

CODE OF ETHICS

All directors, officers, employees and members of the Davao BIR Employees Multipurpose Cooperative (DABIREMCO) shall abide by and adhere to this Code of Ethics. Towards this end, they shall aim to promote a high standard of conduct and ethics in cooperative affairs, through transparent and accountable leadership and responsible membership, with utmost integrity, professionalism and commitment.

Section I. Standard of Conduct of the Board of Directors

In the performance of its powers, functions and responsibilities under RA 9520, and its implementing rules and regulations, its Articles of Cooperation and By-Laws, the Board of Directors shall employ, and be guided by the provisions of this Code.

General Responsibility

The Board of Directors shall collectively, in the performance of its duties and responsibilities:

- a. Bind themselves to honor and uphold the intent and spirit of this Code at all times by setting a good example;
- b. Be responsible to ensure the long-term success and viability of DABIREMCO; and
- c. Take into consideration the welfare and well-being of the general membership and its employees and the advancement of the interest of the cooperative in the formulation of resolutions and adoption of policies.

Conduct of the Board of Directors

The Board of Directors shall specifically be guided by the following:

- a. A director shall show allegiance to the cooperative, act in good faith, and be accountable to its members;
- b. A director is required ordinary diligence when carrying out official acts by adhering to the highest degree of excellence and professionalism in the performance of his or her duties;
- c. A director shall strive to be progressive thinking, forward-looking, innovative, imaginative, creative and analytical to be able to promulgate sound and appropriate policies and decisions as well as identify key risk areas and performance indicators and monitor these with due diligence to anticipate and prepare for possible threats to its operational and financial viability;
- d. A director shall provide sound strategic policies and guidelines on matters affecting the cooperative that will sustain its long-term viability and strength, providing periodic evaluation and monitoring of the implementation of such policies and strategies and the Management's overall performance;
- e. A director shall endeavor to inspire, motivate, and lead people;
- f. A director shall avoid conflict of interest by engaging in activities similar to the cooperative;
- g. A director shall desist from seeking elective or appointive positions in other cooperatives of the same type and level;
- h. A director shall show independence, and decisiveness at all times within the boundaries of his or her authority;
- i. A director shall endeavor to protect the funds of its members in accordance with laws governing the cooperative;

- j. A director should advocate and ensure that the cooperative faithfully comply with applicable laws, regulations, contracts and agreements to which the cooperative is bound to; and
- k. A director shall act within the scope of authority and not interfere with the enforcement of policies except during the meeting of the Board of Directors.

Section 2. Standard of Conduct of an Individual Officer

The individual officer of DABIREMCO shall comply with their sworn obligations and responsibilities and shall observe the following:

- a. Every officer must conduct fair business transactions and ensure that his or her personal interest does not create biases in the decision of the Board;
- b. Every officer must act with honesty, good faith, loyalty and with the best interest of DABIREMCO and its members, regardless of the amount of capital contribution;
- c. Every officer must devote time and attention necessary in the proper discharge of his or her duties and responsibilities. Such commitment should be manifested in his or her providing regular time to familiarize with the business of the cooperative, being aware of the cooperative's operational and financial condition and contributing valuable inputs to the board's work, among others;
- d. Every officer must refrain from any business activity that is in conflict with that of the cooperative and must at all times not use the cooperative for personal interest;
- e. Every officer must act judiciously in the process of decision making and exercise independent judgment in situations needing his or her decisions;
- f. Every officer must keep abreast with the information in line with the cooperatives such as the statutory and regulatory requirements affecting the cooperative;
- g. Every officer must at all times observe confidentiality in all the affairs of the cooperative; and
- h. Every officer shall observe proper decorum;

Section 3. Standard of Conduct of Employees

The employees of DABIREMCO shall comply with their sworn obligations and responsibilities and shall observe the following:

- a. Employees of the cooperative must be of good moral character, honest, dedicated and committed to the cooperative and to their tasks of providing the best possible services to the members and officers of the cooperative;
- b. Employees must observe the cooperative's existing policies and procedures as well as its rules and regulations governing employee conduct and performance;
- c. Employees shall be subject to management's policies and as such should not be beholden to any member of the Board, the cooperative officers and members.
- d. Employees are prohibited from campaigning during election;
- e. Employees must endeavor to develop themselves through trainings, seminars and other means of educational development to improve their competence and perspective;
- f. Employees must be loyal to DABIREMCO, the membership, and the causes for which the organization exists. They must protect at all times its interest by conducting business affairs and work performance above board. Fairness, honesty and good faith must characterize his actions in the performance of his work and his dealings with the members and the public;

- g. Protect with zeal and caution confidential knowledge or privilege communications obtained during his tenure at DABIREMCO and afterwards relating to data on services, business strategies, processes, systems or other important or relevant information;
- h. Extend to members and fellow employees all the courtesies, considerations and support needed by providing efficient, expedient and non-discriminatory or preferential treatment to all;
- i. Perform efficient service based on the precept of accountability, transparency, responsibility and liability commensurate to just remuneration and incentive.

