



OUR CODE OF CONDUCT

PHILOSOPHY ON DISCIPLINE

Employee discipline is an essential ingredient for the Company's survival and growth. Every employee is expected to observe the highest standards of accountability, performance, punctuality, honesty, integrity, courtesy, and teamwork, and thus, contribute to the achievement of the Company's goals of customer satisfaction, service excellence and profitability.

The Company adheres to the principle that the best form of discipline is self-discipline. The Company prefers employees who can discipline themselves without the compulsion of law or fear of punishment. It is not enough that the employee should avoid doing "wrong" – he should, consciously and as a personal commitment "do the right things the right way" for the right purpose at the right time. Employees should do the right things because they want to, rather than avoid the wrong things because they fear the consequences.

PURPOSE

The purpose of this Code is to provide a reasonable and lawful process for resolution of issues and problems arising from employee's performance and/or behavior and to ensure the fair, just and consistent implementation of ways to correct and address actions not in accordance with the Company's policies.

Although disciplinary action may be imposed for any wrongdoing, the overall intent is more on the prevention of the infraction rather than the administration of any penalty to an employee.

GENERAL PROVISIONS

Article 1. Coverage – This Code shall apply to all employees of Globe Telecom, Inc. or any of its wholly owned subsidiaries.

Article 2. Uniformity of Penalties - Discipline must be enforced consistently. It shall be applied uniformly to employees similarly situated.

Article 3. Impersonal Imposition of Discipline – The imposition of disciplinary action shall be directed against the employee's wrongdoing, not against his person or personality.



Article 4. Single Penalty – Only one penalty shall be imposed for each offense. If an administrative charge arising from one act or omission results in a finding that two or more violations defined in the Code have been committed, the penalty for the most serious offense shall be applied.

Article 5. Responsibility of Superiors – It is the duty of every superior to maintain discipline within his area of responsibility. He shall be strictly accountable for the proper discipline and job performance of all employees reporting to him, where they are guided by and compliant with the Company’s Policies and Procedures. It shall be the duty of the superior to act immediately upon all reports of violations, otherwise, he shall be guilty of failure on the job.

Article 6. Responsibility of Employees – It shall be the responsibility of all employees to read, understand and familiarize themselves with all the provisions of our Code. Ignorance of or unfamiliarity with the provisions of this Code shall not excuse an employee from the consequences of committing a violation.

Article 7. Obligation to Report Wrongdoing – It shall be the duty of every employee to report to management with reasonable dispatch any information in their possession about any offense which has been, is being, or is about to be committed. Failure to do so will subject the employee to the appropriate disciplinary action.

Article 8. Effect of Disciplinary Action – An employee’s record of offenses shall diminish or remove, as the circumstances may warrant, an employee’s eligibility for merit increases, promotion, incentives, or similar improvement in his job situation.

Article 9. Corrective Actions – The following are the corrective actions under this Code:

- a. **Counseling** – A documented coaching given by Immediate Superiors to employees for minor infractions and securing commitment to improve an employee’s performance, work attitude and personal behavior. Employee is warned that repetition of the offense will be dealt with more severely.
- b. **Documented Verbal Warning** – A warning given to an employee for an infraction to refrain from committing the same offense in the future. Repetition of the same may subject the employee to suspension.
- c. **Written Reprimand** – Is a more severe warning given to an employee that is accompanied by a more severe censure. Repetition of the same may subject the employee to suspension.
- d. **Suspension** - The temporary barring of an employee from work and in the performance of his duties and functions for a specified period of time. Suspension shall be computed in working days – not including rest days and holidays.
- e. **Demotion** – Is the transfer of an employee to a lower rank or position with or without the corresponding reduction in salary.

- f. **Dismissal** – It is the permanent separation of an employee from the Company for cause, i.e., when an employee commits the same offense repeatedly and/or when an employee commits a serious offense warranting Dismissal.

In the imposition of the aforesaid corrective actions, the Company may consider any attendant aggravating or mitigating circumstances.

Article 10. Level of Offenses – This serves as guide in implementing uniform, fair and consistent discipline at the workplace.

- a. **Category 1** – These are minor offenses that may be corrected through Counseling but may progress to the next level of sanction depending on the severity or repetition of the offense.
- b. **Category 2** – These are offenses that may be corrected through Written Warning but may progress to the next level of sanction depending on the severity or repetition of the offense.
- c. **Category 3** – These are major offenses that may be corrected through Suspension but may progress to the next level of sanction depending on the severity or repetition of the offense.
- d. **Category 4** – These are serious and grave offenses that are considered severe and warrant Dismissal.

