

Employee's Handbook



2014

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Introduction

The Employee Handbook establishes policies, procedures, benefits, and working conditions that shall be followed by all employees as a condition of their employment at the Company. The Code of Conduct describes the expected actions and behaviours of employees while conducting Company business.

This Employee Handbook is not a contract of employment nor is it intended to create contractual obligations for the Company of any kind.

The policies outlined in this Handbook are in accordance with the minimum standards provided by the laws of the Republic of the Philippines. The procedures in the implementation of these policies will be applied at the discretion of the Company.

The Company will make every effort to notify employees when an official change in policy or procedure has been made but employees are responsible for their own up-to-date knowledge about Company policies, procedures, benefits, and working conditions.

Please review the policies, procedures, working conditions, and benefits described in this handbook. Should you have any questions regarding the contents of this handbook, you may discuss it with your supervisor or visit the HR & Admin Office.

General Employment Policies

Non-Discrimination and Equal Employment Opportunity

Employment decisions are based on merit, qualifications, and abilities. Our Company does not discriminate in employment opportunities or practices because of race, color, religion, sex, national origin, age, or disability.

It is the policy of the Company to insure equal employment opportunities to all individuals. All decisions made with respect to recruiting, hiring, and promoting for all job qualifications will be made solely on the basis of individual qualifications related to the requirements of the position. Likewise, the administration of all other personnel matters such as compensation, benefits, transfers, and employee relations programs will be free from any discriminatory practices.

Employment Applications

We rely upon the accuracy of information contained in the employment application and the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment will be issued.

Applicants who were not successful in their application may apply again after a period of one (1) year.

Rehiring Policy

Former employees who were separated from the company due to resignation or end of contract or for reasons not their fault may still be considered for re-hiring provided that they have exceptional working records during their tenure.

Employment of Relatives

The company allows relatives of existing employees to apply for a position with the company provided that they are qualified. No special treatment will be given to said applicants. They will go thru the same recruitment process as any applicant would. Furthermore, current employees will not have any influence on the recruitment process of their relative applicant.

Rights of Management

Management shall have the prerogative to regulate all aspects of employment, including hiring, work assignments, work methods, time, place, and manner of work, tools to be used, process to be followed, supervision of workers, working relations, transfer of employees, work supervision, lay-off of workers and the, dismissal and recall of workers.

For the purpose of this handbook, Management shall mean the CEO, Committee of top executives, and/or Board of Directors with management roles in the Company.

Managers, Department Heads, and Supervisors shall mean persons who manage integral parts of the Company though not necessarily the owner or chief executive of the Company.

New Employee Orientation

All new/recalled employees are required to attend an orientation on the first day of work. The orientation covers information concerning company policies, procedures, and employee benefits existing at that time. The HRD Manager or authorized personnel from the HRD will conduct the orientation.

After the orientation, each new employee should meet with his or her supervisor, who will explain the duties and responsibilities of the position. The supervisor will explain any specific departmental policies, procedures, and regulations at that time.

Personnel Records

The Human Resources Department (HRD) has the sole responsibility of maintaining a file on every employee (201 File). The personal information in the employee's file is confidential and may not be released to any other person in the office other than the Management. The employee's personal file, and copies thereof, will only be released to persons outside of the company upon written authorization of the employee and approval of management, or as required by law. Any HRD personnel who release personal information about employees whether verbal or written without authorization shall be subject to disciplinary action.

An employee may request an opportunity to review the contents of his individual personnel file by written appointment. An HRD personnel shall be present while the employee is reviewing his file to ensure no documents are removed or replaced without permission. An employee is not allowed to borrow documents from the 201 file. If the employee needs to have some documents copied, an HRD personnel shall do the copying for him and charge him for the cost of copies.

It is the responsibility of each employee to promptly notify and communicate to their supervisor or HR and Admin Department of any changes in personnel data such as:

- Mailing address,
- Telephone numbers,
- Name and number of dependents, and
- Individuals to be contacted in the event of an emergency.

Employees may update their personnel records by accomplishing a "Personnel Records Form."

An employee's personnel data should be accurate and current at all times.

Employee Classification, Compensation and Benefits

Classification of Employment

Monthly-paid employees – are those who are paid every day of the month, including unworked rest day, worked special days, and regular holidays. Factor 365 days in a year is used in determining the equivalent monthly salary of monthly-paid employees.

Daily-paid employees – are those who are paid on days they actually worked and on unworked regular holidays. Factor 313 (6-day work per week) or 261 (5-day work per week) may be used in computing the equivalent monthly salary of daily-paid employees.

Employment Status

The following terms will be used to describe each classification of employment and employment status:

Probationary employees – are employees whose competence and qualifications to assume the position applied for are still under evaluation. The employment status of a probationary employee is temporary. His employment can be terminated at any time before the expiration date of his probationary employment if the employer finds him unable to meet the requirements of the job to the satisfaction of the firm. Probationary status should not exceed six (6) months, unless the probationary employee agrees to such extension.

Regular employees - are employees that have passed their probationary employment and are engaged to perform functions that are necessary and desirable to the principal business of the company without a fixed duration.

Project and Fixed Term/Contractual employees – are employees engaged for a specific project or period, with a specific time of completion.

Salaries

The employee's "take-home" pay or net salary consists of the basic pay plus special allowance (if applicable), minus the regular monthly deductions which may include SSS, HDMF, PhilHealth contributions, withholding tax, and other deductions, such as, unpaid leaves and absences. The net salary does not include bonuses, incentives, commissions, cost-of-living allowances (COLA), cash equivalents of unused vacation leave credits, 13th month pay, overtime pay, premium pay, holiday pay, and all other incidental or field allowances (gas, food, etc.) and monetary benefits which are not considered, or integrated as part of the regular salary of the employee.

Computation of Salaries

For **Monthly-paid employees**: Salaries will be released on a semi-monthly basis or twice a month.

It will be given every 15th and end of the month. The salary of monthly-paid employees is computed as follows:

$$\frac{\text{Applicable Daily Rate (ADR)} \times 365}{12 \text{ months}} = \text{Estimated Equal Monthly Salary (EEMR)}$$

For **Daily-paid employees**: Salaries/wages will be released semi-monthly or every 15th and end of the month. The salary of daily-paid employees is computed as follows:

$$\frac{\text{Applicable Daily Rate (ADR)} \times 261}{12 \text{ months}} = \text{Estimated Equal Monthly Salary (EEMR)}$$

Working Days and Hours

1. The official working days are from Mondays to Saturdays. On Saturdays that no work needs to be done, employees may be given administrative leave so they do not have to report for work
2. Working hours are from 9:00AM to 6:00PM. Employees are required to strictly adhere to the give schedule or be tagged late or undertime. Disciplinary actions will be given to employees who are habitually tardy.
3. Lunch break is at 12:00PM-1:00PM . Employees who wish to have lunch outside the office premises should log-out and log-in.
4. Break time is from 3:30PM-3:45PM.

Biometric System

Attendance is monitored through a Biometric System located at the main entrance/exit area of the office. If an employee fails to log in and/or log out, he will automatically be considered absent without pay for the day.

The Accounting Department reflects appropriate deductions and corresponding amounts in individualized payroll slips that employees receive after pay period.

After logging in the system, an employee is no longer allowed to go out of company premises to do personal activities (i.e. eat breakfast outside or do personal errands). If an employee logs-in and leaves, it will be considered an Absence. The disciplinary action for Absences shall apply.

An employee who comes in early and insists on logging in his attendance at such an early time may have breakfast at the pantry or patiently wait for the start of his work shift at the designated work area.

At the end of the day, an employee is required to immediately log-out from the system indicating an end in his work shift. No one is allowed to lounge at the lobby and wait for the end of their work schedule. An employee will only be allowed to wait at the lobby area once he has properly logged out. (Eg. Employee cannot stay in the lobby at 5:50PM and just wait until 6:00PM to log-out).

Tardiness

An employee who comes in at 9:01AM-12:00PM is considered tardy. An employee who arrives from 9:01AM-9:30AM shall receive a Tardy Slip. A Tardy Slip is a reminder but not a Disciplinary Action. An employee shall only receive up to two tardy slips a month. In lieu of a Tardy Slip, the employee shall receive a Disciplinary Action.

An employee shall receive a Disciplinary Action immediately when:

- a. He/she arrives from 9:01AM-9:30AM three (3) times within a month, thereafter.
- b. He/she arrives at 9:31AM-12:00PM

Tardiness will be subject to progressive disciplinary action, including but not limited to salary deduction. Habitual and excessive tardiness are grounds for termination.

The disciplinary process shall be as follows:

Frequency	Penalty
1st offense	1st Verbal Warning + Salary deduction + HR Seminar
2nd offense	2nd Verbal Warning + Salary deduction + HR Seminar
3rd offense	3rd Verbal Warning + Salary deduction + HR Seminar
4th offense	1st Written Warning + Salary deduction + HR Seminar
5th offense – onwards (for tardiness within the same month)	2nd Written Warning + Salary deduction + HR Seminar

Salary deduction due to tardiness shall be as follows:

Time of Arrival	Salary Deductions
9:01 AM – 10:00 AM	1 hour
10:01 AM – 11:00 AM	2 hours
11:01 AM – 12:00 PM	3 hours
12:01 PM – 2:00PM	Half day Absent (4 hours)

An employee is given up to three verbal warnings each month. On the fourth offense onwards, he is issued a Written Warning for his tardiness. Written Warnings (WW) are cumulative throughout one calendar year. The employee is only allowed up to three Written Warnings. In lieu of a 4th WW, a habitually late employee will receive a Notice for a Written Response for a possible termination.

Sample:

Year 2013	July Log-in Time	Disciplinary Action	August	Disciplinary Action
1st Offense	9:01 AM 9:07AM 9:03AM	VW + 1 hour salary deduction	9:33 AM	VW + 1 hour salary deduction
2nd Offense	9:15 AM	VW + 1 hour salary deduction	10:05 AM	VW + 2 hour salary deduction
3rd Offense	10:11 AM	VW + 2 hour salary deduction	10:20 AM	VW + 2 hour salary deduction
4th Offense	10:15AM	1st Written Warning + 2 hour salary deduction + HRS	9:31 AM	3rd Written Warning + 1 hour salary deduction + HRS
5th Offense	11:05 AM	2nd Written Warning + half day deduction + HRS	9:32 AM	Termination

In the above example, the employee received 6 VW and 3 WW. In lieu of a 4th Written Warning, employee will receive the Notice for Written Response together with notice for Disciplinary Action.

The tardiness record of each employee will be refreshed every two years.

If an employee arrives after 2:00PM without leave (whether paid or unpaid), it will be considered an Absence. The disciplinary action for Absences shall apply.

If an employee who is already late logs-in and leaves the office premises again, it will be considered an Absence even if he comes back to report at a later time. The progressive disciplinary action for Absences shall apply.

*Eg. Employee logs-in at 11:10AM, leaves the office and comes back at 2:00PM.
This will be considered an Absence*

Unpaid Leave

Employees who are not entitled to leave benefits, where the employee no longer has leave credits, or has reached his 6SL and/or 6VL maximum claim limit per year but cannot report for work due to justifiable reasons are required to file for Unpaid Leave. Unpaid Leave is an authorized or approved leave of absence. Authorization requires all signatories to approve the unpaid leave.

All medical related unpaid leaves of two (2) consecutive days or more shall require a medical certificate from an accredited clinic/hospital immediately upon his return to work (not later than 2 days upon his return). Failure to present a medical certificate will be considered an Absence. The disciplinary action for Absence shall apply.

For the process of filing for Unpaid Leave and proper Call-in Procedures, see section on Filing Process and Call-in Procedures.

Absences

Absence refers to either “Absence without Leave” (AWOL) or Unauthorized/disapproved paid or unpaid leave. Absences are cause for progressive corrective action and may result in termination. All absences are not compensated.

- Did not officially file for unpaid or paid leave. See Filing Process and Call-in Procedures
- Call-in Procedures is not followed. See Filing Process and Call-in Procedures
Eg. Failure to directly inform immediate supervisor or message was sent thru colleague or HR Department only.
- No justifiable reason is presented
- Required proper document is not presented eg. Medical Certificate, if applicable
- Absence preceding or on the day of an important deadline or presentation
- Unauthorized field activity
- Reporting to work after 2:00PM (half day) without permission from his immediate supervisor and department head
- Failure to report for work on a Saturday when notified by Management to come, unless on paid or unpaid leave.
- Logging out before 5:30PM without authorization from his immediate supervisor and department head
- Logging-in for work then leaving the office premises to attend to personal matters without permission from his immediate supervisor and department head
- Other causes analogous to the foregoing.

