

CODE OF DISCIPLINE

C.4.1

To educate the employees in the fundamental standards of behavior and performance, the Company's Code of Discipline was designed.

The offenses have been classified as follows depending on the nature:

1. Offenses Against Proper Conduct and Behavior
2. Offenses Affecting Productivity
3. Offenses Against Health and Safety
4. Offenses Against Property and Security

Penalties shall be imposed depending on the gravity of offenses committed as shown in the Table of Offenses:

1. MINOR OFFENSE - written warning to two (2) days suspension from work without pay
2. SECONDARY OFFENSE - three (3) days to not more than fifteen (15) days suspension from work without pay and disqualification from any meritorious or promotional increase during the year.
3. GRAVE OFFENSE - termination for cause with preventive suspension of not more than 60 days and restitution of losses and/or damages.

TABLE OF OFFENSES

A. OFFENSES AGAINST PROPER CONDUCT AND BEHAVIOR

1. MINOR OFFENSE

- 1.1 Listening to conversation or butting-in when he or she is not actually involved.

2. SECONDARY OFFENSES

- 2.1 Drinking alcoholic beverage during office hours.
- 2.2 Using or bringing narcotics and dangerous drugs into the Company premises.
- 2.3 Spreading derogatory information or rumor about another with interest to discredit the person.
- 2.4 Immoral conduct or indecency within the Company premises, whenever committed, such as:
 - 2.4.1 Keeping or viewing films generally considered as obscene, within company premises;
 - 2.4.2 Keeping, displaying figures or reading books, magazines and other reading materials that are generally considered obscene, with the company premises.
- 2.5 Unruly conduct, such as shouting, using profane or obscene language, discourtesy (in act or speech) to customers and visitors and other analogous acts.

3. GRAVE OFFENSES

- 3.1 Engaging in fistfights or loud-mouthed quarrelling or provoking or encouraging others to such behavior.
- 3.2 Gambling or engaging in games of chance with bets at stake, during work hours or within Company premises.
- 3.3 Frequenting gambling places outside Company premises, or outside work hours to a point where such observed behavior gives occasion for scandal or loss of confidence in the Company.

- 3.4 Coercing, threatening or intimidating co-employees.
- 3.5 Attempting to inflict bodily injury to others at any time within the Company premises for any reason.
- 3.6 Immoral conduct or indecency within the Company premises, whenever committed, such as:
 - 3.6.1 Pregnancy without being legally married;
 - 3.6.2 A married male employee who caused or participated in the pregnancy of a woman other than his wife;
 - 3.6.3 Necking and petting, whether between opposite or the same sex, within the building premises;
 - 3.6.4 Doing sexual acts or practices that are generally considered abnormal within the building premises;

B. OFFENSES AFFECTING PRODUCTIVITY

1. MINOR OFFENSES

- 1.1 Habitual tardiness of at least five (5) times in a month - (first offense within a calendar year).
- 1.2 Engaging in idle conversation or entertaining visitors for more than a reasonable time.
- 1.3 Taking more than the normal time for break periods.
- 1.4 Excessive personal phone calls to the extent of neglect of one's duties.

2. SECONDARY OFFENSES

- 2.1 Engaging in indecorous horseplay during working time or within Company premises.
- 2.2 Leaving Company premises during working hours without permission from the superior.
- 2.3 Absence without official leave or failure to notify the Company of absence within 24 hours from the beginning time of absence.

- 2.4 Dereliction of one's duty.
- 2.5 Willfully refusing, without any valid reason, to accept work, shift, assignment or specific instruction given by a superior or higher authority.
- 2.6 Failure to comply with official orders and/or perform regular assigned duties or specific instructions related to his duty.
- 2.7 Sleeping during designated work hours.
- 2.8 Improper use of Company time.
- 2.9 Habitual tardiness of at least five (5) times in a month - (second offense within a calendar year).

3. GRAVE OFFENSES

- 3.1 Furnishing incorrect or misleading data to persons duly authorized to receive such information, arising out of the employee's neglect or failure to make proper research, investigation or verification of facts.
- 3.2 Failure to make known to a higher authority any inducement, instruction or order of a superior or other higher ranking officer to commit a clear wrongdoing or to violate any existing operating rule or procedure of the Company.
- 3.3 Abandonment of work.
- 3.4 Outside employment competing or conflicting with Company business (moonlighting).
- 3.5 Habitual tardiness of at least five (5) times in a month - (third offense within a calendar year).
- 3.6 Failure to comply, either through willful violation, inaction or negligence of concerned personnel, with particular emphasis on command responsibility, or memoranda pertaining to the conduct of operations or implementation of Company policies, shall carry the following penalties:

First Offense - suspension from work without pay from three (3) to not more than fifteen (15) days.

Second Offense - termination for cause and restitution of losses and/or damages.

C. OFFENSES AGAINST HEALTH AND SAFETY

1. MINOR OFFENSES

- 1.1 Without justifiable reason, refusal or failure to report for medical examination as instructed by the Company physician, while on sick leave.
- 1.2 Failure to undergo annual chest X-ray and medical examinations.
- 1.3 Creating and/or contributing to unsanitary conditions and poor house-keeping.

2. SECONDARY OFFENSES

- 2.1 Failure to report immediately accidents or injuries which may have been incurred in the performance of official duties
- 2.2 Utter disregard for health and safety measures instituted by the Company.
- 2.3 Leaving house confinement while on sick leave against the express orders of the Company physician.

3. GRAVE OFFENSE

- 3.1 Concealment of contagious diseases.

D. OFFENSES AGAINST PROPERTY AND SECURITY

1. MINOR OFFENSE

- 1.1 Utter disregard for and/or refusal to submit to authorized Company security personnel in the conduct of their business.

2. SECONDARY OFFENSES

- 2.1 Carelessness in the proper safekeeping or disposition of Company documents.
- 2.2 Maliciously implicating another employee for any reason whatsoever.
- 2.3 Abusive use of Company materials and supplies.
- 2.4 Willful carelessness in the use of Company property.

3. GRAVE OFFENSES

- 3.1 Carrying deadly weapons within the Company premises with or without formal authority, displaying such with intent to intimidate.
- 3.2 Unauthorized disclosure of confidential information on Company operation leading to the disadvantage of the Company
- 3.3 Directly or indirectly tampering with Company equipment, records and documents with the end purpose of defrauding the Company.
- 3.4 An act of theft.
- 3.5 Knowingly giving false or misleading information in applying for employment as a result of which he or she secures employment; or if employed, giving false or misleading information such as work experience, qualify for any preference of benefit from the Company.
- 3.6 Falsifying time cards or any other time-keeping records or drawing salary or allowance by virtue of falsified time record, vouchers, receipt or the like.
- 3.7 Concealing defective work which directly results in prejudice to the Company.
- 3.8 Misappropriating Company funds or failing to turnover to the Company, within the stipulated period, any money of whatever currency or amount, given by a client or his representative for the Company.
- 3.9 Soliciting or receiving any benefit whether directly or through another in order to perform an act which shall be prejudicial to the Company.
- 3.10 Exercising an act of authority under false pretenses.
- 3.11 Tampering, changing or altering any Company memo, letter, document or record.
- 3.12 Forging the signature of any employee or official of the Company.