In the treatment of offenses, the rule of progression shall be observed in the imposition of corrective actions.

Table of Corrective Actions				
Level of Offense	Category 1	Category 2	Category 3	Category 4
1 st Offense	Counseling	Written Reprimand	7 days suspension	Dismissal
2 nd Offense	Documented Verbal Warning	7 days suspension	15 days suspension	
3 rd Offense	Written Reprimand	15 days suspension	30 days suspension	
4 th Offense	7 days suspension	30 days suspension	Dismissal	
5 th Offense	15 days suspension	Dismissal		

6 th Offense	Dismissal			
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Article 11. Prescription of Offenses - Corrective actions already served for the past offenses shall be deemed spent and once considered as such, it will no longer be considered in the imposition of penalties for future offenses after the lapse of the prescriptive period.

The prescriptive period shall be reckoned one (1) year from the date the corrective action was issued upon the employee.

Article 12. Habitual Offender - An employee may be given a more severe corrective action if the omission/commission of the offense has become habitual i.e., employee repeatedly commits offenses, regardless of the nature of the offense, on three (3) or more occasions in a span of one (1) calendar year.

Article 13. Separate Civil or Criminal Action – The imposition of any of the abovementioned penalties shall be without prejudice to any civil, criminal or other actions which the Company may decide to take against the erring employee.

Article 14. Non-Exclusivity - Acts and omissions which may not fall under the offenses specified in this Code but are clearly prejudicial to the interest of the Company shall be meted out the appropriate disciplinary sanctions, in consonance with the inherent prerogative of the Company to discipline its employees.

This Code does not preclude the Company from applying the just causes for dismissal under the Labor Code and special laws.



OFFENSES

WE ACT WITH INTEGRITY

OFFENSES AGAINST VALUES INVOLVING HONESTY AND INTEGRITY

The Company adheres to “zero-tolerance” on all offenses that fall under Honesty and Integrity. Substantiated offenses shall be reviewed for possible Civil or Criminal action by the company against the employee taking into consideration the following factors:

- a. The offense/s committed have criminal or civil liabilities
- b. There is the existence of willful intent and pre-meditated acts to gain
- c. Significant amount of losses were incurred by the company
- d. As circumstances may warrant

Article 14. Corruption/Extortion/Bribery – An employee who directly or indirectly demands, requests, solicits, receives, or accepts any commission, share, or consideration, monetary or otherwise, for himself or for another person, in connection with any contract or transaction entered into by the Company, or in connection with the performance of his duties, or by reason of his position or office.

Article 15. Fraud Against the Company – An employee who makes false representations of facts; employs any kind of deception; makes a false or fraudulent claim against the Company; initiates or participates in any action intended to defraud the Company; obtains payment, benefit or gain from the Company to which he is not entitled; knowingly honors a forged signature for his own benefit or that of another person; gives due course or approval to a document knowing it to be false or erroneous and aiding and abetting a subordinate, co-employee or superior in the commencement of a fraudulent act;

Article 16. Theft, Pilferage or Misappropriation – An employee who steals, misappropriates, or attempts to steal or misappropriate, funds or properties belonging to the Company or co-employee.

Article 17. Perjury or False Testimony – An employee who makes untruthful sworn statements or gives false testimony on a matter subject of official inquiry or investigation by the Company.

Article 18. Falsification – An employee who falsifies any company document or record; enters false information on any company document or record; makes untruthful statements in a narration of facts; or uses a falsified document or certificates.

Article 19. Conflict of Interest – It is the obligation of every employee to declare and divulge in writing to the Company his own involvement in any conflict of interest with the Company.

In general, conflict of interest will be deemed to exist where an employee has or may possibly have a financial or personal interest divergent with or in conflict with his professional obligations,



or where financial or other personal considerations may compromise, or have the appearance of compromising the employee's judgment in the administration, management, decision-making and discharge of his official functions. Personal interest is not confined to the personal involvement of the employee himself -- it may also arise from the employee's family or close personal relationship with a contractor, sub- contractor, customer, competitor, creditor or any other entity that does business with the Company.