Absences shall be subject to the following sanctions accordingly.

Frequency	Penalty
1st offense	1st Written Warning + HR Seminar
2nd offense	2nd Written Warning + HR Seminar
3rd offense	3rd Written Warning + HR Seminar
4th offense	Termination proceedings

Two successive days of absences shall merit two separate written warnings for each day of absence. For three successive absences see section on Abandonment of Work

Undertime

An employee who logs out before 6:00PM is considered Undertime. Undertime is subject to progressive disciplinary action, including but not limited to salary deduction. Unlike tardiness which may sometimes be influenced by external factors, undertime is a deliberate choice and action. Habitual and excessive undertime are grounds for termination.

The disciplinary process shall be as follows:

Frequency	Penalty
1st offense	Verbal Warning + Salary deduction + HR Seminar
2nd offense	1st Written Warning + Salary deduction + HR Seminar
3rd offense	Termination

Salary deduction due to Undertime shall be as follows:

Time of Log-out	Salary Deduction
5:30 PM – 5:59 PM	1 hour

If an employee logs out before 5:30PM without authorization, it will be considered an Absence.

The disciplinary action for Absence shall apply.

Authorized Undertime

Employees with justifiable reason may apply for Authorized Undertime. This refers to undertime of no more than two (2) hours (Log-out time: 4:00PM) which is approved by the employee's Immediate Supervisor and all signatories of the Authorized Undertime Form. For more than two hours, the Half-Day Policy shall apply. Salary deductions for Undertime will be on an hourly basis. To file for Authorized Undertime, see section on Filing Process and Call-in Procedures.

Overtime

Overtime pay refers to the additional compensation for work performed beyond eight (8) hours a day. Meal times (Dinner time and Lunch time) are not considered overtime work. Each meal time is 1 hour. Overtime is not the same as night shift differential.

The benefit applies to all employees except:

1. Managerial employees provided they meet the conditions under the Labor Code.
2. Officers or members of a managerial staff provided they meet the standards of the Labor Code.
3. Workers who are paid by results, including those who are paid on piece rate, takay, pakyaw, or task basis, and other noontime work.
4. Field personnel and other employees whose time and performance is unsupervised by the employer, including those who are engaged on task or contract basis, purely commission basis or those who are paid a fixed amount for performing work irrespective of the time consumed in the performance thereof.
5. Employees who are covered by special work or project incentive.

It is the discretion of the immediate supervisor and all other signatories to decide if overtime work is necessary.

All overtime work **must be authorized**. Employees have to file for overtime work before they proceed. Authorization requires all signatories to approve the overtime work.

For employees who perform half-day (4hours) or whole day (8hours) overtime work, employee may either: file for recovery leave or receive additional compensation (OT Pay). For employees who worked OT in excess of 4 hours but less than 8 hours who prefer to get a recovery leave instead of OT Pay, he shall only be allowed a half day recovery leave. (eg. 6 hrs OT work = half day recovery leave). Recovery leave shall be claimed within 7 days after OT, or as agreed by signatories. Otherwise, it is forfeited.

Overtime is computed on an hourly basis. (Eg. 2hrs and 30mins OT = 2 hours OT). Minimum overtime shall be 2 hours for R&D, 1 hour for other departments. OT hours are not cumulative.

For minimum wage earners, the COLA shall not be included in the computation of overtime pay.

The minimum overtime pay rates vary according to the day the overtime work is performed, as follows:

a. For work in excess of eight (8) hours performed on ordinary working days:

Employee shall receive an additional 25% of the hourly rate

Sample:

Daily Rate: PHP 404.00

Hourly Rate: $\text{PHP } 404.00 / 8 \text{ (hours of work)} = \text{P}50.50$

Computation: $\text{PHP}50.50 \times 125\% \times \text{No. of Hours OT Work}$

b. For work in excess of eight (8) hours performed on a Saturday, Sunday, or a Special (non-working) holiday:

Employee shall receive an additional 30% of the hourly rate on said days

Sample:

Daily Rate: PHP 404.00

Hourly Rate: $\text{PHP } 404.00 / 8 \text{ (hours of work)} = \text{P}50.50$

Computation: $\text{PHP}50.50 \times 130\% \times \text{No. of Hours OT Work}$

c. For work in excess of eight (8) hours performed on a regular holiday:

Employee shall receive an additional 30% of the hourly rate on said days

Sample:

Daily Rate: PHP 404.00

Hourly Rate: $\text{PHP } 404.00 / 8 \text{ (hours of work)} = \text{P}50.50$

Computation: $\text{PHP}50.50 \times 200\% \times 130\% \times \text{No. of Hours OT Work}$

d. For work in excess of eight (8) hours performed on a regular holiday which falls on a Saturday or Sunday: Employee shall receive an additional 30% of the hourly rate on said days

Sample:

Daily Rate: PHP 404.00

Hourly Rate: PHP 404.00/8 (hours of work) = P50.50

Computation: PHP50.50 X 260% X 130% X No. of Hours OT Work

To file for Authorized Overtime or Recovery Leave, see section on Filing Process and Call-in Procedures.

Overtime or recovery forms filed after performing overtime work shall not be honored.

Field Activity

Field activity refers to employees who need to leave the office work base for official business. All field activity **must be authorized**. Authorization requires all signatories to approve the field activity.

Employees have to file for field activity before they proceed. Unauthorized field activity shall be considered an Absence and the progressive disciplinary action for Absences shall apply. Habitual unauthorized field activities are grounds for termination.

Employees who may need transportation, gas, parking, and/or meal allowance or the reimbursement thereof must request for Authorized Field Allowance/Reimbursement BEFORE the official field activity. See section Field Allowance and Reimbursement Policy and Filing Process and Call-in Procedures.

Field Allowance and Reimbursement Policy

Only authorized persons may purchase supplies in the name of the Company. No employee whose regular duties do not include purchasing shall incur any expense on behalf of the Company without authorization. Doing so shall be subject to proper disciplinary and legal action.

The Company may provide allowance or reimburse incurred expenses by employees for transportation, gas, parking, and/or meals in order to mobilize and facilitate official business field activity. The employee is required to submit the receipts and liquidation form to the Accounting Department within two (2) days after returning from the field activity. If the employee fails to liquidate his expenses within the specified time, he will be charged for the field allowance given to him through salary deduction on the next pay.

TRANSPORTATION OR GAS

Employees who are authorized to perform field activity may file for transportation or gas and parking allowance or reimbursement. Employees must use regular public transportation, such as, buses, MRT, LRT, and jeepneys during field activity. Supervisors and department heads who need to attend special meetings, seminars, and the like, may use taxi cabs. The use of taxi cabs are also allowed for the following reasons:

- a. Destination is not within reach of buses or other public transportation
- b. Inclement weather makes the use of ordinary public transportation impractical or inconvenient
- c. The employee is carrying heavy, bulky materials, products, tools, and/or company money.
- d. When urgency of the mission or emergency of the trip requires speedy transportation
- e. When traveling as a group to the same destination.

f. Other special cases as permitted by Management.

Employees may use their own personal vehicle for field activities. Employees are required to receive Authorization for Field Allowance/Reimbursement BEFORE the official business outside the Company. Transportation or fuel allowance shall be based on the Transportation or Fuel Reference Table of the Company. The maximum reimbursable amount of the employee for fuel shall be based on the Company Reference Table even if the employee presents a fuel receipt of higher value

MEAL ALLOWANCE OR REIMBURSEMENT

The meal allowance or reimbursement is given to employees who are authorized to do eight (8) hours of field activity within Metro Manila and at least six (6) hours outside Metro Manila (provincial only) except:

1. Workers who are paid by results, including those who are paid on piece rate, takay, pakyaw, or task basis, and other noontime work.
2. Field personnel and other employees who are engaged on task or contract basis, purely commission basis or those who are paid a fixed amount for performing work irrespective of the time consumed in the performance thereof.
3. Employees who are covered by special work or project incentive.

Destination	Meal Allowance/Reimbursable Amount
Metro Manila & near- by Provinces (Calabarzon)	Php 150.00 /meal
Luzon, Visayas & Mindanao	Php 150.00/meal

For Field Allowance and Reimbursement Procedure, see section Filing Process and Call-in Procedures.

Half Day Work

Employees may file for half-day work (4hours) for valid reasons. The employee who chooses to work in the morning shall report from 9:00AM to 2:00PM (inclusive of lunch break). Employees may not forego of the lunch break and leave earlier than 2:00PM.

Employees who choose to work in the afternoon shall report from 2:00PM – 6:00PM (inclusive of 15 min. break time).

Half-day work may be filed using Vacation Leave, Sick Leave, or Unpaid Leave, as applicable. See section on Filing Process and Call-in Procedures.

If an employee arrives at 2:16PM or later, the employee is considered absent. The progressive disciplinary actions for absences shall apply.

Sick Leave

The Sick Leave (SL) is a Company initiated benefit for employees to rest and recover from illness or injury.

All regular employees who have rendered at least one (1) year of continuous service to the company as a regular employee are entitled to the Sick Leave. (Important Note: The date of regularization is not the date of hire.)

Every employee entitled to this benefit shall receive (6) sick leaves for every year of service as a regular employee. Each sick leave is equivalent to 100% of their daily rate. Sick leave credits are earned at a rate of ½ leave per month of service as a regular employee. The employee may claim his SL on his first anniversary of regularization thereafter. The employee may only use up to 6 SL per year. If an employee has run out of SL credits or has reached the maximum 6SL per year claim limit, he may apply for Unpaid Leave. Upon employee resignation, he will stop receiving SL credits following the date of his resignation letter.

The employee is required to present a medical certificate for two (2) days of successive Sick Leaves immediately upon his return to work (not later than 2 days upon his return). Failure to present a medical certificate will be considered an Absence Without Official Leave (AWOL). The disciplinary action for Absences shall apply.

Unused sick leaves are not convertible to cash and are forfeited at the end of every anniversary of the employee's regularization.

For the Sick Leave Call-in Procedures and processing of Sick Leave Form, see section on Filing Process and Call-in Procedures. If an employee has run out of vacation leave credits, he may apply for Unpaid Leave.

Vacation Leave

The Vacation Leave (VL) is a Company initiated benefit for employees to have time with family, and/or friends. All regular employees are entitled to the Vacation Leave. Vacation Leave may be claimed after the employee has rendered at least one (1) year of continuous service to the company as a regular employee (Important Note: The date of regularization is not the date of hire.)

Every employee is entitled to this benefit shall receive (6) vacation leaves for every year of service as a regular employee. Each vacation leave is equivalent to 100% of their daily rate. Vacation leave credits are earned at a rate of ½ leave per month of service as a regular employee. The employee may only use up to 6 VL per year. If an employee has run out of VL credits or reached the maximum 6VL per year claim limit, he may apply for Unpaid Leave.

Unused vacation leaves are convertible to cash. The employee may only claim or encash his VL on his first anniversary of regularization thereafter. If an employee resigns, he will stop receiving VL credits following the date of his resignation letter.

VL Cash conversion shall not be more than 12 VL Credits at a time. In computing, the basis shall be the salary rate at the date of conversion. VL Cash conversion must be filed at least one (1) month before date of encashment.

Illustration:

Date of regularization: January 21, 2011

The employee may claim vacation leave benefit beginning: January 21, 2012

January 21, 2012	February 21, 2012	March 21, 2012	April 21, 2012	May 21, 2012
6 VL Credits	6.5 VL Credits	7 VL Credits	7.5 VL Credits	8 VL Credits

**VL Credits pertain to the days of vacation leave.*

In the above example, supposing the employee has not used any of his VL Credits, he will have 8VL Credits by May 21, 2012. If his daily rate is PHP500.00, he will receive PHP4,000.00.

To file for Vacation Leave or Cash Conversion of Vacation Leaves, see section on Filing Process and Call-in Procedures.

Unauthorized or Disapproved Vacation Leaves will be considered Absence Without Official Leave (AWOL). The disciplinary action for Absences shall apply.

Forced Vacation Leave due to temporary cessation of work

In cases of temporary cessation of work declared by management, as when a yearly inventory or when the repair or cleaning of machineries and equipment is undertaken or during Christmas holidays, the regular holidays falling within the period shall be compensated in accordance with the Rules Implementing the Labor Code.

For monthly-paid employees, the rules on salaries for unworked rest day and special days shall apply. See section on Work on Rest Day and Special Days.

