or the Board of Directors may decide the case based on such admission and the evidences relative thereto.

4. SERVICE OF CHARGE

The investigating team shall file/forward a copy of the formal charge to the Human Resource Group which shall serve copies of the charges together with the documentary evidences, if any, to the respondent, either through personal service or registered mail.

5. ANSWER

The Respondent shall be required to file his sworn written answer together with the affidavits of his witnesses and other documentary evidence within three (3) working days from receipt of the formal charge.

If the respondent fails to file his Answer within the period stated, he shall be considered to have waived his right thereto and the case shall be considered submitted for Resolution.

6. PREVENTIVE SUSPENSION

Preventive Suspension is only an intermediate protective measure, and not a penalty.

The respondent may be placed under preventive suspension if his continued employment poses a serious and imminent threat to the property of the cooperative or to the life or property of his co-employees. The preventive suspension shall not last longer than thirty (30) days after which the respondent shall be immediately reinstated to his former position or to a position as may be deemed appropriate by management.

Pending investigation of the alleged irregularity/anomaly/offense and before the filing of any administrative charge, the respondent may likewise be placed under preventive suspension especially in cases where the evidence of guilt is strong or where the employee voluntarily admitted his participation in the alleged irregularity/fraud/anomaly/offense.

A Preventive Suspension Order shall be issued by the Human Resource Head to be noted by President/CEO, upon the recommendation of the department head or branch manager. The same may likewise be issued by the Administrative Adjudication Panel upon the recommendation of the investigating team.

The reinstatement, however, of the respondent after his preventive suspension shall be without prejudice to the prerogative of Management to assign the respondent to an office other than his permanent station pending the resolution of the case.

7. DECISION

A decision of the Administrative Adjudication Panel (AAP) or the Board of Directors sitting as AAP, shall include among other things, the following:

- Finding of facts
- Offense(s) committed and/or cooperative rules and regulations violated; and
- Reason(s) for the decision

SCHEDULE OF OFFENSES AND PENALTIES

The schedule of offenses is not exclusive, and therefore not limited to the offenses enumerated hereunder. The just and authorized causes enumerated in the Labor Code of the Philippines for termination of employment are deemed incorporated in this Code. Violation of Cooperative policies found in the various memoranda, resolutions issued and to be issued by the cooperative, as well as those in the Manual of Operations and Cooperative Code of the Philippines, are likewise deemed part of the code.

MINOR OFFENSES

1. Proper Conduct and Behavior

Violations	1 st Offense	2 nd Offense	3 rd Offense
Showing or exhibiting of obscene materials, pictures, etc within the cooperative premises not for the sake or in the interest of art	Written Reprimand	Suspension (1) day	Suspension (5)days
Threatening, intimidating, or coercing fellow employees, cooperative members or other persons within cooperative premises, whether it involves only the use of threatening or profane language or physical violence which may or may not adversely affect the cooperative's interest	Written Reprimand	Suspension (5)days	Suspension (10)days
Violently arguing with co-employee or a member or an outsider inside cooperative premises	Written Reprimand	Suspension (3) days	Suspension (5) days
Taking part in any gambling, lottery, or any game of chance during office house or within cooperative premises	Written Reprimand	Suspension (3) days	Suspension (5)days
Disorderly conduct , engaging in horseplay and use of disrespectful, insulting, or profane language within the cooperative's premises	Written Reprimand	Suspension (5)days	Suspension (10)days
Loafing, loitering or leaving post temporarily without permission during office hours	Written Reprimand	Suspension (3) days	Suspension (5) days
Interfering with or disrupting the work of other employees within cooperative premises	Written Reprimand	Suspension (3)days	Suspension (5)days
Sleeping during office hours	Written Reprimand	Suspension (3) days	Suspension (5)days
Violation of the cooperative policies on lunch and coffee breaks and under time	Written Reprimand	Suspension (3)days	Suspension (5)days
Other Acts analogous to the foregoing	Written Reprimand	Suspension (3) days	Suspension (5)days