While the following list of conflict of interest situations is not exhaustive, it illustrates the types of situations that fall within the purview of this Code:

- a. Being in an official capacity to negotiate, procure, endorse or approve a transaction for and behalf of the Company, either by himself or through a middlemen or agent, with:
 - a person, or entity where the controlling interest is held by the spouse of the employee or his relative within the fourth degree of consanguinity or affinity;
 - or
 - the former employer of the employee within two (2) years prior to the date of the transaction in question.
- b. Directly or indirectly having financial or pecuniary interest in any business, contract or transaction over which the employee has the occasion to intervene or take part in his official capacity, or which will require his endorsement or approval;
- c. Outside employment, directorship, officership, partnership, consultancy, distributorship, or agency in any company or enterprise which adversely affects the employee's working efficiency and productivity;
- d. Access to sensitive information which may be of value to a person or entity where the controlling interest is held by:
 - the spouse of the employee or his relatives within the fourth degree of consanguinity or affinity; or
 - the former employer of the employee within two (2) years prior to the date of the transaction in question.
- e. Having a spouse or relative within the fourth degree of consanguinity or affinity with individuals in the employ of a competitor or business partner;
- f. Investments or other pecuniary or material interest, directorship, officership, partnership, employment, consultancy, distributorship, or agency or sub-agency in a contractor; sub- contractor; customer; competitor; creditor; or any other entity that does business with the Company or which is in competition with the business of the Company;
- g. Borrowing money or property from, or otherwise incurring any debt to, any of the individuals, companies or enterprises mentioned above;
- h. Solicitation or acceptance, whether directly or indirectly, of payments, commissions, rebates, services or gifts of more than nominal value, excessive entertainment, or improper or excessive favors from a contractor; sub-contractor; customer; competitor; creditor; or any other entity that does business with the Company or which is in competition with the business of the Company;



- i. Pre-empting the Company in the purchase of any asset which the Company is interested in acquiring;
- j. Taking for oneself, or passing on to a relative or associate a business opportunity which became known to the employee because of his position in the Company;
- k. using of one's position and authority to gain pecuniary and/or personal advantage

Violation/s	Cat. 1	Cat. 2	Cat. 3	Cat. 4
Article 14. Corruption/Extortion/Bribery				<input checked="" type="checkbox"/>
Article 15. Fraud Against the Company				<input checked="" type="checkbox"/>
Article 16. Theft, Pilferage or Misappropriation				<input checked="" type="checkbox"/>
Article 17. Perjury or False Testimony				<input checked="" type="checkbox"/>
Article 18. Falsification				<input checked="" type="checkbox"/>
Article 19. Conflict of Interest				<input checked="" type="checkbox"/>



WE VALUE PEOPLE AND TOGETHER WE MAKE THE DIFFERENCE
OFFENSES AGAINST VALUES INVOLVING GOOD BEHAVIOR AND CONDUCT

Article 20. Sexual Harassment - In a work-related or employment environment, sexual harassment is committed:

- a. When sexual favor is solicited as a condition for hiring, re-employment, or continued employment of an employee; or
- b. When sexual favor is solicited as a condition for granting favorable terms, conditions of employment, promotions, compensation, privileges or other considerations;
- c. When refusal to grant the sexual favor results in limiting, segregating, or classifying the employee which in any way would discriminate, deprive, or diminish employment opportunities or otherwise adversely affect said employee;
- d. When sexual advances impair the employee's rights or privileges under existing labor laws; or
- e. When the sexual advances result in an intimidating, hostile, or offensive environment for the employee.
- f. An employee who commits the aforementioned acts, regardless of whether the demand, request or requirement is accepted.

Article 21. Immoral or Indecent Conduct – An employee who engages in immoral, indecent, or lascivious behavior, including the use of profane or obscene language in addressing another person, within the company premises during working hours and during Company events/activities.

Article 22. Fighting – An employee who quarrels, physically assaults, or engages in a fight with a co-employee or any other person within company premises and during Company events/activities.

Article 23. Threats or Coercion – An employee who threatens, intimidates, or coerces a co-employee or a third party within the company premises and during Company events/activities.

Article 24. Discourtesy or Disrespect to co-employees – An employee who shows discourtesy or disrespect to co-employees.

Article 25. Sowing Intrigues – An employee who spreads or disseminates false, inaccurate, misleading information about an employee with the intent of damaging and tarnishing one's reputation or standing within the Company, or weakening or destroying the trust and confidence of others in him, or undermining or destroying the authority of his superior over others.

Article 26. Withholding of Cooperation – An employee who refuses or fails to cooperate with, or who deliberately withholds cooperation from, or who refuses or fails to help, assist and provide team support to fellow employees, whether peers, superiors, or subordinates, when such cooperation and teamwork are needed to ensure the performance or completion of any company operation or to protect Company's interests.