Sample:

Case study 1:

Temporary Cessation of Work Due to Christmas Holidays: From December 21 to January 1

Employee has only 3 Vacation Leave Credits Available

Sun	Mon	Tues	Wed	Thurs	Fri	Sat
					20- Work	21- Paid
22- Paid	23- VL	24-Special Day (No pay)	25- Regular Holiday (100% Daily Rate)	26- VL	27- VL	28-Paid
29- Paid	30- Regular Holiday (100% Daily Rate)	31-Special Day (No Pay)	1- Regular Holiday (100% Daily Rate)			

Case study 2: If the employee has only 1 VL Credit, it will be marked as an Unpaid Leave on Dec 26 (Thurs) and Dec 27 (Fri). He will not be paid for Dec 28, 29, 30, and Jan 1.

Abandonment of Work

Abandonment of Work refers to absence from work without authorization for three (3) consecutive days. Such shall be indicative of the employee's intention to abandon his job. The employee's immediate supervisor and the Human Resource Department shall exert all possible ways to contact the employee. However, termination proceedings shall commence after the 3rd day of absence. The Company reserves the right to press charges if need be for any damages which such job abandonment may cause.

Work on Rest Day and Special Days

Employees may be summoned to work during their rest day and on special days and shall be paid premium pay. Premium pay refers to additional compensation for work performed on their rest day (Sunday) and special days.

The benefit applies to all employees except:

1. Managerial employees, if they meet all of the following conditions:
 - a. Their primary duty is to manage the establishment in which they are employed or of a department or subdivision thereof;
 - b. They customarily and regularly direct the work of two or more employees therein;
 - c. They have the authority to hire or fire other employees of lower rank; or their suggestions and recommendations as to hiring, firing, and promotion, or any other change of status of other employees are given particular weight.
2. Officers or members of a managerial staff, if they perform the following duties and responsibilities:
 - a. Primarily perform work directly related to management policies of their employer;
 - b. Customarily and regularly exercise discretion and independent judgment;
 - c. Regularly and directly assist a proprietor or managerial employee in the management of the establishment or subdivision thereof in which he or she is employed; or execute, under general supervision, work along specialized or technical line requiring special training, experience, or knowledge; or execute, under general supervision, special assignments and tasks; and
 - d. Do not devote more than twenty percent (20%) of their hours worked in a workweek to activities which are not directly and closely related to the performance of the work described in paragraphs a, b, and c above.
3. Field personnel, if they regularly perform their duties away from the principal or branch office or place of business of the employer and whose actual hours of work in the field cannot be determined with reasonable certainty.

Monthly-paid and daily-paid employees receive premium pay for work during these days. The basic rate for monthly-paid employees may be adjusted to daily rate (8-hours of work) or half-day rate (4 hours of work) accordingly.

Daily-paid employees do not receive premium pay for work rendered on Saturdays. However, they are entitled to premium pay for work rendered on Sundays and special days. The basic rate for daily-paid employees may be adjusted to daily rate (8-hours of work) or half-day rate (4 hours of work) accordingly. The COLA for minimum wage earners shall not be included in the computation of the premium pay.

a. For work performed on a rest day (8-hours): Employee shall receive an additional 30% of the daily basic rate of 100% or a total of 130%.

b. For work performed on a rest day which is also a special non-working holiday (8-hours): Employee shall receive additional 50% of the daily basic rate of 100% or a total of 150%.

c. For work performed on a rest day which is also a regular holiday (8-hours): Employee shall receive 30% of the regular holiday rate of 200% based on his/her daily basic wage rate or a total of 260%. This is not applicable to employees who are not covered by the holiday-pay rule

Salaries for the Unworked Rest Day

For monthly-paid employees, the chart below illustrates if they are entitled to receive salaries for the unworked rest day should management declare Saturday an Administrative Leave. Absence refers to either "Absence without Leave" (AWOL), Unauthorized or disapproved leave of absence, or Unpaid Leave.

Thursday	Friday	Saturday (Administrative Leave)	Sunday	Monday
	Vacation Leave	Yes	Yes	
		Yes	Yes	Vacation Leave
	Vacation Leave	Yes	Yes	Vacation Leave
	Sick Leave	Yes	Yes	
		Yes	Yes	Sick Leave
	Sick Leave	Yes	Yes	Sick Leave
	Absence or Unpaid Leave	No	Yes	
		Yes	Yes	Absence or Unpaid Leave
	Absence or Unpaid Leave	No	No	Absence or Unpaid Leave
Absence or Unpaid Leave	Absence or Unpaid Leave	No	No	

Holidays

Regular Holidays

Employees are entitled to a holiday pay. Holiday pay refers to the payment of the regular daily wage for any unworked regular holiday. The benefit applies to all employees except:

1. Managerial employees provided they meet the conditions under the Labor Code.
2. Officers or members of a managerial staff provided they meet the standards of the Labor Code.
3. Field personnel and other employees whose time and performance is unsupervised by the employer, including those who are engaged on task or contract basis, purely commission basis or those who are paid a fixed amount for performing work irrespective of the time consumed in the performance thereof.

Every employee covered by the Holiday Pay Rule is entitled to at least 100% of his daily rate even if he did not report for work, provided he is present or is on leave with pay on the work day immediately preceding the holiday. Employees who are absent or leave without pay (unpaid leave) on the day immediately preceding a regular holiday may not be paid the required holiday pay if they do not work on such regular holiday.

For work rendered on a regular holiday, the employee merits at least twice (200%) the daily rate of the employee.

Sample: Daily rate: PHP426.00

Computation: $\text{PHP}426 \times 200\% = \text{PHP}852.00$

For work rendered on a regular holiday which falls on the scheduled rest day of the employee, see section on Work on Weekends and Special Days.

Where the day immediately preceding the holiday is a Sunday or a non-work day in the establishment, he shall be entitled to the holiday pay if he worked on the Friday preceding the holiday or the day immediately preceding the non-work day.

Successive Regular Holidays

Where there are two (2) successive regular holidays, like Maundy Thursday and Good Friday, an employee may not be paid for both holidays if he is absent or on unpaid leave from work on the day immediately preceding the first holiday, unless he works on the first holiday, in which case he is entitled to his holiday pay on the second holiday

Special (Non-Working) Holidays

The General Rule for special non-working holiday is “No work, no pay.” Employees who are not required or permitted to work on a special non-working holiday is not entitled to any compensation. Management reserves the right to require employees to come on a special non-working holiday. If no announcement has been made regarding cancellation of work for the day, then the special holiday is immediately deemed a working day in the establishment.

Work performed on a special holiday merit additional compensation of at least thirty percent (30%) of the basic pay or a total of one hundred thirty percent (130%).

For work rendered on a special holiday which falls on the scheduled rest day of the employee, see section on Work on Weekends and Special Days.

Social Security System (SSS)

All monthly-paid and daily-paid employees, whether permanent, temporary or provisional, who are not over 60 years old, are entitled to SSS benefits in times of sickness, disability, retirements, death and other contingencies resulting from loss of income or financial difficulties.

The employee's membership contributions shall be paid both by the company and the employee through salary deduction every 30th of the month based on the SSS schedule of contributions; Thus, the employee's contributions shall be effective after one (1) month of his residency with the company. The SSS contribution shall cease at the end of the month of separation (last day of employee).

PhilHealth

All monthly-paid and daily-paid employees, whether permanent, temporary or provisional are entitled to hospitalization and health care benefits provided by PhilHealth. The employee's membership contributions shall be paid both the company and the employee through salary deduction every 30th of the month. Thus, the employee's contributions shall be effective after one (1) month of his residency with the company. The Philhealth contribution shall cease at the end of the month of separation (last day of employee).

Pag-Ibig (HDMF)

All monthly-paid and daily-paid employees, whether permanent, temporary or provisional are entitled to savings, short term loans, and housing programs provided by HDMF. The employee's membership contributions shall be paid both the company and the employee through salary deduction every 30th of the month. Thus, the employee's contributions shall be effective after one (1) month of his residency with the company. The HDMF contribution shall cease at the end of the month of separation (last day of employee).

Maternity Leave (RA 1161, as amended by RA 8282)

Every pregnant employee in the private sector, whether married or unmarried, is entitled to maternity leave benefit of sixty (60) days in case of normal delivery or miscarriage, or seventy-eight (78)days, in case of Caesarian Section delivery, with benefits equivalent to one hundred percent (100%) of the average daily salary credit of the employee as defined under the law. The maternity benefit shall be paid only for the first four (4) deliveries.

Employee shall present a doctor's certification that she will have a CS delivery, in case she was already informed before her actual delivery.

The company shall advance 100% of her maternity benefit, less the SSS contributions for the duration of her leave to ensure that there will be no disruption in SSS remittances and other mandated benefits. Employee shall sign an Authorization to Deduct her government mandated contributions for the duration of her leave to ensure that they are up-to-date while she is on leave.

To be entitled to the maternity leave benefit, a female employee must submit the required notification and other required documents to the SSS through the HRD for the filing of maternity leave.

The maternity leave benefit, like other benefits granted by the Social Security System (SSS), is granted to employees in lieu of wages. Thus, this will not be included in computing the employee's thirteenth-month pay for the calendar year.

A female member cannot claim for sickness benefit for a period of 60 days for normal delivery or miscarriage or 78 days for caesarean delivery within which she has been paid the maternity benefit. As a rule, no member can be entitled to two benefits for the same period.

To apply for maternity leave, see section Filing Process and Call-in Procedures.

Paternity Leave (RA 8187)

Paternity leave benefit shall apply to the first four (4) deliveries of the employee's lawful wife. The paternity leave shall be for seven (7) calendar days for each delivery, equivalent to 100% of their daily rate. The paternity leave is not convertible to cash, if not availed.

The paternity leave may be availed of either before, or after, or on the date that the employee's wife gives birth, or suffers a miscarriage, but not earlier or later than 15 days from the date of his wife's child birth. Failure to submit required documents (marriage contract and proof of wife's pregnancy with due date (ultrasound)) will forfeit the benefit.

To file for paternity leave, see section on Filing Process and Call-in Procedures.

Parental Leave for Solo Parents (RA 8972)

Parental leave for solo parents is granted to any solo parent or individual who is left alone with the responsibility of parenthood of his/her child who is unmarried, unemployed, and below eighteen (18) years of age, or even eighteen (18) years old and above but is incapable of self-support because he/she is mentally and/or physically-challenged. This entitles a solo parent 7 leaves with pay to enable him/her to perform parental duties and responsibilities where physical presence is required. An employee who wishes to avail of this benefit may claim not more than one (1) solo parent leave per month.

A solo parent employee shall be entitled to the parental leave, provided that:

1. He/she has rendered at least one (1) year of service to the company.
2. He/she has notified his/her employer that he/she will avail himself/herself of it, within a reasonable period of time; and
3. He/she has presented to his/her employer a **Solo Parent Identification Card**, which may be obtained from the DSWD office of the city or municipality where he/she resides.

In the event that the parental leave is not availed of, it shall not be convertible to cash.

A change in the status or circumstance of the parent claiming the benefit under the law, such that he/she is no longer left alone with the responsibility of parenthood, shall terminate his/her eligibility for this benefit.

Nuptial Leave

Regular employees are entitled to three (3) days nuptial leave with pay when they get married. This is the company's way of giving the employee the break when he/she settles down. It may be availed of immediately

before, during, and/or immediately after the date of the wedding. The Nuptial leave is not convertible to cash, if not availed. To file for nuptial leave, see section on Filing Process and Call-in Procedures.

Bereavement Leave

Regular can avail of a three (3) day bereavement leave with pay in case of death of an immediate family member. The bereavement leave is not convertible to cash, if not availed.

