

WHISTEBLOWING AND NON-RETALIATION POLICY
CLIMBS LIFE AND GENERAL INSURANCE COOPERATIVE

POLICY STATEMENT

CLIMBS is committed to conduct its business in accordance with ethical, moral and legal business standards and maintain a culture of good corporate governance, transparency and accountability by observing integrity in all transactions among themselves and with the CLIMBS members, suppliers, competitors, business partners, government, regulators and the public.

This **Whistleblowing and Non-Retaliation Policy** exemplifies CLIMBS commitment by providing a mechanism that will enable any concerned individual to report and provide information, anonymously and even testify on matters involving the actions or omissions of the directors, officers, and employees of CLIMBS that are illegal, unethical, violate good governance principles, are against public policy and morals, promote unsound and unhealthy business practices and are grossly disadvantageous to CLIMBS.

COVERAGE

This Policy applies to all individuals doing work for or on behalf of CLIMBS, including directors, officers, employees, vendors and other related individuals.

DEFINITIONS

- **Irregularities** shall mean violation of law, actual or suspected commission of theft; fraud; violation of the CLIMBS Code of Conduct or ethic policies; mismanagement; misappropriation of monies; noncompliance of legal and regulatory requirements and/or policies; misrepresentation of or any questionable audit, accounting and financial matters; and abuse of authority, fraud or any attempt or concealment of any of the above.
- **Good Faith Disclosure** means disclosure of CLIMBS-related irregularities made with a belief in the truth of the disclosure that a reasonable person in the Whistleblower's situation could have believed based upon the facts.

A disclosure is not in good faith if made with reckless disregard, or wilful ignorance of facts that would disprove the disclosure. A report does not have to be proven true to be deemed to have been made in good faith.

- **Retaliation** means any adverse action or creditable threat of an adverse action taken by any individual doing work for or on behalf of CLIMBS, in response to a Whistleblower Report.
- **Whistleblowing** means good faith reporting of suspected or actual CLIMBS-related irregularities.
- **Whistleblower** means any individual who, in good faith, reports actual or perceived CLIMBS-related irregularities. This includes employees, officers and director of CLIMBS, stockholders of CLIMBS and employees, officers and directors of suppliers.
- **Whistleblower Report** refers to an encompassing term that is used throughout the policy to describe any report of perceived or actual irregularities.
- **Good Faith** means the whistleblower/employee shall be deemed to be divulging information in 'good faith' if there is a reasonable basis for disclosing of unethical and improper practices or any other misconduct.



- **Unethical and Improper Practices** refers to an act which does not conform to approved standard of social and professional behavior or an act which leads to unethical business practices or breach of etiquette or morally offensive behavior.

TYPES OF CONCERN OR REPORTABLE CONDITIONS

The enumeration below is not exhaustive such that any other similar or related activities may be a subject of concern and therefore all employees, regardless of position or rank, who are witnesses to these alleged misconduct, illegal, unethical, violate good governance principles, are against public policy and morals, promote unsound and unhealthy business practices, are grossly disadvantageous to CLIMBS are obliged to speak up and report them accordingly.

- Any dishonest or fraudulent act
- Malversation, misuse or misappropriation of funds, securities, supplies or assets
- Impropriety in the handling or reporting of money or financial transactions
- Profiteering as a result of insider knowledge of company activities
- Disclosing confidential information and proprietary information to outside parties
- Disclosing to other person securities activities engaged in or contemplated by Nat Re
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to Nat Re
- Destruction, manipulation, removal or inappropriate use of records, furniture, fixtures and equipment
- Fraudulent financial reporting or accounting practices
- Violation of CLIMBS Manual of Corporate Governance
- Violation of CLIMBS Code of Ethics and other cooperative policies
- Actual or potential conflict of interest exposure
- Sexual harassment
- Violation of Information security and data privacy
- Any conduct that poses a serious risk to public safety, health or the environment
- Abuse of authority;
- Bribery;
- Conflict of interest;
- Fixing;
- Inefficiency; Undue delay in rendition of service;
- Making false statements;
- Money laundering;
- Negligence of duty;
- Nepotism;
- Plunder
- Receiving a commission and Solicitation of gifts;
- Taking advantage of corporate opportunities;
- Undue influence; and,
- Violation of procurement laws.