2. Work Responsibilities

Violations	1 st Offense	2 nd Offense	3 rd Offense
Infraction of Cooperative rules/procedures in handling any cooperative transaction or work assignment	Written Reprimand	Suspension (3)days	Suspension (5)days
Engaging in other non-cooperative works inside the cooperative premises	Written Reprimand	Suspension (3)days	Suspension (5)days
Doing personal work during office hours or abuse of company time for personal or unauthorized business	Written Reprimand	Suspension (3)days	Suspension (5)days
Refusal to tender overtime without reason	Written Reprimand	Suspension (3)days	Suspension (5)days
Other acts analogous to the foregoing	Written Reprimand	Suspension (3)days	Suspension (5)days

3. Cooperative Property

Violations	1 st Offense	2 nd Offense	3 rd Offense
Defacement, removal or placement of notices, signs or writing in any form on cooperative premises at any time without authority or any form of vandalism with cooperative premises	Written Reprimand	Suspension (3) days	Suspension (5) days
Requisition and use of cooperative supplies for personal purposes	Written Reprimand	Suspension (3) days	Suspension (5) days
Misuse of telephone which would include its use for unnecessary and personal incoming and outgoing call during and after office hours	Written Reprimand	Suspension (3) days	Suspension (5) days
Misuse of the internet for downloading, e-mail and chatting for personal purposes	Written Reprimand	Suspension (3) days	Suspension (5) days
Other acts analogous to the foregoing	Written Reprimand	Suspension (3) days	Suspension (5) days

4. Attendance and Punctuality

Violations	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Absence without leave for a single day	Written Reprimand	1 day suspension	3 days suspension	5 days suspension
Tardiness of ten (10) times or more or an accumulation of 2 hours in a month	Written Reprimand	1 day suspension	3 days suspension	5 days suspension

5. Office Attire/Identification Card

Violations	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Failure to wear identification card	Written Reprimand	1 Day suspension	3days suspension	5 days suspension
Failure to wear prescribed uniform or wearing improper office attire as defined under existing cooperative policies	Written Reprimand	1 Day suspension	3days suspension	5 days suspension
Failure to maintain good grooming consistent with the cooperative's corporate culture	Written Reprimand	1 Day suspension	3days suspension	5 days suspension
Other acts analogous to the foregoing	Written Reprimand	1 Day suspension	3days suspension	5 days suspension

6. Health and Safety

Violations	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Violations of directives to sanitation in the workplace or otherwise violating other conditions of cleanliness and sanitation	Written Reprimand	1 Day suspension	3days suspension	5 days suspension
Failure/ Refusal to abide by security, health and safety regulations in the performance of duties or in the use of the cooperative facilities	Written Reprimand	1 Day suspension	3days suspension	5 days suspension
Non-Observance of no smoking areas within	Written Reprimand	1 Day suspension	3days suspension	5 days suspension

cooperative premises				
Other acts analogous to the foregoing	Written Reprimand	1 Day suspension	3days suspension	5 days suspension

7. Security Breach

Violations	1 st Offense	2 nd Offense	3 rd Offense
Unauthorized physical access to the cooperative's computer room, computer installation, and similar restricted areas.	Written Reprimand	1month suspension	Dismissal
Unauthorized logical access to the cooperative's computer system, utilities, application and database	Written Reprimand	1month suspension	Dismissal
Failure to implement prescribed computer policy/procedures(job runs, back-up, disaster recovery, password changes etc)	Written Reprimand	3days suspension	5days suspension
Failure to comply with the prescribed data security control procedures and practices	Written Reprimand	3 days suspension	5days suspension
Trying to access the cooperative's computer system functions outside of his/her line of work	Written Reprimand	1 month suspension	Dismissal
Installation and use of unlicensed software such as games, music, pornographic pictures and movies in the cooperative's computer system	Written Reprimand	3 days suspension	5days suspension
Other acts analogous to the foregoing	Written Reprimand	3 days suspension	5 days suspension