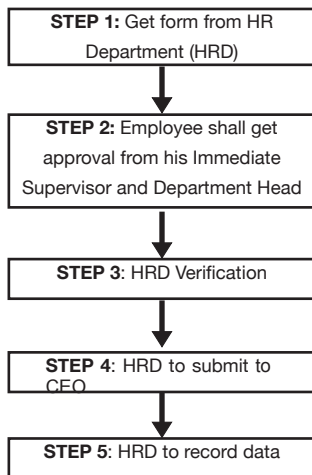
To file for Beare leave, see section for Filing Process and Call-in Procedures

Filing Process and Call-in Procedures

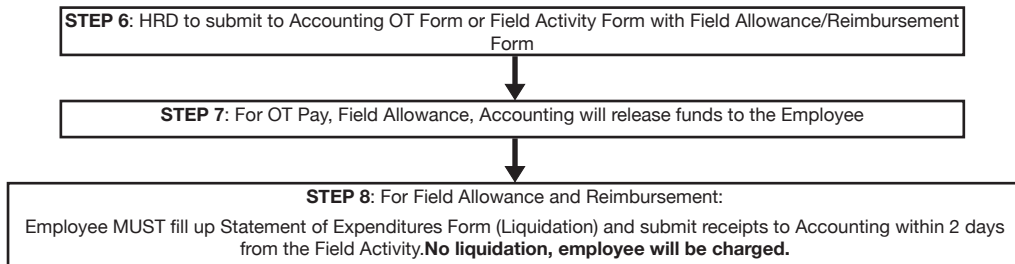
Attendance and Benefits-Related Procedure

1. Filing Process

This illustrates the filing process for Unpaid Leave, vacation leave, undertime, overtime, recovery leave, and field activity. Authorization means all signatories approved what the employee filed for. If one signatory disapproves it is considered unauthorized. HRD should immediately inform the employee for any disapproval or non-authorization. It is the responsibility of the employee to check with HRD if his form was authorized

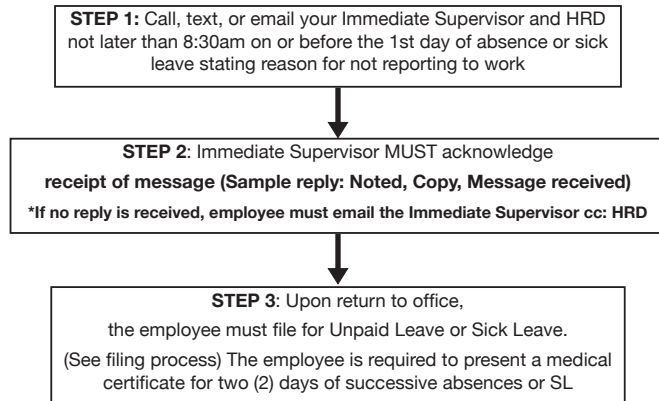


For OT Pay and Field Allowance/Reimbursement, cash Conversion of VL, proceed to the next steps



Call-In Procedure

This illustrates the call-in procedure for Sick Leave and Unpaid Leave due to illness. If an employee fails to follow the Call-in Procedure and sends the message to a colleague or HRD only and NOT his immediate supervisor, it will be considered an Absence.



2. Attendance and Benefit Related Forms

Employees are prohibited from creating and printing their own derivative of the forms. Official forms may be requested from the HRD. (Note: HRD may not create and issue new forms without the approval of top management to preserve the integrity of Company Policies and Procedures. See Code of Conduct R:008)

a. Unpaid Leave Form

To be accomplished by employees who are not entitled to leave benefits or where the employee no longer has leave credits but cannot report for work due to justifiable reasons. This may be used for whole day (8hours) or half day (4hours) of absence.

Unpaid Leave (not injury or sickness-related): To be filed at least 3 working days before the date of leave without pay. For 3 or more days of successive unpaid leave, employee must file for unpaid leave 7 working days before the leave.

Unpaid Leave (injury or sickness-related): To be filed immediately on the day of the employee's return to work. Employee is required to present a medical certificate for two (2) days of successive unpaid leave immediately upon his return to work (not later than 2 days upon his return).

b. Vacation Leave Form

To be accomplished by employees with at least 1 year of regularization entitled to vacation leave benefit with existing VL credits. This may be used for whole day (8hours) or half day (4hours) leave. *Employee must check with HRD first if he has available VL Credits. If there are no credits left, employee must use the Unpaid Leave Form.*

To be filed at least 3 working days before the date of absence. For 3 or more days of successive absences, employee must file for absence 7 working days before the absence.

c. Sick Leave Form

To be accomplished by employees with at least 1 year of regularization entitled to the sick leave benefit with existing SL credits. This may be used for whole day (8hours) or half day (4hours) leave. *Employee must check with HRD first if he has available SL Credits. If there are no credits left, employee must use the Unpaid Leave Form.*

To be filed immediately on the day of the employee's return to work. Employee is required to present a medical certificate for two (2) days of successive Sick Leaves immediately upon his return to work (not later than 2 days upon his return).

d. Authorized Undertime Form

To be accomplished by employees who need to log-out up to (2) hours earlier than 6:00PM. (Log-out time: 4:00PM-5:59PM). For more than 2 hours, employee should apply for half-day.

To be filed on or before the day the employee will undertime.

e. Authorized Overtime Form

To be accomplished by employees who need to work beyond eight (8) hours a day.

To be filed BEFORE the employee performs overtime work.

f. Recovery Leave Form

To be accomplished by employees who need to perform overtime work equivalent to either half-day (4 hours) or whole day (8 hours) for work rendered during the rest day, special days, or holidays.

To be filed two (2) days before the date of recovery leave. This form must be submitted together with the Authorized Overtime Form

g. Authorized Field Activity Form

To be accomplished by employees who need to leave the office work base for official business.

To be filed BEFORE the employee goes out for official business.

h. Authorized Field Allowance/Reimbursement Form

To be accomplished by employees who will do field activity and require field allowance or reimbursement for incurred expenses during official business.

To be filed together with Field Activity Form BEFORE the employee goes out for official business.

The employee is required to submit the receipts and liquidation form to the Accounting Department within two (2) days from the field activity. If the employee fails to liquidate his expenses within the specified time, he will be charged for the field allowance given to him through salary deduction.

i. Maternity Leave Form

To be accomplished by female employee who is unable to work due to childbirth or miscarriage provided she has submitted required notification of her pregnancy (MAT-1) to SSS through HRD and met all SSS requirements. *(For the SSS Maternity Benefit Forms, please visit the HRD)*

This form must be submitted at least 30 days before her maternity leave. Upon return to work, employee must submit MAT-2 together with all other required documents.

j. Paternity Leave

To be accomplished by employee whose legal wife will deliver their child or suffers a miscarriage. May not be used earlier than 15 days before and after delivery.

To be filed at least 30 working days before the leave together with the following documents: marriage contract, proof of wife's pregnancy with due date (ultrasound)

k. Nuptial Leave

To be accomplished by regular monthly-paid employees who are getting married.

To be filed at least 7 working days before the leave.

l. Bereavement Leave

To be accomplished by regular monthly-paid employees who are getting married.

To be filed at least 7 working days before the leave

Workplace Professionalism

Dress Code

We dress appropriately for work. For Sales, Marketing, and Operations, employees are expected to come in clean, smart casual attire Mondays to Saturdays. This means no slippers, flip flops, shorts, and capris. Women are required to come in a decent shirt, blouse (hanging blouse are not allowed) and skirt (reasonable lengths/ not higher than 6 inches above the knee) /slacks/jeans combinations or one piece dresses. Men are required to come in slacks/jeans and collared shirts or polo. Corporate or office attire are required when meeting clients. Rubber shoes are strictly prohibited for sales and marketing when meeting clients.

For Research and Development (R&D), employees are expected to come in clean, decent casual wear. No slippers and shorts. Slippers may only be worn under the work desk but not while walking around the office. When visitors/customers are expected in the office, all employees are required to come in appropriate office wear.

Employees are required to wear their office ID at all times while in the Company premises.

Office Housekeeping

The company recognizes the value of a clean and organized office area in improving work environment, quality efficiency, as well as safety. In line with this, all employees are required to maintain organization

in their work area and clean up their work areas before leaving the office premises

Our pantry is solely where we consume our snacks and lunch. Thus, eating at our workstations is prohibited. We shall, however, allow employees to bring and consume coffee or other beverages at their workstations. Also the pantry must be utilized only during lunch and scheduled breaks.

Snacks and/or lunch may be stored in the pantry cabinets provided that the employee must consume and/or take home the food and clean the cabinet at the end of the day.

Eating utensils are provided by the company for the use of all employees. Thus, no employee must take or set aside utensils owned by the Company for their own use. Company property and equipment must be handled with care and used in an appropriate manner.

Internet Utilization and Download Policy

The Company does not tolerate activities which are counter-productive, most especially if done at the Company's expense:

- Employees are not allowed to access the internet through the workstations for non-business related purposes before, during, or after business hours.
- Downloading of any personal or non-business related materials is strictly prohibited. (Eg. Video, Music, Games)
- Using the internet to transmit sensitive and confidential information of the company to third parties (within or outside the organization) without written authorization
- Access to, display or transmission of sexually-explicit images, messages or cartoons, or any transmission that contains ethnic slurs, racial epithets, or anything that may be construed as harassment is not permitted before, during, or after business hours.
- Prolonged personal instant messaging is strictly prohibited.
- All company policies and procedures apply to employees' conduct on the internet, especially, but not exclusively, relating to: intellectual property, confidentiality, company information dissemination, standards of conduct, misuse of company's resources, anti-harassment, and information and data security.
- Unauthorized activities resulting to virus infestation.
- Employees are prohibited to keep personal files, mp3s, documents, pictures etc. in his/her computer.
- Personal software applications in CDs especially those that are unlicensed must never be brought inside company premises.

Anti-Sexual Harassment Policy

Our Company strives to provide an employee-friendly environment and as such does not tolerate any incidents of sexual harassment.

Sexual harassment is an act, or a series of acts, involving any unwelcome sexual advance, request or demand for a sexual favor, or other verbal or physical behavior of a sexual nature directed towards an employee or an applicant seeking to join the organization, regardless of whether the demand, request or requirement for submission is accepted.

In a work-related or employment environment, sexual harassment is committed when:

- (1) The sexual favor is made as a condition in the hiring or in the employment, re-employment or continued employment of said individual, or in granting said individual favorable compensation, terms, conditions, promotions, or privileges; or the 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;
- (2) The above acts would impair the employee's rights or privileges under existing labor laws; or
- (3) The above acts would result in an intimidating, hostile, or offensive environment for the employee.

Any person who directs or induces another to commit any act of sexual harassment as herein defined, or who cooperates in the commission thereof by another, without which it would not have been committed, shall also be held liable.

All incidents of sexual harassment shall be immediately reported to HRD for prompt investigation and disciplinary processing. See section on Grievance Handling and Dispute Settlement.

Office Romances

Our Company encourages employees to develop friendships and share a spirit of teamwork and camaraderie both in the workplace and outside of work. In instituting this dating or fraternization policy, it is not the company's goal to interfere with the development of coworker friendships and relationships. This policy identifies when these relationships are appropriate and when they are not.

However, please take note that employees in a managerial or supervisory role needs to heed the fact that personal relationships with employees who report to him or her may be perceived as favoritism, misuse of authority, or potentially, **sexual harassment**.

As such, if a manager or supervisor decides to pursue a close relationship with an employee, he or she needs to inform their department head and Human Resources immediately. The company will then decide what, actions if any, are necessary to take in regard to assignments and jobs. Under no circumstances may a manager date, become romantically involved with, or have sexual relations with a reporting employee. Employees who disregard this policy will be disciplined up to and including employment termination.

Substance Abuse

The Company is committed to providing a safe and productive workplace for its employees. In keeping with this commitment, the following rules regarding alcohol and drug abuse have been established for all staff members, regardless of rank or position, including both regular and temporary employees. The rules apply during working hours to all employees of the Company while they are on Company premises **or elsewhere on Company business**.

All employees may be drug tested in accordance with this policy.

- The manufacture, distribution, possession, sale, or purchase of controlled substances of abuse on Company property is strictly prohibited.
- Being under the influence of illegal drugs, alcohol, or substances of abuse on Company property is

strictly prohibited.

- Working while under the influence of prescription drugs that impair performance is prohibited.

In order that there is no question about what these rules signify, please note the following definitions:

Company property: All Company owned or leased property used by employees.

Controlled substance of abuse: Any substance listed in the Comprehensive Dangerous Drugs Act of the Philippines or Republic Act No. 9165.

Drug: Any chemical substance that produces physical, mental, emotional, or behavioral change in the user.

Drug paraphernalia: Equipment, a product, or material that is used or intended for use in concealing an illegal drug,

or otherwise introducing into the human body an illegal drug or controlled substance.

Illegal drug:

- a. Any drug or derivative thereof whose use, possession, sale, transfer, attempted sale or transfer, manufacture, or storage is illegal or regulated under local laws and regulation.
- b. Any drug, including – but not limited to – a prescription drug, used for any reason other than that prescribed by a physician.
- c. Inhalants used illegally.

Under the influence: A state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of an alcoholic beverage, drug, or substance of abuse.

Consistent with the rules listed above, any of the following actions constitutes a violation of the Company's policy on drugs and may subject an employee to disciplinary action, up to and including immediate termination.

- Using, selling, purchasing, transferring, manufacturing, or storing an illegal drug or drug paraphernalia, or attempting to or assisting another to do so, while in the course of employment.
- Working or reporting to work, conducting Company business or being on Company property while under the influence of an illegal drug or alcohol, or in an impaired condition.