REPORTING CHANNELS AND RESPONSIBILITIES

It is the responsibility of all directors, officers, employees and other related individuals to comply with this policy and to report perceived or actual CLIMBS-related irregularities through appropriate reporting channels.

The Compliance Officer shall be responsible for ensuring that this policy is widely communicated to all concerned individuals and that appropriate implementing guidelines and procedures are issued whenever needed to support its adequate and effective implementation.



In addition, the following shall be responsible for receiving Whistleblower Reports and shall perform necessary actions without delay:

- Compliance Officer
- Internal Audit
- Human Resources
- Legal Officer

Under extraordinary circumstances, the whistleblower may also course the complaint through other reporting lines, like the President or the Chairman of the Audit Committee.

For the purpose of this Whistleblower Policy, CLIMBS Evaluation Team shall be composed of the Compliance Officer, Internal Audit, Human Resources and Legal Officer.

The above officers are duty-bound to:

- Acknowledge receipt of the report and to communicate to the reporting employee the status of the complaint and manner by which the subject concern is being handled.
- Treat confidentiality all reports/information obtained.
- Not reveal the identity of the whistleblower in any case, except when prior permission was obtained.
- Internally convene to review the report of the whistleblower and submit its findings directly to the Board's Audit Committee for disposition.

HANDLING OF WHISTLE BLOWING REPORT

An independent and dedicated email facility provided by CLIMBS for receiving Whistleblower Reports. All reports submitted to this facility shall be received by the CLIMBS Evaluation Team.

To ensure the complete and organized reporting of details surrounding the potential irregularity, the Whistleblower should provide the following information:

- Company Name of the Whistleblower
- Department of the Whistleblower
- Name of the Whistleblower
- Date of Report
- Previously Reported (Yes/No)
 - If yes, Date First Reported
 - If yes, to whom was it reported?
- Status of Irregularity (Planned, Ongoing, Finished)
- Name of the Persons Involved, Company and Position in the Company
- Nature of Incident (How was the irregularity carried out?)
- Evidence/s, if any
- Date of Discovery
- How was it discovered?
- Estimated Amount Involved (if applicable or known)
- Reported to Outside Authorities (Yes/No). If yes, date of report and status.
- Other additional information

A Whistleblower Report form shall be made available by CLIMBS to assist the Whistleblower in this endeavor.

Whistleblowers are required to identify themselves when reporting a potential irregularity. All reports submitted by an anonymous whistleblower shall not be considered a valid Whistleblower



Report by the Evaluation Officer unless the Whistleblower agrees to identify himself / herself for purposes of investigation.

CONFIDENTIALITY

Except when the whistleblower does not invoke anonymity and/or confidentiality when invoking this Policy, CLIMBS and its Evaluation Team shall ensure confidentiality of all information arising from whistleblowing reports. It shall treat all reports, including the identity of the whistleblower and the person/s complained of, in a confidential and sensitive manner.

The identity of the whistleblower will be kept confidential, unless compelled by law or the Courts to be revealed, or unless the whistleblower authorized the release of his/her identity.

ACTING ON GOOD FAITH

Any whistleblowing report made in good faith is fully protected by this policy, even if the report, question or concern is, after investigation, not substantiated.

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a possible irregularity.

BAD FAITH ALLEGATIONS

A Whistleblower who is found to have made malicious and false allegations shall be subject to appropriate disciplinary or legal action pursuant to the policies and procedures of CLIMBS, and any applicable laws or regulations.