Article 27. Withholding of Information – An employee who refuses or fails without justifiable reason, to communicate with or provide information to a fellow employee when such information or communication is authorized or needed to ensure the performance or completion of any company operation, or for any employee to make sound decision, or to protect the Company’s interests.

Article 28. Giving False Information - An employee who has the responsibility to give correct information who deliberately or through culpable negligence, gives false, inaccurate, misleading, incomplete, or delayed information to a fellow employee which results in: damage to the quality of the Company’s products and services; customer dissatisfaction; errors, delays, inefficiencies, higher costs, and similar disruptions or irregularities in operations; losses or foregone revenues; lowering of employee productivity or morale; wrong or unsound decisions; or any other disruption or damage to the Company’s effectiveness and efficiency in achieving its goals, objectives and standards in any area of its operations.

Article 29. Drunkenness – An employee who reports for work under the influence of liquor, or who drinks alcoholic beverages during working hours (except on official functions).

Article 30. Use or Possession of Prohibited Drugs – An employee who uses, possesses, pushes, and distributes into the company premises or peddles illegal drugs or substance shall be meted out with the penalty of DISMISSAL and/or dealt with in accordance with the law under the Comprehensive Dangerous Drug Act (RA no. 9165)

Article 31. Smoking – An employee who smokes in the designated smoke-free zones of the Company premises.

Article 32. Gambling – An employee who indulges in gambling in any form at any time within the company premises.

Violation/s	Cat. 1	Cat. 2	Cat. 3	Cat. 4
Article 20. Sexual Harassment				<input checked="" type="checkbox"/>
Article 21. Immoral or Indecent Conduct			<input checked="" type="checkbox"/>	
Article 22. Fighting				<input checked="" type="checkbox"/>
Article 23. Threats or Coercion			<input checked="" type="checkbox"/>	
Article 24. Discourtesy or Disrespect			<input checked="" type="checkbox"/>	
Article 25. Sowing Intrigues			<input checked="" type="checkbox"/>	
Article 26. Withholding of Cooperation			<input checked="" type="checkbox"/>	
Article 27. Withholding of Information			<input checked="" type="checkbox"/>	
Article 28. Giving False Information			<input checked="" type="checkbox"/>	
Article 29. Drunkenness			<input checked="" type="checkbox"/>	
Article 30. Use or Possession of Prohibited Drugs				<input checked="" type="checkbox"/>
Article 31. Smoking			<input checked="" type="checkbox"/>	
Article 32. Gambling			<input checked="" type="checkbox"/>	



**WE PUT CUSTOMERS FIRST
OFFENSES AGAINST CUSTOMERS**

Article 33. Discourtesy Against Customers – An employee who willfully refuses to carry out the acceptable level of courtesy and professionalism and/or proper behavior towards any customer, in any form or aspect, but not limited to Intentional, malicious or flagrant discourtesy; insult or disrespect, use of offensive, racist, or obscene language, actions or gestures.

Article 34. Unauthorized Disclosure of Information – An employee who knowingly divulges the customer’s personal information, call details, billing statement, account and history, and other confidential matters without the appropriate authorization.

Article 35. Misinformation – An employee who gives false, inaccurate, misleading, incomplete, delayed, or no information to customers, when the employee knows, should know or is in a position to obtain such information, resulting in inconvenience, discomfort, dissatisfaction, or expense to customer.

Article 36. Neglect of Customer – An employee who fails and refuses to respond, assist or attend to the concerns of a customer or failure or refusal to provide prompt, efficient, and courteous service to a customer.

Violation/s	Cat. 1	Cat. 2	Cat. 3	Cat. 4
Article 33. Discourtesy Against Customers			☑	
Article 34. Unauthorized Disclosure of Information				☑
Article 35. Misinformation		☑		
Article 36. Neglect of Customer		☑		



WE CARE LIKE AN OWNER
OFFENSES AGAINST JOB PERFORMANCE

Article 37. Failure on the Job – Any employee who demonstrates his refusal or inability without justifiable reason to perform his duties and responsibilities; or to accomplish the performance and productivity standards thereof shall be meted a penalty depending upon the gravity or frequency of the offense and on whether the situation is temporary or remediable or permanent and incurable. Where the acts amount to gross and habitual neglect of duty or analogous to it, it shall be meted with dismissal.