Tobacco Products

With the increasing concern, interest, and anxiety about the effects of secondary tobacco smoke on individuals exposed to it and the dangers associated with tobacco smoking, the use of tobacco products are not permitted anywhere on the Company premises. Smoking cigarettes and other tobacco products are only allowed outside the office premises.

Workplace Violence

Our Company is committed to providing a safe, healthy and supportive work environment by treating our employees and clients with respect, fairness and sensitivity. It seems to us that the work environment is as free as possible from intimidation, menacing and harassing behaviors, threat of violence and acts of violence.

The company does not condone and expressly prohibits any acts of violence against any individual on its premises.

Workplace violence is:

- the exercise of physical force by a person against a worker, that causes or could cause physical injury to the worker;
- an attempt to exercise physical force against a worker that could cause physical injury to the worker; or,
- a statement or behaviour that it is reasonable for a worker to interpret as a threat to exercise physical force against a worker

Workplace harassment means engaging in a course of vexatious comment or conduct against a worker in a workplace that is known or ought reasonably to be known to be unwelcome.

Definitions Associated with Workplace Violence and Harassment:

Physical assault: is any physical force or threat of physical force to create fear and control another person. Some examples include: hitting, blocking, shoving, choking, slapping or biting, or pulling hair; “caring” for the victim in an abusive way, threats of violence, and using a weapon or other objects to threaten, hurt or kill.

Sexual assault: is any unwanted sexual act done by one person to another. Examples include: kissing or forcing/coercing the person into kissing; touching the person’s body with or without clothes on; forcing/coercing the person to masturbate; sexual intercourse (anal or vaginal), penetrating with an object; causing bodily harm; removing or attempting to remove clothing; taking advantage of a position, trust or authority to get sex; and threatening to harm someone else if the person does not agree to do any of these things.

Sexual harassment: is often interpreted as objectionable comments or conduct of a “sexual” nature. However, sexual harassment, in the broader context of unequal treatment based on gender, may refer to instances where the behaviour is not overtly sexual in nature, but is related to the person’s gender, and demeans or causes personal humiliation or embarrassment to the recipient. Examples include: degrading words, rude jokes or sexual comments, name calling (e.g. “chick”, “bitch”), physical contact, sexual demands, unwanted kissing or touching of a sexual nature, and insulting remarks about the person’s sexual orientation, race, culture, ability, and/or income.

Threat (verbal or written): is a communicated intent to inflict physical or other harm on any person or to property by some unlawful act. A direct threat is a clear and explicit communication distinctly indicating that the potential offender intends to do harm, for example, “I am going to make you pay for what you did to me.” A conditional threat involves a condition, for example, “If you don’t leave me alone you will regret it.” Veiled threats usually involve body language

or behaviours that leave little doubt in the mind of the victim that the perpetrator intends to harm.

Verbal/Emotional/Psychological abuse: is a pattern of behaviour that makes someone feel worthless, flawed, unloved, or endangered. Like other forms of abuse, it is based on power and control. Examples include: swearing, put-downs/name calling over a period of time, labelling the victim in a derogatory way such stupid, crazy or irrational, acts of humiliation, extreme jealous behaviour, attacking the victim's self-esteem in other ways. It can also include harming damaging property.

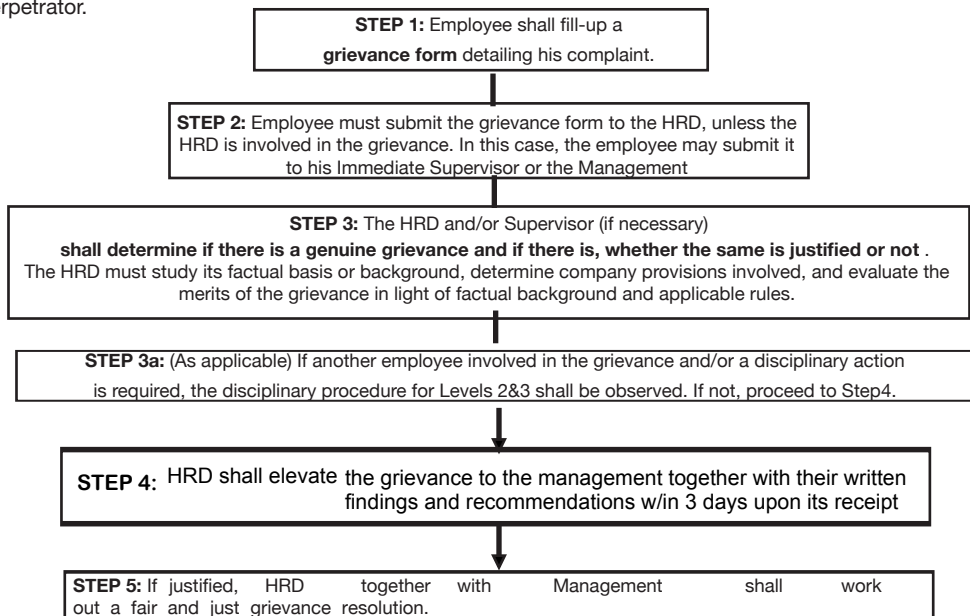
Workplace Bullying: repeated and persistent negative acts towards one or more individuals, which involve a perceived power imbalance and create a hostile work environment.

All incidents of workplace violence shall be immediately reported to HRD for prompt investigation and disciplinary processing. See section on Grievance Handling and Dispute Settlement.

Grievance Handling and Dispute Settlement

A grievance is any dispute or hardship suffered, whether real or supposed, which forms legitimate grounds of complaint. A grievance may or may not be valid. An employee may file for grievance or complaint against a managerial or supervisory practice, organizational procedure, any work issues or discomfort related to his employment. A grievance shall be settled in seven (7) to ten (10) working days.

For grievances related to serious issues, such as sexual harassment, investigation shall take place within 7 days. Decisions regarding the complaint shall be made immediately within three (3) working days after the results of the investigation are submitted. All information gathered in the course of the investigation of delicate issues shall remain confidential to the investigating group, the complainant, and the alleged perpetrator.



Information Security

The company is responsible for the protection of confidential business information and trade secrets. Therefore, all employees who have access to such information by nature of their jobs and positions are enjoined to strictly observe confidentiality these information. Such confidential information includes commercial, financial, legal, marketing, business, technical, personal, privileged, or other data, including but not limited to, that which relates to expertise and know-how, trade secrets, processes, designs, business methods, research, product plans, product roadmaps, services, customers, markets, software product binaries and source code, compensation and financial information, production processes, personnel records, and all other confidential information of whatever nature in relation to and in connection with business and operations of the Company, whether written or oral, in any form or medium and whether marked confidential or not.

The employee must **restrict the circulation of such confidential information within and outside the organization**. An employee shall see to it that he neither reveals, releases, nor divulges this information to individuals other than authorized persons nor access the same without prior written approval from the management.

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including but not limited to termination. The company reserves the right to press charges if need be for any damages which such disclosure may cause.

Password Management

Some employees will have access to important passwords by nature of their jobs and positions. These employees are enjoined to strictly observe the confidentiality of these passwords. The employee must **restrict the circulation of such confidential passwords within and outside the organization**. The employee shall see to it that he neither reveals, releases, nor divulges the password to individuals nor provide access to the same without prior written approval from the management. HRD and management shall maintain a list of personnel with privileged password access for employee monitoring and accountability.

Employees who improperly use or disclose passwords will be subject to disciplinary action, including but not limited to termination. The company reserves the right to press charges if need be for any damages which such disclosure may cause.

Security Check and Bag Inspection Policy

All employees and visitors who will be entering and exiting the company premises are required to undergo a security bag check to maintain the security and safety of employees and Company property. A visitor or employee who refuses to undergo a bag check may be restricted from entering the office premises. In case of a dispute over security check, the visitor or employee may be requested to leave the Company premises. Firearms, explosives, or other deadly weapons, personal storage and electronic devices are strictly prohibited in the Company premises.

The Security Guard is given the authority to photograph or capture “suspicious” looking materials found in the bag during inspection for review.

Personal Storage and Electronic Devices

Employees and visitors are strictly prohibited from bringing their own personal storage and electronic devices into the Company Premises to maintain the integrity and security of information and data. Employees and visitors are required to deposit these types of personal items at the security guard station or reception for safekeeping. They may recover the items upon leaving the office.

Prohibited personal storage and electronic items include but are not limited to the following:

- Removable Storage (USB, thumb drives, memory key loggers)
- Laptop, net books
- Any type of camera
- CD/DVD/VCD drives and disks
- SD Card
- Tablets

All employees and visitors entering the production and inventory area are required to deposit their handbags, mobile phones, food and drinks, and storage devices at the production lockers.

Failure to deposit and disclose storage and electronic items brought into the office and/or production area shall be subject to progressive disciplinary action.

Employee Accountability for Company Property

Employees are responsible for protecting the Company's assets and ensuring that they are used for Company business purposes and in accordance with the Company policies. Resources such as computers, telephones, internet access, electronic mail (e-mail), instant messaging, reproduction equipment, facsimile (fax) machines, and similar technologies are provided to enable employees to perform work in support of Company business.

All electronic data stored on Company computers or similar assets are the property of the Company. Employees should have no expectations of privacy when using Company computers or other Company resources. The Company has the right to monitor or access documents on its systems at any time, within the limits of existing laws and agreements.

Company-Issued Devices

Some employees are issued portable company property, such as laptops, netbooks, mobile phones, on a loan-basis for Company business purposes. The employee shall have sole use and responsibility of the property. Under no circumstance should he transfer whether permanently or temporarily the property without authorized documentation to a third party. Issuance of company property to employees shall be coursed through the HRD only (not IT personnel) for proper documentation.

Unless, expressly allowed, the employee cannot take the property outside the office premises without an Asset Gate Pass. In cases of loss or damages due to employee fault or negligence on company property, the employee is required to immediately submit a written report. A corresponding payment for replacement shall be deducted from the employee's salary. Upon separation, the employee shall surrender all company endorsed property prior to signing of clearance by the HRD.

Visitors in Workplace

The Company limits personal visitors to the workplace for the safety and security of employees and company facilities. Further, it limits potential distractions and disturbances in the workplace. All employees are responsible for maintaining safety standards and protecting corporate and personal assets against theft and misuse. Former employees are considered visitors. All personal visitors are strictly prohibited from entering the office premises and shall only be entertained at the lobby or receiving area. Personal visitors shall not stay or wait for more than 30 minutes in the Company premises (lobby). Employees are responsible for the conduct of their visitors. The Supervisor and HRD have the responsibility for ensuring that visitors stay for only limited and non-disruptive periods of time. Visitors should be aware that unauthorized animals are not permitted in any area within the company premises, including parking lots.

For company visitors (business reasons and meetings) who will be entering the office premises, see section Entry and Exit Procedures. ALL visitors (including job applicants) are required to log-in and out at the reception/guard station.

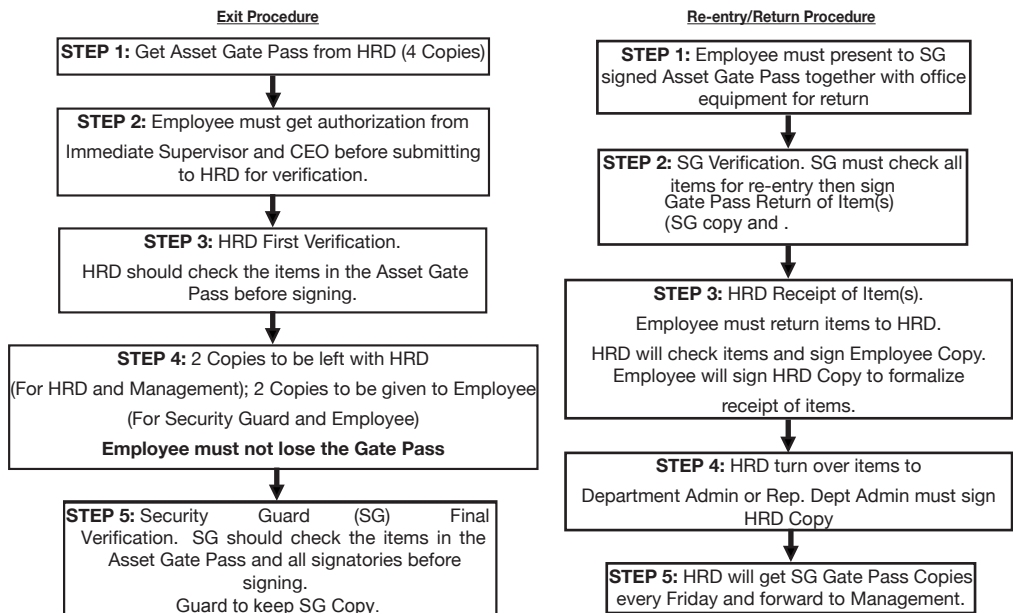
Entry and Exit Procedures

1. Company-Owned Property

a. Asset Gate Pass

To be accomplished by employees who need to bring out office equipment for product demonstrations, exhibits, or repair purposes with the understanding that the office equipment **will be returned** to the Company immediately after use. (Eg. laptop, projector, furniture, demo units, marketing materials, etc.)