B. LESS SERIOUS OFFENSE

1. Proper Conduct and Behaviour

Violations	1 st Offense	2 nd Offense	3 rd Offense
Assaulting/inflicting injury on another within cooperative premises	Suspension, 1 month	Dismissal	
Participating in disorders/illegal activities	Suspension, 1month	Dismissal	
Disgraceful or immoral conduct indecency or moral indiscretion committed within cooperative premises such as lascivious acts or those prejudicial to the good name of the cooperative	Suspension, 1month	Dismissal	
Reporting for work while under the influence of liquor	Suspension, 1month	Dismissal	
Making or publishing or disseminating false, vicious or malicious statements concerning any employee, officer or the cooperative	Suspension, 1month	Dismissal	
Insult or willful disrespect or any act of discourtesy to superiors or any co-employee or to any member or any person transacting business with the cooperative within the cooperative premises or while discharging official functions	Suspension, 1month	Dismissal	
Drunkenness/drinking liquor or any alcoholic beverages within the cooperative premises during or beyond working hours expected on certain occasions or social events when tolerated by Management	Suspension, 1month	Dismissal	
Other acts analogous to the	Suspension, 1month	Dismissal	

foregoing			
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2. Work Responsibilities

Violations	1 st Offense	2 nd Offense	3 rd Offense
Failure to observe prescribed standards of work or to fulfil reasonable work assignments due to inefficiency (includes failure to attain work goals or work quotas either by failing to complete within the allotted reasonable period or by producing unsatisfactory results which may be reflected in the employee having received an unsatisfactory or poor performance in one evaluation period)	Suspension, 6 days	Suspension, 30 days	Dismissal
Abuse of authority/ responsibility which results in financial losses and /or court suits and civil liabilities to the cooperative	Suspension, 30 days	Dismissal	
Violation of confidentiality of cooperative records	Suspension, 30 days	Dismissal	
Insubordination or wilful refusal to carry out legitimate orders or instructions issued by the employee's superior	Suspension, 30 days	Dismissal	
Abandonment of post, thereby endangering cooperative property or assets and/ or disrupting cooperative operations	Suspension, 30 days	Dismissal	
Deliberate delay in rendering service to member-owners	Suspension, 15 days	Suspension, 30 days	Dismissal
Deliberate slowdown or protraction of work which directly affects one's productivity or that of others	Suspension, 30 days	Dismissal	
Malingering or feigning illness to avoid assigned work	Suspension, 15 days	Suspension, 30 days	Dismissal
Negligence or dereliction of duty whether or not the cooperative suffers a loss	Suspension, 15 days	Suspension, 30 days	Dismissal

Having direct or indirect financial interest that conflict or appear to conflict with his duties and responsibilities as an employee, or officer of the cooperative	Suspension, 15 days	Suspension, 30 days	Dismissal
Other acts analogous to the foregoing	Suspension, 15 days	Suspension, 30 days	Dismissal

3. Cooperative Property

Violations	1 st Offense	2 nd Offense	3 rd Offense
Deliberate misuse or removal or unauthorized use of Cooperative property or operation of cooperative vehicles, machines or equipment without authority	Suspension, 30 days	Dismissal	
Improper use of machines, vehicles or equipment which leads to the damage or potential damage of said property	Suspension, 30 days	Dismissal	
Other acts analogous to the foregoing	Suspension, 30 days	Dismissal	

4. Attendance and Punctuality

Violations	1 st Offense	2 nd Offense	3 rd Offense
Absence without official leave for five (5) consecutive working days or more. (This shall be considered as abandonment of work)	Suspension, 30 days	Dismissal	
Absence without official leave for three (3) to four (4) consecutive working days	Suspension, 15 days	Suspension, 30 days	Dismissal
Absence without official leave for two (2) consecutive working days	7 days suspension	14 days suspension	Dismissal