Article 38. Non-Observance of Standard Operating Procedures – Willful or intentional non-observance of standard operating procedures for direct or indirect personal gain.

Article 39. Failure of Management – Failure of an employee holding people manager/line manager positions to maintain and uphold proper discipline by way of tolerating and consenting to any inappropriate or illegal activities is a clear neglect of his duties and can result to management's loss of trust and confidence in his ability as a leader.

Article 40. Failure to Provide Guidance – Failure of a superior to provide basic orientation, training or guidance to subordinates in discharge of their duties and responsibilities, leading to violation of company policies or existing laws.

Article 41. Sleeping While on Duty – An employee who falls asleep while on duty, or while responsible to be performing duties, with eyes closed and completely or partially lost consciousness, and there is a decrease in bodily movement and responsiveness to external stimuli.

Article 42. Absence Without Leave - An employee who absents from work without providing prior notice to his immediate superior. Absence without leave for five (5) days or more shall be considered as gross and habitual neglect of duty.

Article 43. Tardiness – An employee who reports for work late for two (2) times, or a one-time or accumulated thirty (30) minutes tardiness, within a 7-day attendance monitoring cycle.

For the offense to merit dismissal, the first up to the sixth offense must be committed within one calendar year, i.e., January to December of the same year.

Article 44. Unauthorized Undertime – An employee who leaves his workplace during his work time or prior to the expiration of his work schedule, or leaves his workplace for more than one (1) hour without the approval of his superior.

Article 45. Loitering and Abandonment of Post – An employee who idles away his time within or outside of the company premises, or abandons his post during working hours.

Article 46. Malingering – An employee who feigns illness or disability for the purposes of avoiding work, duty or service, or for other personal reason.

Article 47. Culpable Delay in Disposing Disciplinary Cases – An employee who unreasonably delays the resolution of disciplinary cases under him and already due for resolution.

Article 48. Insubordination – All Company rules and regulations are intended to be complied with by all employees, and any direct order given by a superior relating to work assignment must be promptly obeyed.

Article 49. Abuse of Authority – Abusing the exercise of one’s authority or taking undue advantage of such authority to gain undue favors or advantage for oneself or to oppress, harass, and otherwise prejudice another.

Violation/s	Cat. 1	Cat. 2	Cat. 3	Cat. 4
Article 37. Failure on the Job		<input checked="" type="checkbox"/>		
Article 38. Non-Observance of SOP			<input checked="" type="checkbox"/>	
Article 39. Failure of Management			<input checked="" type="checkbox"/>	
Article 40. Failure to Provide Guidance			<input checked="" type="checkbox"/>	
Article 41. Sleeping While on Duty	<input checked="" type="checkbox"/>			
Article 42. Absence Without Leave			<input checked="" type="checkbox"/>	
Article 43. Tardiness	<input checked="" type="checkbox"/>			
Article 44. Unauthorized Undertime	<input checked="" type="checkbox"/>			
Article 45. Loitering and Abandonment of Post	<input checked="" type="checkbox"/>			
Article 46. Malingering			<input checked="" type="checkbox"/>	
Article 47 Culpable Delay in Disposing Disciplinary Cases			<input checked="" type="checkbox"/>	
Article 48. Insubordination			<input checked="" type="checkbox"/>	
Article 49. Abuse of Authority			<input checked="" type="checkbox"/>	

WE CARE LIKE AN OWNER**OFFENSES AGAINST THE GOOD NAME AND SECURITY OF THE COMPANY****OFFENSES AGAINST SECURITY, SAFETY, HEALTH AND ENVIRONMENT**

Article 50. Injuring Company Reputation – An employee who causes damage or injury to the reputation and image of the Company, in any form, in the eyes of other people, such as by spreading false rumor about the Company, embarrassing, ridiculing, or mocking the Company by word and/or action in the presence of other people, whether employees or not, or criticizing the Company in public.

Article 51. Revelation of Confidential Information – An employee who reveals, releases or shares – through any form or medium – personal and confidential information pertaining to the Company and its employees (including, but not limited to trade secrets, marketing, financial or organizational and workforce data) without the necessary and required approval; or assisting any person to access such confidential information.

Article 52. Damage to Company Property – An employee who causes damage to company property where the act was deliberately done or was caused by the employee’s deviation from standard operating procedures.

Article 53. Refusal to Cooperate with Security Personnel - An employee who refuses to cooperate with security personnel in the performance of their duties.