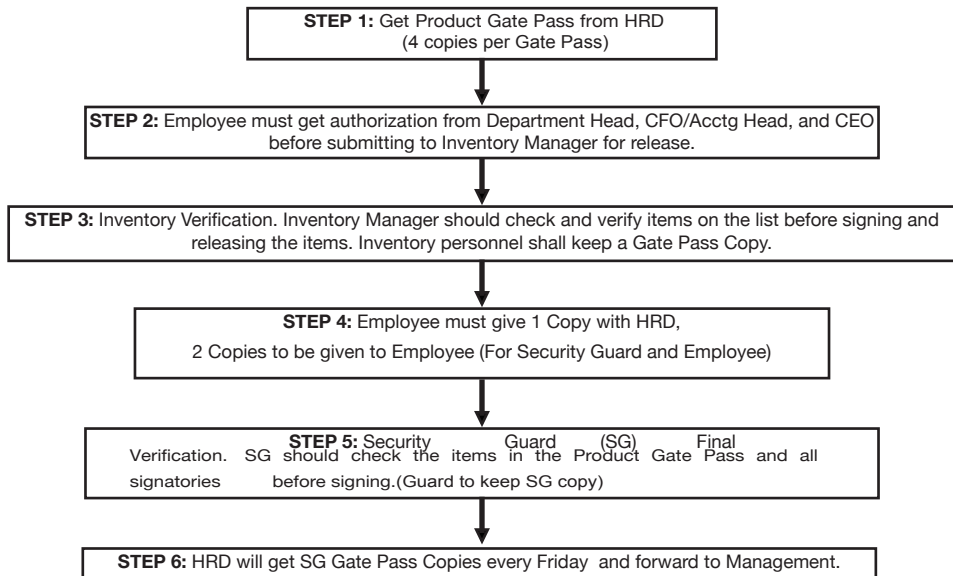
To be presented to the security guard upon exit and re-entry.



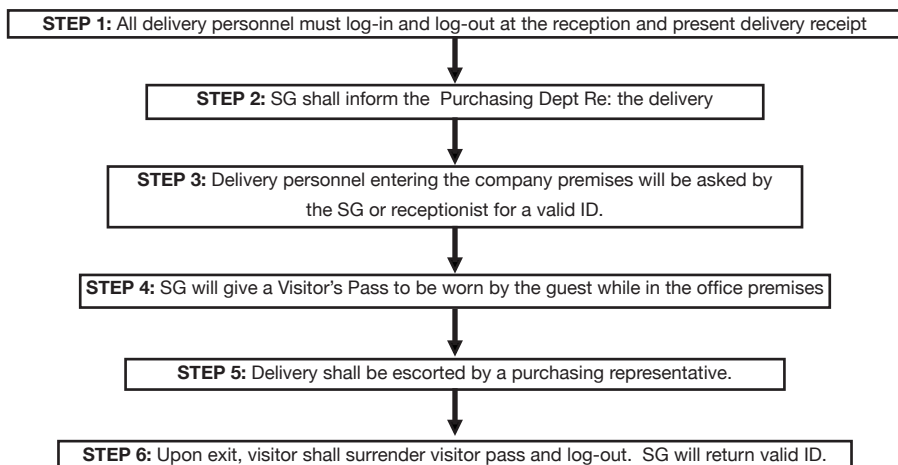
b. Product Gate Pass (Exit)

To be accomplished by employees who will dispatch products out of the office premises permanently and shall **no longer be returned**. (Eg. Products sold for delivery, marketing collaterals such as brochures, scrap materials, etc.)

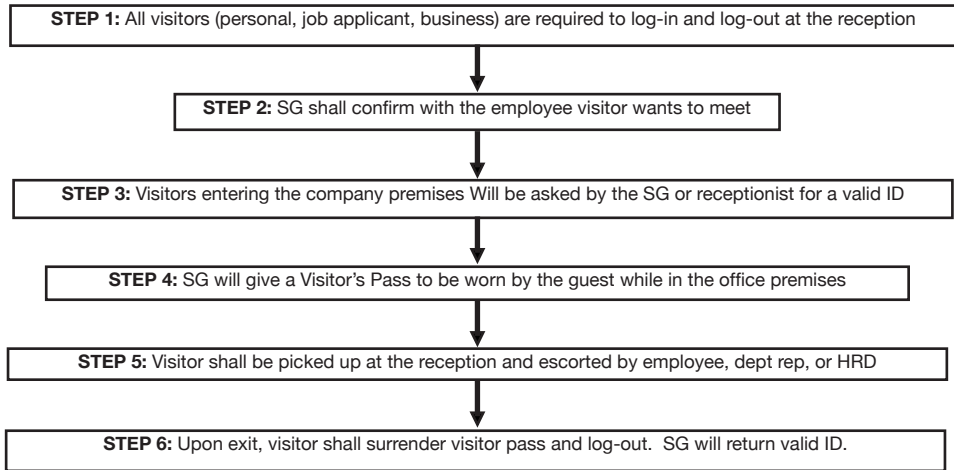
To be presented to the security guard upon exit.



2. Office Supplies/Product Delivery (Entry)



3. Visitor's Pass



Safety and Health

Work Safety

Each employee is expected to obey safety rules and exercise caution and common sense in all work activities. Employees must immediately report any unsafe conditions to their supervisor. Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report, or where appropriate, remedy such situations, may be subject to disciplinary action including termination of employment.

In the case of an accident that results in injury, regardless of how insignificant the injury may appear, employees should notify their supervisor and/or HRD.

Health-Related Issues

Employees, who become aware of any health-related issue (including pregnancy) should notify their supervisor and Human Resources of their health status. This policy has been instituted strictly to protect the employee and others.

The Management reserves the right to require an employee to seek medical attention, rest, or file for leave should he exhibit signs and symptoms of being ill. A medical certificate shall be presented upon his return.

In some cases, a written "permission to work" from the employee's doctor may be required. The doctor's note should specify whether the employee is fit and able to perform regular duties as outlined in his job description.

The Company has the right to terminate the services of an employee who has been found to be suffering from any disease and whose continued employment is prohibited by law or is prejudicial to his health as well as the health of his co-employees.

Employee Requiring Medical Attention

In the event an employee requires medical attention, whether injured or becoming ill while at work, proper first aid procedures will be immediately applied and the employee's personal physician must be notified instantaneously.

If it is necessary for the employee to be seen by the doctor or go to the hospital, the HRD and if possible, a family member will be called to accompany and transport the employee to the appropriate facility.

If an emergency requires emergency medical services to evaluate the injury/illness of an employee on-site, the employee shall be responsible for any medical charges incurred if the emergency was due to pre-existing conditions or disease/illness and not as a result of the performance of his job. (i.e heart disease, viral infections, etc.)

Inclement Weather/Emergency Closings

At times, emergencies such as severe weather, fires, or power failures can disrupt company operations. The decision to close the office will be made by the Management. When the decision is made to close the office, employees will receive official notification from their supervisors and/or HRD regarding suspension of work.

For emergency closing/s declared by Management due to force majeure, employee shall receive compensation.

Insurance on Personal Effects

All employees should be sure that their own personal insurance policies cover the loss of anything occasionally left at the office. The Company assumes no risk for any loss or damage to personal property.

Employee Communication

The Company provides information to employees about company activities, policies, workplace safety and health issues through regular internal communication such as email, memos on bulletin boards, staff meetings etc. It is the responsibility of the employee check the bulletin board regularly and to log-in their official email and Skype as soon as they log-in for work.

Official Email

HRD will issue all employees with an official email address upon joining the Company. Employees are required to use their official email address NOT their personal emails for official business communication between colleagues, supervisors, department heads, and people outside the Company (suppliers, customers, etc.).

Bulletin Board Announcements

Bulletin boards placed in designated areas provide employees access to important posted information and announcements, such as memos and holiday announcements. The employee is responsible for reading necessary information posted on the bulletin boards.

The Bulletin Board is strictly to be used by HRD. Departments who wish to utilize the board to disseminate information should seek approval first from the HRD.

Telephone Use

The Company telephones are intended for the use of serving our customers and in conducting the Company's business. Personal usage during business hours is discouraged except for extreme emergencies. All personal telephone calls should be kept brief to avoid congestion on the telephone line.

Employees must inform family members and friends to limit personal telephone or mobile phone calls during working hours. Unproductive use of work hours is subject to disciplinary action.

Usage of Skype

The Company uses the aid of Skype for its internal communication. It is solely and strictly for company related communication during work hours. Employees must limit their communication to professional and business matters during work hours. Using Skype for gossip and spreading strife is strictly prohibited. Prolonged personal instant messaging during work hours are subject to disciplinary action.

Career Development and Movement

Performance reviews and planning sessions are designed for the supervisor and the employee to discuss his current job tasks, encourage and recognize attributes, and discuss positive, purposeful approaches for meeting work-related goals. Together, employee and supervisor discuss ways in which the employee can accomplish goals or learn new skills. The planning sessions are designed for the employee and his supervisor to make and agree on new goals, skills, and areas for improvement.

Regularization Evaluation

Probationary employees will be evaluated on the third month of employment based on his skill, competence, and attitude. A probationary employee who meets the standards for permanent employment will be recommended for regularization while an employee who does not qualify shall receive a Notice of Non-Regularization.

If a Supervisor or Manager needs more time to evaluate the probationary employee, he shall do a second round of evaluation on the fifth month of the probationer's employment.

The regularization of employment does not automatically come with a salary increase unless explicitly agreed during the job offer or in special cases of exceptional performance during the probationary period.

Quarterly Evaluation

A quarterly evaluation serves as a collaborative planning and assessment session during which both the supervisor and the employee can take an in-depth look at past and current performances of the employee and can together set new goals and objectives for the coming months. The performance evaluation covers areas such as, Productivity or Core Organizational/Business Skills, Job Knowledge or Technical Proficiency, Professionalism, Quality of Work, Cooperation or Team Work, etc. Employees should remember that Disciplinary Actions they receive will impact their evaluation.

	Schedule of Evaluation	Period to be Evaluated
Quarter 1	Last week of February	December to February
Quarter 2	Last week of May	March to May
Quarter 3	Last Week of August	June to August
Quarter 4	Last Week of November	September to November

An employee who fails to achieve a minimum of satisfactory performance for two (2) consecutive evaluation periods shall be a ground for termination.

Transfer

Management has the prerogative to transfer an employee from one office to another within the business establishment, provided the action is not motivated by discrimination, made in bad faith, or effected as a form of punishment or demotion without sufficient cause. This is a privilege inherent in the employer's right to control and manage its enterprise effectively.

Internal Application

The company prioritizes internal applications before looking for candidates outside of the organization in filling job vacancies. In response to the job posting, an interested employee may discuss with his supervisor to coordinate with HRD with regard to the application for vacant post. This is to determine if operations among the concerned departments will be adversely affected should the employee be accepted to the new post.

The employee will have to undergo necessary screening to determine whether he is fit for the job before he can be accepted to the post.

Employee Promotion

Promotion shall be given by management to employees who exemplify and exceed their performance level or are people who show potential to take on senior or supervisory roles within the organization. The department head or supervisor can endorse employees for possible promotion, to be approved by management.

Training and Professional Development

The company recognizes the value of professional development and personal growth for employees. Therefore, the Company encourages its employees who are interested in continuing education and job specific training to research these further. If such training and professional development seminars are not Company-initiated, employees are required to seek permission before signing up for the seminars or courses when it will affect his work hours.

Company Planning

Every month of October, all heads and supervisors of each department are required to meet regularly take stock and chart a course for the year ahead. Department heads and supervisors shall review by comparing expected performance to actual performance, create product roadmaps, targets, and objectives for the following year.

On the last week of October, all department heads and supervisors shall meet and present their plans to the entire management committee for comments, review, alignment, and approval. Once approval and alignment has been attained, supervisors may then present the departmental plan to their team (Year-End Kick Off Meeting).