Section 4. Standard of Conduct for Members

Every member shall be guided by the following:

- a. Every Member shall conscientiously exercise the rights and privileges, perform the duties, responsibilities as defined in the Articles of Cooperation and By-Laws;
- b. Every member shall provide the necessary authentic documents and full disclosure of relevant information and circumstances needed in loan transactions with the cooperative;
- c. Every member shall instill financial discipline, share time, resources and know-how for cooperative betterment;
- d. Every member shall be open-minded, forward-looking and objectively pursues the chance to serve and assume leadership when called for;
- e. Every member shall not be a member/investor in any other cooperative whose economic activity is in competition with that of the cooperative;
- f. Every member shall endeavor to be a member in good standing by: attending and completing membership education seminar; subscribing and initially paying at least the minimum share capital requirement for a full-fledged member; pay the installment on capital share subscription as it falls due and continuously participate in the capital build-up of the cooperative; attend all pre-arranged meetings, particularly the General Assembly and all continuing educational programs of the cooperative; pay all his or her obligations promptly and patronizing regularly the services and products of the cooperative.

Section 5. Desirable Traits and Behavior of Members, Officers and Employees

1. Honesty, Open-mindedness and Transparency

Members, officers, and employees must adhere to the facts and at all times must not lie, steal or deceive in any way. They must be receptive to arguments, ideas and free from pretense or deceit.

2. Self-responsibility, Social responsibility and Discipline

Members, officers, and employees must extend prompt, courteous, and adequate service to all Coop members. They must be responsible for their own conduct and obligations. They must be orderly or possess prescribed conduct or pattern of behavior.

3. Justness and Sincerity

Members, officers, and employees must act with justness and sincerity and shall not discriminate against anyone. They must respect the rights of others, and must refrain from doing acts contrary to law, good morals, and good customs.

4. Solidarity

Members, officers, and employees must work towards one goal to achieve unity and harmony in managing the affairs of the Cooperative.

5. Initiative and Persistence

Members, officers, and employees are encouraged to be a self-starter to initiate programs and projects for the cooperative. They must also be persistent and determined to finish or support whatever projects or programs they have initiated for the cooperative.

6. Trustworthiness

Members, officers, and employees must endeavor to discourage wrong perception of their roles as coddler of wrong doers. They must remain true to the goals and objectives of the cooperative.

7. Professionalism and Integrity

Members, officers, and employees must perform and discharge their duties with the highest degree of excellence, professionalism, and integrity. They must perform their duties with utmost devotion and dedication to duty.

8. Loyalty and Commitment

Members, officers, and employees shall at all times be loyal to the DABIREMCO, patronize its services and encourage appreciation of the Cooperative goals and philosophies. They shall endeavor to maintain and defend DABIREMCO against adversaries. They must render services willingly without expecting extra compensation.

9. Equality and Equity

Members, officers, and employees shall commit themselves to promote fair and just services to everyone without discrimination or preference. They must ensure that social and economic returns are given to members corresponding to their respective investments.

Section 5. Sanctions

Infraction(s) of the DABIREMCO Code of Ethics shall be governed by the following:

- a. Governing Body. The Board of Directors shall have jurisdiction over the members, officers and employees.
- b. Appeal. Decisions may be appealed to the General Assembly.
- c. Penalties. The following penalties shall be imposed for violation of the Code of Ethics:
 - i. First Offense - Written Warning
 - ii. Second Offense - One (1) month suspension of Benefits and privileges
 - iii. Third Offense - Expulsion and/or termination of membership/employment
- d. Delinquent Loans. Director, committee members and other officers will be suspended for three (3) months from their duties if their loans are delinquent for more than sixty (60) days.

Section 6. General Provisions

In order to ensure commitment to this Code, the following shall be observed by the officers, staff and members:

- a. 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 other officers shall set the example and be responsible for the observance of this Code.

- b. 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.
- c. Promotion and enhancement of this Code is a management policy and strict adherence thereto shall be the responsibility of all officers, employees and members.
- d. Commission of acts/practices in violation of this Code shall be subjected to penalties and administrative sanctions as may be determined by the Board.
- e. Any amendment of this Code may be proposed to the General or Special Assembly for approval and shall take effect upon its adoption.

Section 7. Miscellaneous Provisions

In the event that any term or any provision of the DABIREMCO Code of Ethics of Members, Officers, Officials and Employees be wanting in definition of terms as well as rules and regulations in connection with the implementation and enforcement of the same, the Board, in consultation with the different Committees and Management, shall define, promulgate the needed definition, rules and regulations. In case of doubt in interpretation, it shall always be resolved in favor of the cooperative.

Section 8. Oath of Office

All Officers, Officials and Employees of the cooperative are required to take their "Oath of Office", in a prescribed form, before they discharge the function of their offices.

Section 9. The Cooperative Pledge

All cooperators and cooperating members as well as the members subsequently accepted by the Board are required to manifest their commitment to the cooperative by reciting the standard format of the Cooperative Pledge. The said Cooperative Pledge shall be displayed in the most conspicuous place of the cooperative office. It shall likewise be displayed and recited in cooperative gatherings like general assemblies, meetings, training, sessions and other social gatherings.