Article 54. Unauthorized Use of Company Property – Company facilities and/or equipment are to be used as may be required by the regular work of the employee and as the nature of work may require. No company facility and/or equipment maybe used other than that for company purposes without the authorization of the company official concerned. An employee who uses company property for personal purposes, or takes or removes company property from the usual area.

Article 55. Carrying Deadly Weapons – Unless authorized by the Company, employees are not allowed to carry within company premises and during company events, firearms, knives, explosives, and other deadly weapons.

Article 56. Failure to Wear Prescribed Uniform – An employee who does not wear the prescribed uniform while on duty.

Article 57. Unauthorized Use of Another Employee’s Credentials – An employee who uses the Identification Card, system and network credentials of another employee for the purpose of gaining entry to the company premises or offices and for modifying, adjusting, re-classifying, tampering systems, accounts or applications.



Article 58. Allowing Other Employee to Use Employee’s Own Credentials – An employee who allows his own Identification Card, System and Network Accesses to be used by another employee.

Article 59. Tampering Safety Systems – An employee who tampers Fire Protection Appliances and Life Safety Systems, such as fire alarms, fire extinguishers, smoke detectors.

Article 60. Commission of Unsafe Acts – An employee who commits unsafe acts and hazards that endanger co-employees and company property.

Article 61. Poor Housekeeping and Sanitation – Clean and healthy surroundings is conducive to work and appealing to customers. All employees, therefore, are obliged to be safety conscious and concerned with the preservation of health and good housekeeping.

Violation/s	Cat. 1	Cat. 2	Cat. 3	Cat. 4
Article 50. Injuring Company Reputation			<input checked="" type="checkbox"/>	
Article 51. Revelation of Confidential Information				<input checked="" type="checkbox"/>
Article 52. Damage to Company Property			<input checked="" type="checkbox"/>	
Article 53. Refusal to Cooperate with Security Personnel		<input checked="" type="checkbox"/>		
Article 54. Unauthorized Use of Company Property		<input checked="" type="checkbox"/>		
Article 55. Carrying Deadly Weapon			<input checked="" type="checkbox"/>	
Article 56. Failure to Wear Prescribed Uniform		<input checked="" type="checkbox"/>		
Article 57. Unauthorized Used of Another Employee’s Credentials			<input checked="" type="checkbox"/>	
Article 58. Allowing Other Employee to Use Employee’s Own Credentials			<input checked="" type="checkbox"/>	
Article 59. Tampering Safety Systems			<input checked="" type="checkbox"/>	
Article 60. Commission of Unsafe Acts			<input checked="" type="checkbox"/>	
Article 61. Poor Housekeeping and Sanitation	<input checked="" type="checkbox"/>			

Implementing Procedures (Rules of Disciplinary Proceedings)

General Provisions

Section 1. Responsibility of Line Management - The maintenance of order and discipline is a Line Management responsibility. Thus, the implementation of rules, including the conduct of disciplinary proceedings, is a Line Management function. He or she shall be assisted by HR, Internal Audit, Legal and/or Security as may be warranted by the circumstances of each case.

Section 2. Nature of Disciplinary Proceedings – Disciplinary proceedings or administrative investigations shall be summary in nature. The rules of procedure and evidence as applied in judicial proceedings shall not be controlling. The Company shall use all reasonable means to ascertain the facts in each case speedily and objectively, all in the interest of due process.

Fact-Finding Inquiry

Section 1. Gathering of Evidence - Upon receipt of a report, verbal or written, signed or unsigned, or discovery of an incident that a violation of company rules and regulations has been committed or is being committed, the Immediate or Next Level Superior concerned shall immediately initiate an investigation or a fact-finding inquiry to be conducted for the purpose of determining the veracity of the report and gathering the necessary evidence, which may be in the form of documents or sworn statements of witnesses. The Immediate Superior shall be assisted by HR, Internal Audit, Legal and/or Security to determine what appropriate measures should be taken in any particular instance.

Administrative Proceedings

Section 1. Notice to Explain – If the evidence gathered shows that an infraction has been committed, the Immediate or Next Level Superior, in close coordination with the Division Head / Group Head, shall issue a Notice to Explain against the employee concerned. Prior to issuance, the draft notice to explain should first be endorsed to Labor Relations for their review.

The Notice to Explain (NTE) shall be signed by the Immediate Superior and noted by the next level Superior, and shall:

- 2.1 Specify the particular acts or omissions committed by the employee; and
- 2.2 Direct the employee to explain in writing within five (5) working days from receipt why no disciplinary action should be taken against him.