Employee Separation

Resignation

An employee may resign by serving a written notice of the termination of employee-employer relationship (commonly known as resignation letter) at least 30-days prior to the effective date of his resignation. The resignation is addressed to the supervisor or department head expressing the employee's intention to terminate his employment. It must state the date when resignation is to take effect because of the 30-day notice requirement under the law. If no 30-day notice was served, the Company may hold the employee liable for damages (including but not limited to final pay) unless a shorter period was agreed upon by the employee-employer in writing. Acceptance of resignation is required.

Turnover

An employee who resigns from the Company shall return all files, company-issued equipment, records, keys, and all other company-owned materials in his possession. All company-issued equipment shall be returned in good condition. No files should be deleted from the computers, netbooks, or laptops being turned over.

An exit clearance will not be issued to the employee for the following reasons:

- a. Failure to return any company property in the possession of the employee
- b. Company-issued equipment is not returned in good condition or reformatted
- c. Important files and correspondence have been deleted by the employee.
- d. Outstanding financial obligations to the Company, and
- e. Other causes analogous to the foregoing.

The Company may hold the employee liable for damages (including but not limited to last pay) for failure to do a proper turnover. Any loss or costs incurred by the company due to delays of transitory obligations shall be the responsibility of the employee.

It is the responsibility of the authorized exit clearance signatories and supervisors to ensure that a proper turnover has been done for their department. Management shall hold the exit clearance signatory and supervisor accountable for the materials and files turned over to them.

A shorter turnover period may be agreed upon by the management and employee in writing.

Employment Termination

Termination due to just cause

The company may terminate an employment under Article 282 of the Labor Code for any of the following causes:

1. Serious misconduct or willful disobedience by the employee of the lawful orders of his employer or representative in connection with his work;
2. Gross and habitual neglect by the employee of his duties;
(such as Habitual tardiness or habitual absenteeism, see Section Code of Conduct)
3. Fraud or willful breach by the employee of the trust reposed in him by his employer or duly authorized representative;
4. Commission of a crime or offense by the employee against the person of his employer or any immediate member of his family or his duly au authorized representatives; and
5. Other causes analogous to the foregoing.

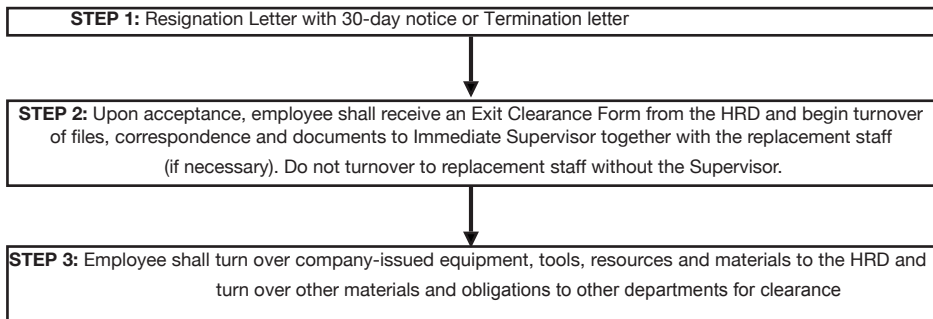
An employee's fitness for continued employment cannot be compartmentalized or taken in isolation from one act to another A series of irregularities, when considered together or in their entirety, may constitute serious misconduct, a valid ground to terminate employment. An employee may be terminated if he has shown to have committed various violations of the company's rules and regulations. For termination due to just cause, no separation pay shall be given and company-initiated benefits shall be forfeited.

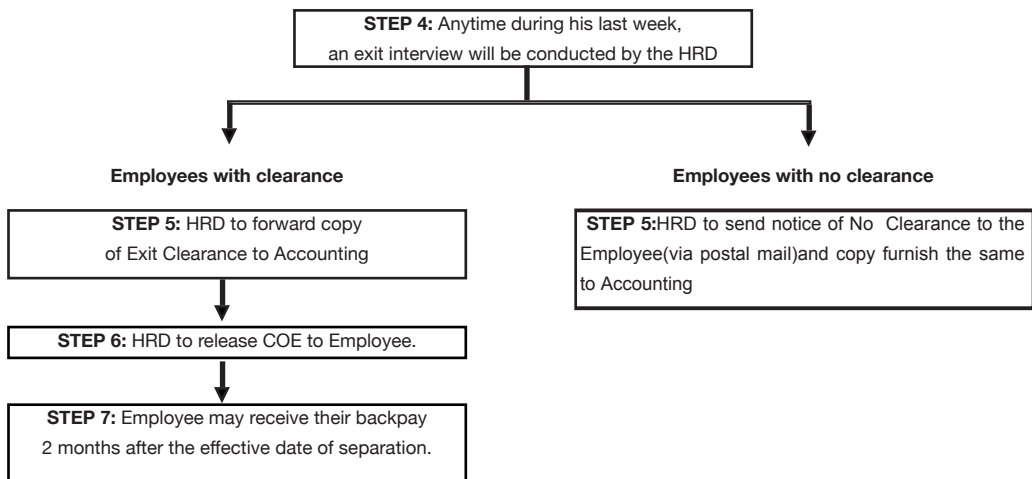
Termination due to authorized cause

Employees may also be terminated under the grounds cited in Articles 283 and 284, technically called the authorized causes for termination of employment, such as installation of labor-saving devices; redundancy; retrenchment; closure or cessation of business; and disease. For termination due to authorized cause, separation pay under the law, when appropriate, will be paid to the affected employees.

Exit Procedure

The exit procedure does not begin on the last day of the employee. Processing of exit clearance must be done solely by the employee and he may not assign this task to other employee or persons. It is the responsibility of the employee to assure the company that he or she does not have any outstanding obligations to various departments.obligations to various departments.





Employee Discipline

The imposition of discipline is a prerogative of management as they have the responsibility to ensure the fulfillment of corporate objectives and to attain mutually beneficial development of the company and the common welfare of its employees.

Discipline is imposed primarily to:

- Help employees to be more effective in the performance of their duties and responsibilities;
- Enhance the development of desired attitudes among workers;
- Correct weaknesses and errors in employee's behavior; and
- Help employees become better individuals

Disciplinary actions received by the employee will impact his evaluation. Management's exercise of this prerogative is founded primarily on justice and fairness and is consistent with the spirit of existing social and labor legislation. Meanwhile, an employee's conduct outside the company and a private individual is not the concern of the management except when such behavior causes injury, or holds in jeopardy some legitimate interests of the company.

Responsibility for Discipline

It is the policy of the Company to give the HRD and Immediate Supervisor the responsibility of maintaining discipline and morale among the employees. However any of the following: the Management, HRD, Immediate Supervisor, and/or Department Head may initiate a disciplinary action. (See section on Disciplinary Procedures). This is necessary for an effective implementation of the company rules and regulations. The HRD Manager, in particular, must be ready at all times to assist the supervisors and department heads in taking disciplinary action.

Forms of Disciplinary Action

The following are forms of disciplinary actions:

- **Verbal Warning** -- A verbal admonition to an employee stating his undesirable behavior and warning him that subsequent offense will be subjected to more serious action. After the verbal warning, HR personnel should ask the employee to sign a warning ticket to acknowledge that he received the verbal warning.
- **Written Warning** -- A Written Warning stresses the seriousness of the employee's offense and reminds him that subsequent offense will be subjected to more serious action.
- **Suspension** -- resorted to after warning and counseling has failed to correct the employee or put a stop to the offense. It results in the loss of the employee's service and suspension of all employee privileges and benefits for a specified time period.
- **Termination** -- a complete severance of employment with the company for a grave and just cause. It automatically bars an employee from future re-employment with the company or any of its affiliates. Termination is considered a last recourse and assumed that all other options have been utilized under the following conditions:
 - a. When an employee's records over a period of time clearly indicated that repeated warnings, and other disciplinary actions have not resulted in substantial behavior change.
 - b. When the offense is very serious or grave in nature that it endangers the welfare and safety of other employees and/or the interest and properties of the company.

NOTE: Termination for cause is differentiated from lay-off due to retrenchment or redundancy. Employees laid-off due to retrenchment or redundancy may be recalled in the event that the company may need their services again.

HR Seminar

The HR Seminar is a one-hour remedial course employees have to attend after office hours or on the date specified by the HRD to review and re-learn the salient points of the Company Policies and Procedures. This is to be conducted by the HRD personnel or Immediate Supervisor.

Preventive Suspension

It is a special type of suspension which may be defined as the temporary removal of an employee charged for violation of company rules from his present status or position. Preventive suspension is not a disciplinary measure, and should not be confused with suspension imposed as a penalty. Preventive suspension is usually imposed against the subject employee while the company is conducting an investigation for his alleged violation in order to prevent him from causing serious and imminent damage to the life and property of the company or his co-employees or influencing employees and those investigating the offense. The employee placed under preventive suspension is not entitled to payment of wages. It shall not last longer than thirty (30) days. Thereafter, the company shall decide to re-instate or terminate him. If the employee is reinstated, he shall be entitled to the payment of his wages during the period of preventive suspension. Otherwise, he shall no longer be entitled to the payment of wages if the decision is for termination.

Non-Retaliation Policy

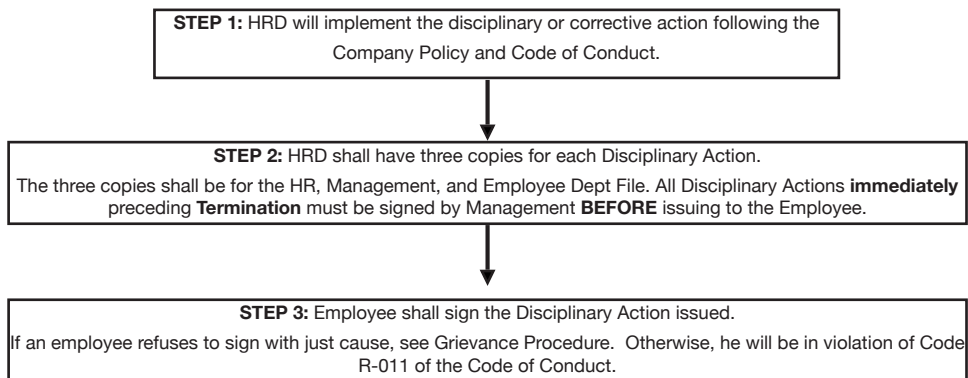
All employees have a personal obligation to report any activity that appears to violate applicable laws, regulations, rules, policies, procedures or the standards of conduct through the normal administrative process and procedures.

Employees shall be protected from any form of reprisal as a result of raising concerns.

However, employees who file reports or provide evidence which they know to be false or without a reasonable belief in the truth and accuracy of such information will not be protected by the above policy statement and may be subject to disciplinary action, including termination of their employment.

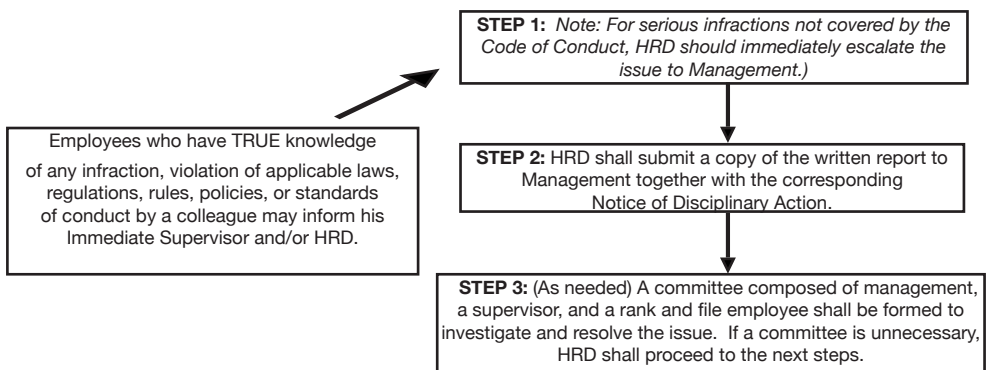
Disciplinary Procedure

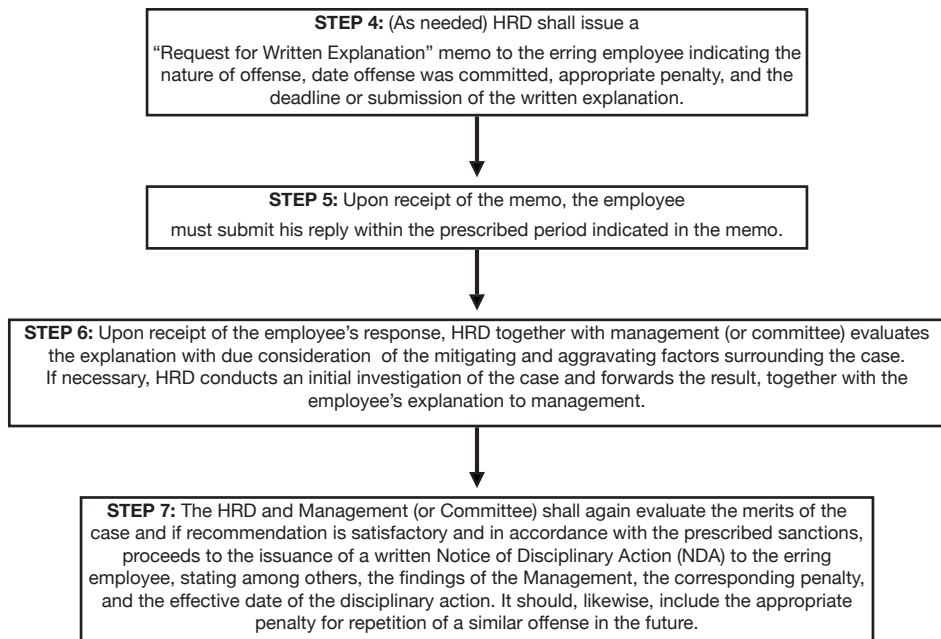
For Disciplinary Actions related to: LEVEL 1 Attendance and Productivity, Office Protocol and Decorum, Health, Safety, and Security, Company Property



For Disciplinary Actions related to: LEVELS 2 and 3 Office Protocol and Decorum Levels 2 and 3, Health, Safety, and Security Company Property Levels 2 and 3, Integrity and Confidentiality. Grave offenses must be settled within 7 to 10 working days.