OBLIGATION TO TESTIFY

Any official or employee who has personal knowledge of any matter pertaining to a protected disclosure shall, if called upon, have the obligation to testify in any proceedings arising from such protected disclosure.

PROTECTION OF WITNESSES

Any official or employee who testifies in any proceedings arising from a protected disclosure shall be accorded the same protection against retaliatory actions.

DISCLOSURE MADE BY A PARTY TO A MISCONDUCT

A disclosure made by a person who is himself/herself a party to the disclosed conduct constituting misconduct or wrongdoing, whether as principal, accomplice or accessory, is deemed a protected disclosure under these Rules and such person shall be entitled to the benefits of a whistleblower, provided that:

- The whistleblower complies with the conditions hereof.
- The whistleblower should not appear to be the most guilty.
- The whistleblower has not been previously convicted by final judgment of a crime involving moral turpitude.
- The whistleblower testifies in accordance with his/her disclosure.



DISCLOSURES MADE BEFORE PROPER PERSONS

Any official, director, or employee to whom a disclosure is made shall have the following obligations:

- Maintain confidentiality of the identity of the whistleblower and the subject matter of the disclosure;
- Undertake measures to ensure the well-being of the whistleblower; and,
- Report the disclosure in full detail to the Whistleblowing Evaluation Team, or the Chair of the Board.

NON-RETALIATION POLICY

No Whistleblower who in good faith reports a perceived or actual irregularity shall suffer retaliation. CLIMBS will not retaliate against a Whistleblower or allow any retaliation against a Whistleblower acting in good faith.

The right of a Whistleblower to protection against retaliation does not include immunity for any personal wrongdoing, including involvement in the reported irregularity, and any violations in other policies of the company.

In addition, protection against retaliation does not also include immunity from consequences arising from poor work performance and other similar undesirable conditions not related to the reported irregularity.

However, the role of the Whistleblower in providing useful information to the investigation shall be given weight in the final determination of any penalty or sanction to be imposed.

RETALIATION AGAINST WHISTLEBLOWER

Any Whistleblower who believes he or she is being retaliated against must contact CLIMBS Evaluation Team immediately.

Anyone who retaliates against a Whistleblower who has reported a violation in good faith is subject to discipline as provided by the CLIMBS Employee Handbook.

Such retaliatory acts may include:

- Discrimination or harassment in the workplace;
- Demotion;
- Reduction in salary benefits;
- Termination of contract;
- Evident bias in performance evaluation; and,
- Any acts or threats that adversely affect the rights and interests of the whistleblower.



REMEDIES AND SANCTIONS

- Violations of confidentiality.

Any official or employee who violates the protection of confidentiality of a protected disclosure and of the confidentiality of the proceedings shall be liable for disciplinary sanctions.

- Retaliatory actions.

Any official or employee who does, causes, or encourages retaliatory actions, as defined in these policy, against a whistleblower, or persons believed or suspected to be one, and/or those officials and employees supporting him, or any of his/her relatives within the forth civil degree of consanguinity or affinity, shall be immediately subjected to administrative and/or criminal proceedings, and in appropriate cases, immediately placed under preventive suspension.

- Failure to act or report.

Any official or employee under obligation to report a disclosure under this policy, or who fails to act thereon or cause an investigation thereof, shall be liable for disciplinary action.

- Failure or refusal to testify.

Any official or employee, who fails or refuses to testify, or to continue to testify, or who adversely varies his/her testimony, without just cause, in any proceedings arising from a protected disclosure, shall be liable for disciplinary action.

ADMINISTRATION

The Compliance Officer is responsible for the administration, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

Prepared by: Blesilda Lagang-Cumba Assistant Compliance Officer	Reviewed by: Reynaldo G. San Andres Compliance Officer
Attested by: Noel D. Raboy President and CEO	Approved by: Board Resolution No. _____, series of _____ Date: _____
Date Revised: _____	Supersedes: _____