The issuance of the NTE does not mean that the employee is considered guilty of the violation. This is part of the due process to accord the employee the opportunity to explain his side and defend himself based on the allegations lodged against him.

Upon review and endorsement of the Notice to Explain from Labor Relations, the Immediate Superior will issue the Notice of Administrative Charge to the employee within twenty four (24) hours personally thru a one-on-one discussion with the employee. If the opportunity for a discussion is not possible, the Notice to Explain may be sent to the employee's last known address thru courier/registered mail.

If the continued presence of the employee poses a serious and imminent threat to the property of the Company or to the life of co-employees, the employee concerned shall be placed under PREVENTIVE SUSPENSION, and this matter shall be indicated in the Notice to Explain.

Section 2. Period of Preventive Suspension – The preventive suspension shall last for thirty (30) days only. No preventive suspension shall last longer than thirty (30) days. In the event that the disciplinary proceedings could not be closed during the 30-day period, the employee shall be reinstated thru payroll but will continue not to report for work until the closure of the case.

During the 30-day period of preventive suspension, the employee is not entitled to salaries and benefits, access and privileges, unless he is later exonerated of the charge.

To ensure that the employee is not paid any salaries and benefits during the period of his preventive suspension, the Immediate Superior shall notify HR Employee Services about the preventive suspension of the employee. The Immediate Superior shall retrieve from the employee the Identification Card and all tools of work issued. The Immediate Superior will also coordinate with ISG on the temporary disconnection of all access of the employee while on preventive suspension.

Section 3. Answer/Explanation – Within five (5) days from receipt of the Notice to Explain, the employee shall submit his written answer. Twenty Four (24) hours extension may be requested by an employee.

Section 4. Administrative Hearing - Upon receipt of the answer/explanation, or if the employee fails to submit any answer/explanation within the prescribed time, the Immediate Superior with HR shall determine whether or not there is a necessity to conduct an administrative hearing.

If the Immediate Superior and HR deem it proper to conduct an administrative hearing, the IS shall send to the employee the Notice of Administrative Hearing stating the date, time and place of hearing. In the conduct of the administrative hearing, the Immediate Superior shall be assisted by HR-LR, Internal Audit, Legal and/or Security.



For cases involving sexual harassment shall be heard by a Committee on Decorum composed of representatives from:

1. HR;
2. Legal;
3. Security; and
4. Union, if a union member is involved.

The administrative hearing shall be summary in nature and shall be limited to factual issues not clear or ascertainable from the evidence at hand. The employee shall be given ample opportunity to be heard and if he so desires, he may be assisted by his lawyer or representative. However, the participation or presence of such lawyer or representative shall not be allowed to unduly delay or in any way detract from the summary nature of the proceedings.

Section 5. Decision - After the conduct of the administrative hearing, the Immediate Superior together with the Disciplinary Board composed of Labor Relations, a representative from HR, Legal and may be assisted by Internal Control and the Division Head of the concerned employees or the Committee on Decorum, shall immediately render a decision and will render the appropriate corrective actions or exonerating the employee, if the evidence does not establish any infraction.

The decision shall be rendered by the Disciplinary Board on the basis of substantial evidence to support a conclusion and shall state the factual basis for exoneration or issuance of the corrective actions. If no common decision is agreed upon by the Disciplinary Board, the final decision of the case will be brought to the Appeals Committee, composed of the CCO, CTIO and CHRO, for the disposition and closure of the case.

The decision shall be signed by the Immediate Superior and noted by the Next Level Superior. In sexual harassment cases, the decision shall be signed by the Committee on Decorum.

Section 6. Implementation of the Decision - The Immediate Superior shall serve the Decision to the employee. Simultaneous with the service of the decision, the Immediate Superior shall notify and furnish a copy of the decision to:

1. Employee Services;
2. Labor Relations;
3. Security;
4. Information Security Group and
5. Union; if a union member is involved

Section 7. Role of Employee Services - Upon receipt of the Notice of Decision, Employee Services shall immediately cut-off or adjust the salaries and benefits of the employee who was issued out with the penalty of suspension, demotion, or dismissal. The said Notice of Decision shall be filed as well by Employee Services in the 201 File of the concerned employee.