5. Security Breach

Violations	1 st Offense	2 nd Offense	3 rd Offense
Disclosure of confidential, official	Suspension, 30	Dismissal	

cooperative documents to unauthorized persons/personnel with or without loss to the cooperative	days		
Unauthorized use of the on-line system and other telecommunications facilities of the cooperative to broadcast/transmit unauthorized messages	Suspension, 30 days	Dismissal	
Unauthorized deletion of computer files/programs/databases	Suspension, 30 days	Dismissal	
Intentional destruction of computer resources (hardware)	Suspension, 30 days	Dismissal	
Other acts analogous to the foregoing	Suspension, 30 days	Dismissal	

SERIOUS OFFENSES

1. Honesty

Violations	1 st Offense	2 nd Offense	3 rd Offense
Embezzlement, malversation and / or misappropriation of cooperative funds or assets	Dismissal		
Theft of Cooperative or other employee's property	Dismissal		
Deliberate misuse or removal from cooperative premises without proper authorization of cooperative records and / or confidential information of any nature for the purpose of defrauding the Cooperative or concealing an offense or crime committed	Dismissal		
Any act of Forgery committed on documents	Dismissal		
Fraud or wilful breach of trust in the conduct of one's job	Dismissal		

Falsification of personnel records or other cooperative records	Dismissal		
Preparing fraudulent attendance sheet, tampering or altering time cards or attendance records, or punching another's time card or logging another employee's time in or out in the attendance book, or allowing another employee to punch one's time card or log one's time in or out in the attendance book	Suspension, 30days	Dismissal	
Tampering or altering vouchers, receipts, tickets and the like for reimbursement of out-of-pocket expenses	Suspension, 30days	Dismissal	
False sick leave application	Suspension, 30days	Dismissal	
Unauthorized use of Cooperative name or misrepresenting authority that may cause damage to the cooperative	Suspension, 30days	Dismissal	
Soliciting any sum of money, gifts, benefits or favors or anything of value from any person or through the mediation of another in consideration of any act or service connected with the performance of the employee's duties and responsibilities	Suspension, 30days	Dismissal	
Giving false testimony or submitting false sworn statement during an investigation	Suspension, 30days	Dismissal	
Concealment of one's knowledge on the commission of fraud, deceit or other forms of dishonesty	Suspension, 30days	Dismissal	
Other acts analogous to the foregoing	Suspension, 30days	Dismissal	

2. Proper Conduct and Behaviour

Violations	1 st Offense	2 nd Offense	3 rd Offense
Use/ possession of prohibited drugs within or outside cooperative premises	Dismissal		
Commission of criminal offense involving moral turpitude or that which results in breach of trust or loss of confidence	Dismissal		
Sexual Harassment as defined under Republic Act 7877	Dismissal		
Other acts analogous to the foregoing	Dismissal		
Possession of firearms and/ or deadly weapons within cooperative premises without proper authorization from the cooperative	Dismissal		

3. Work Responsibilities

Violations	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Wilful or gross misconduct in the performance of duty whether or not the cooperative suffers a loss	Suspension, 30 days	Dismissal		
Gross negligence in the performance of duty	Suspension, 30 days	Dismissal		
Other acts analogous to the foregoing	Suspension, 30 days	Dismissal		

4. Cooperative Property

Violations	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Deliberate destruction of or causing damage to Cooperative property	Dismissal			
Other acts analogous to the foregoing	Dismissal			

5. Security Breach

Violations	1 st Offense	2 nd Offense	3 rd Offense	4 th Offense
Disclosure of computer security code or password on confidential Cooperative matters, cash vault combinations to	Dismissal			

unauthorized persons/personnel with or without loss to the cooperative				
Other acts analogous to the foregoing	Dismissal			
Unauthorized disclosure of password/security codes to access cooperative's computer system, utilities, applications and databases	Dismissal			

ARTICLE XII. **ETHICAL STANDARDS FOR MEMBERS**

The members of **CLIMBS** must comply with their sworn obligation and responsibilities. In so doing, they shall:

1. Promote the aims and purposes of the cooperative, the success of its business and the spirit of Cooperativism in all their dealings.
2. Actively participate in all affairs of the cooperative and endeavor always to contribute to the interest and welfare of the general membership.
3. Have the moral rectitude to sacrifice self-interest for the greater number in keeping with the time-honored principle of delicadeza.
4. Not engage in corrupt, dishonest and other unauthorized and illegal activities.
5. Obey the bylaws, policies, decision and resolutions of the Board of Directors, the General Assembly and the Cooperative Development Authority.
6. Work harmoniously with everyone and give the due courtesy and respect to officers, members and the general public in all their dealings.
7. Speak well of the cooperative.

ARTICLE XIII. **GENERAL PROVISIONS**

1. The Board's authority is limited to overseeing the affairs of the cooperative in a manner deemed beneficial to the cooperative as a whole. A director's primary obligation is to participate in the governance and policymaking process and not in the operations of the cooperative

Each director's authority is equal only to the rights and authority of any individual member of the cooperative except when the Board is in formal meeting

No individual director or committee member may take action on behalf of the cooperative alone, unless explicitly delegated that authority by action of the Board, and

no individual officer has any particular right to information not made available to the Board and other committees, as well.

2. All directors, officers and members of various committees invited by the Board of Directors on Joint Meeting shall have equal rights to explain, profound and raise matters of concern, in all phases and matters of development of the cooperative except the right to vote, which appertains only to each director sitting as a member of the Board.
3. No person shall be allowed to run as candidate for director or any other elected position or appointed to any committee who has conflict of interest against **CLIMBS**. By conflict of interest, it shall mean to include, but not limited to, being an officer or employee of any other cooperative, federation, lending institution, insurance company and the like, banks and all other facilities and institutions which have the same or similar line of operations and interests with the **CLIMBS**, with matters of conflict of interest shall be disclosed in the certificate of candidacy, which must be declared under oath, which shall constitute as a primary requirement for candidates running for the position of a director, or elected or appointed as a member of any committee.

Failure to disclose such conflict of interest shall constitute the crime of perjury as defined and penalized under the Revised Penal Code.

4. No person during meetings shall make any cat call, uncalled and unnecessary remarks on any matter taken during the meeting or make unnecessary noise or talks to anyone else in the room making a disturbance or undue interruption of the meeting.

Should any of these instances happen, the presiding officers shall call the attention of the person nearest the subject participant to affirm the act of such person guilty of any of these misdemeanours and impose a fine of Php 500.00 which must be paid right then and there. If the subject participant has no actual cash or money to pay right then and there, the Php 500.00 fine/penalty shall be ordered deducted from the pay or allowance due to such participant in such meeting. Collection made as penalty shall constitute to the social fund of the Cooperative.

5. In order to ensure commitment to this Code, the following shall be observed by the officers, staff and members:
 - All officers, staff and members shall bind themselves that the intent and spirit of this Code are honored and upheld at all times.
 - Directors and others officers shall set the example and be responsible for the observance of this Code.
 - All Directors, officers, staff and members shall take an oath that they shall commit themselves to this Code.

The oath of commitment shall be done upon acceptance of membership, and upon election, appointment, promotion or assumption to duty of officers and employees.

Promotion and enhancement of this Code is a management policy and strict adherence thereto shall be the responsibility of all officers, employees and members.

6. Commission of acts/practices in violation of this code shall be subjected to penalties and administrative sanctions as herein provided.

ARTICLE XIV. **AMENDMENTS**

Any amendment to this Code of Conduct may be proposed to the General Assembly and the vote of the majority of the members present where there is quorum, is sufficient for its approval.

ARTICLE XV. **EFFECTIVE CLAUSE**

This Code of Conduct, any amendment therefore, shall take effect upon its approval by the General Assembly.

Respectfully Submitted for Consideration of the
Board of Directors:

COMMITTEE ON ETHICS

_____ Atty. Peter B. Panis – Chairman

_____ Romeo A. De Jesus – Vice Chairman

_____ Dominador C. Dizo – Secretary

April 27, 2016