SECTION 8. Appeals Committee - The Notice of Decision issued to the employee is already final and executory. However, in the event that the employee makes and submits an appeal to the Notice of Decision issued, the Company's Appeals Committee, composed of the CCO, CHRO and CTIO, will review and assess the letter of appeal submitted based on the merits of the case. The appeal should be made known or submitted to the Company within forty-eight (48) hours upon receipt of the Notice of Decision. A written reply will then be provided by the IS to the employee stating the Company's reply to the appeal made. The Company will not entertain another appeal if the earlier reply to the appeal is not favorable to the employee.

Summary of Violations and the Table of Corrective Actions

Violation/s	Cat. 1	Cat. 2	Cat. 3	Cat. 4
Article 41. Sleeping While on Duty	<input checked="" type="checkbox"/>			
Article 43. Tardiness	<input checked="" type="checkbox"/>			
Article 44. Unauthorized Undertime	<input checked="" type="checkbox"/>			
Article 45. Loitering and Abandonment of Post	<input checked="" type="checkbox"/>			
Article 61. Poor Housekeeping and Sanitation	<input checked="" type="checkbox"/>			
Article 35. Misinformation		<input checked="" type="checkbox"/>		
Article 36. Neglect of Customer		<input checked="" type="checkbox"/>		
Article 37. Failure on the Job		<input checked="" type="checkbox"/>		
Article 53. Refusal to Cooperate with Security Personnel		<input checked="" type="checkbox"/>		
Article 54. Unauthorized Use of Company Property		<input checked="" type="checkbox"/>		
Article 56. Failure to Wear Prescribed Uniform		<input checked="" type="checkbox"/>		
Article 21. Immoral or Indecent Conduct			<input checked="" type="checkbox"/>	
Article 23. Threats or Coercion			<input checked="" type="checkbox"/>	
Article 24. Discourtesy or Disrespect			<input checked="" type="checkbox"/>	
Article 25. Sowing Intrigues			<input checked="" type="checkbox"/>	
Article 26. Withholding of Cooperation			<input checked="" type="checkbox"/>	
Article 27. Withholding of Information			<input checked="" type="checkbox"/>	
Article 28. Giving False Information			<input checked="" type="checkbox"/>	
Article 29. Drunkenness			<input checked="" type="checkbox"/>	
Article 31. Smoking			<input checked="" type="checkbox"/>	
Article 32. Gambling			<input checked="" type="checkbox"/>	
Article 33. Discourtesy Against Customers			<input checked="" type="checkbox"/>	
Article 38. Non-Observance of SOP			<input checked="" type="checkbox"/>	
Article 39. Failure of Management			<input checked="" type="checkbox"/>	
Article 40. Failure to Provide Guidance			<input checked="" type="checkbox"/>	
Article 42. Absence Without Leave			<input checked="" type="checkbox"/>	
Article 46. Malingering			<input checked="" type="checkbox"/>	
Article 47 Culpable Delay in Disposing Disciplinary Cases			<input checked="" type="checkbox"/>	
Article 48. Insubordination			<input checked="" type="checkbox"/>	
Article 49. Abuse of Authority			<input checked="" type="checkbox"/>	
Article 50. Injuring Company Reputation			<input checked="" type="checkbox"/>	
Article 52. Damage to Company Property			<input checked="" type="checkbox"/>	
Article 55. Carrying Deadly Weapon			<input checked="" type="checkbox"/>	
Article 57. Unauthorized Used of Another Employee's Credentials			<input checked="" type="checkbox"/>	

Article 58. Allowing Other Employee to Use Employee's Own Credentials			<input checked="" type="checkbox"/>	
Article 59. Tampering Safety Systems			<input checked="" type="checkbox"/>	
Article 60. Commission of Unsafe Acts			<input checked="" type="checkbox"/>	
Article 14. Corruption/Extortion/Bribery				<input checked="" type="checkbox"/>
Article 15. Fraud Against the Company				<input checked="" type="checkbox"/>
Article 16. Theft, Pilferage or Misappropriation				<input checked="" type="checkbox"/>
Article 17. Perjury or False Testimony				<input checked="" type="checkbox"/>
Article 18. Falsification				<input checked="" type="checkbox"/>
Article 19. Conflict of Interest				<input checked="" type="checkbox"/>
Article 20. Sexual Harassment				<input checked="" type="checkbox"/>
Article 22. Fighting				<input checked="" type="checkbox"/>
Article 30. Use or Possession of Prohibited Drugs				<input checked="" type="checkbox"/>
Article 34. Unauthorized Disclosure of Information				<input checked="" type="checkbox"/>
Article 51. Revelation of Confidential Information				<input checked="" type="checkbox"/>