The same procedure applies for violations of HRD personnel and Supervisors. It may be initiated by the HRD Manager or Management, in case it involves the HRD Manager.





FACTORY AND WAREHOUSE (Production, RMA, IQC, Shipping)

Classification of Employment

Factory and warehouse personnel are daily-paid employees. They are paid for days they actually worked and on unworked regular holidays. Factor 313 (6-day work per week) or 261 (5-day work per week) may be used in computing the equivalent monthly salary of daily-paid employees.

Working Days and Hours

1. The official working days are from Mondays to Saturdays. Working hours are from 9:00AM to 6:00PM. Employees are required to strictly adhere to the given schedule or be tagged late or undertime. Lunch break is at 11:45AM -12:45PM. Employees who wish to have lunch outside the office premises should log-out and log-in.
2. Break time is from 3:00PM-3:15PM.

Tardiness

An employee who comes in after 9:01AM is considered tardy. There is no grace period. Tardiness will be subject to progressive disciplinary action, including but not limited to salary deduction. Habitual and excessive tardiness are grounds for termination.

The disciplinary process shall be as follows:

Frequency	Penalty
1st offense	1st Verbal Warning + Salary deduction + HR Seminar
2nd offense	2nd Verbal Warning + Salary deduction + HR Seminar
3rd offense	3rd Verbal Warning + Salary deduction + HR Seminar
4th offense	1st Written Warning + Salary deduction + HR Seminar
5th offense – onwards (for tardiness within the same month)	2nd Written Warning + Salary deduction + HR Seminar

Salary deduction due to tardiness shall be as follows:

Time of Arrival	Salary Deductions
9:01 AM – 10:00 AM	1 hour
10:01 AM – 11:00 AM	2 hours
11:01 AM – 12:00 PM	3 hours
12:01 PM – 2:00PM	Half day Absent (4 hours)

An employee is given up to three verbal warnings each month. On the fourth offense onwards, he is issued a Written Warning for his tardiness. Written Warnings (WW) are cumulative throughout one calendar year. The employee is only allowed up to three Written Warnings. In lieu of a 4th WW, a habitually late employee will receive a Notice for a Written Response for a possible termination.

Year 2013	July Log-in Time	Disciplinary Action	August	Disciplinary Action
1st Offense	10:15AM	VW + 2 hour salary deduction	9:03 AM	VW + 1 hour salary deduction
2nd Offense	9:07 AM	VW + 1 hour salary deduction	10:05 AM	VW + 2 hour salary deduction
3rd Offense	10:11 AM	VW + 2 hour salary deduction	10:20 AM	VW + 2 hour salary deduction
4th Offense	10:15AM	1st Written Warning + 2 hour salary deduction + HRS	9:01 AM	3rd Written Warning + 1 hour salary deduction + HRS
5th Offense	11:05 AM	2nd Written Warning + half day deduction + HRS	9:32 AM	Termination

In the above example, the employee received 6 VW and 3 WW. In lieu of a 4th Written Warning, employee will receive the Notice for Written Response together with notice for Disciplinary Action.

In the above example, the employee received 6 VW and 3 WW. In lieu of a 4th Written Warning, employee will receive the Notice for Written Response together with notice for Disciplinary Action.

If an employee arrives after 2:00PM without leave (whether paid or unpaid), it will be considered an Absence. The disciplinary action for Absences shall apply.

If an employee who is already late logs-in and leaves the office premises again, it will be considered an Absence even if he comes back to report at a later time. The progressive disciplinary action for Absences shall apply. Eg. Employee logs-in at 11:10AM, leaves the office and comes back at 2:00PM. This will be considered an Absence.

Dress Code

We dress appropriately for work. Employees are expected to come in clean, decent casual wear. No slippers and shorts. Factory and warehouse employees are required to wear their ESD JACKET at all times in the production area. Caps are required during assembly.

****For other Company Policies and Code of Conduct, please refer to the Employee Handbook.****

Code of Conduct

The code of conduct serves as a guide for company rules as well as the prescribed progressive disciplinary action in accordance to a specific offense. **However, the disciplinary action may be downgraded or increased depending on the circumstance and the mitigating factors of the case.**

All offenses of analogous nature under the categories listed below shall likewise be penalized in a manner that the company shall deem to be just and appropriate according to the circumstances of each case.

Legend:

VW	- Verbal Warning
WW	- Written Warning
1S	- One Day Suspension
3S	- Three Day Suspension
T	- Termination
T*	-Termination with Restitution
+	-Includes other sanctions as stipulated in the policy

Code of Conduct

Code	I. Productivity and Attendance (Level 1)	1st	2nd	3rd	4th	5th	6th
W-001	Habitual tardiness	Up to 3 VW per month					
		WW+	WW+	WW+	T		
W-002	Repetitive Undertime	VW+	WW+	T			
W-003	Extended break time (over 15mins) for 3 times within a month	VW	WW	WW	1S	T	
	<p>Absences or AWOL (Includes but not limited to the ff:)</p> <p>-Did not officially file for absence.</p> <p>-Call-in Procedures is not followed. Eg. Informed colleague but not immediate supervisor of his absence.</p> <p>-No justifiable reason is presented -Required proper document is not presented Eg. Medical Certificate, if applicable</p> <p>-Absence preceding or on the day of an important deadline or presentation</p> <p>-Unauthorized field activity</p> <p>-Reporting to work after 2:00PM (half day) without permission from his immediate supervisor and department head</p> <p>-Logging out before 5:30PM without authorization from his immediate supervisor and department head</p> <p>-Logging-in for work then leaving the office premises to attend to personal matters without permission from his immediate supervisor and department head</p> <p>-Other justifiable reasons by management</p>	WW+	WW+	WW+	T		

Code of Conduct

W-005	Engaging in lengthy non-work related conversations during work hours	VW	WW	WW	WW	1S	T
W-006	Sleeping during working hours	VW	WW	WW	T		
W-007	Accessing the internet through the workstations for non-business related purposes before, during, and/or after business hours (Facebook, YouTube, etc)	WW	WW	WW	1S	T	
W-008	Downloading of any non-business related materials	WW	WW	WW	T		
W-009	Prolonged personal instant messaging	VW	WW	WW	WW	1S	T
	Productivity and Attendance (Level 2 & 3)	1st	2nd	3rd	4th	5th	6th
B-001	Malingering – Claiming to be sick but found to be fit to work	WW	1S	T			
B-002	Failure to report for overtime work after having agreed to work, without a valid a justifiable reason	WW	1S	T			
B-003	Using company time, material, equipment or other resources to do unauthorized or personal work.	WW	1S	T			
R-001	Insubordination or wilful disobedience in carrying out reasonable instructions of a superior	WW	T				
R-002	Commission of negligent or careless acts during work time or within company property which resulted to company loss and damages	WW	T				
	II. Acts Prejudicial to Company Interest (Level 2 & 3)	1st	2nd	3rd	4th	5th	6th
R-003	Acts of gross negligence or carelessness committed on the job that will prejudice the reputation of the company to its clients	WW	T				

Code of Conduct

B-004	Acts of gross negligence or carelessness committed on the job that will prejudice the reputation of the company to its employees	WW	1S	T			
R-004	Participation or involvement in any business transaction involving any person or business enterprise with which the company has some commercial relationship	WW	T				
R-005	Engaging in any outside work or professional practice which directly or indirectly adversely affects the Company's image.	WW	T				
R-006	Engaging in business or work with a competitor	T					
R-007	Unauthorized disclosure of classified information; or permitting or assisting unauthorized persons to have access to such classified information, articles, or proprietary materials	T*					
R-008	Deliberate furnishing of false and misleading information about the company, products and services, and/or oneself	T*					
R-009	<p>Sabotage: (Willful acts which adversely affect the operations of the Company), such as:</p> <p>a.) Spying or obtaining information from the organization confidential records or inducing others to spy or obtain information for the purpose of discrediting the organization and/or transmitting the same to others to the prejudice of the Company.</p> <p>b.) Making false or malicious statements concerning the Company.</p> <p>c.) Revealing or issuing, without authority, confidential, data reports or similar documents, such as training manuals, concerning operations or trade secrets of the organization with third parties.</p>	T*					

Code of Conduct

	III. Office Protocol and Decorum (Level 1)	1st	2nd	3rd	4th	5th	6th
W-010	Non-adherence to dress code policy	VW	WW	WW	WW	1S	T
W-011	Refusal to submit or failure to meet company requirements such as but not limited to pre-employment requirements	VW	WW	WW	WW	T	
W-012	Eating in production work desk area ;	VW	WW	WW	1S	T	
W-013	Bringing in personal belongings prohibited in the production area. (such as, handbags, cell phones, tablets, food and drinks)	VW	WW	WW	T		
	Office Protocol and Decorum (Levels 2 & 3)	1st	2nd	3rd	4th	5th	
R-010	Unruly conduct as to cause disorder, disrupt work, or create scandal	WW	T				
R-011	Defiance: Refusal to submit and follow the Company Rules and Procedures	WW	T				
B-005	Failure of a supervisor to act on an infraction against the Code of Conduct by an employee under him due to his negligence	WW	1S	T			
R-012	Failure of a supervisor or HRD personnel to act on an infraction against the Code of Conduct by an employee in order to protect the employee.	WW	T				
R-013	Disrespectful attitude, whether shown by word or deed towards a manager, supervisor, person of higher position or visitor.	WW	T				
R-014	Uttering obscene, insulting or offensive words, or making discriminatory remarks against any colleague within company premises	WW	T				
R-015	Defamation: Uttering obscene, insulting or offensive words, or making discriminatory remarks against the company through social media and messengers.	WW	T				

Code of Conduct

R-016	Uttering obscene, insulting or offensive words, or making discriminatory remarks against a supervisor, client, or visitor.	T					
R-017	Commission of any act involving moral turpitude which constitutes a crime (depends on the gravity of the offense), and bring in, watching, accessing and showing sexually explicit or pornographic materials within company premises.	3S	T				
R-018	Lewd and lascivious act in company premises; Examples: but not limited to, voyeurism, making sexual advances, kissing, embracing, excessive display of affection, holding private parts of the body with the design to derive pleasure (depends on the gravity of the offense)	3S or T	T				
R-020	Drinking alcoholic beverages during work hours (including OT hours) whether or not the drinking took place within the company premises.	1S	T				
R-021	Engaging in gambling, lottery or any game of chance, betting and collecting bets for any type of game of chance on company premises	T					
R-022	Acts of sexual harassment	T					
	IV. Integrity and Confidentiality (Levels 2&3)	1st	2nd	3rd	4th	5th	6th
R-023	Disclosure of "Confidential Information" including but not limited to financial, legal, HR issues, HR/Accounting plans, meetings, minutes, salaries, trade secrets, processes, business methods and other confidential information to colleagues and/or third parties whether verbal or in written form. (depends on the gravity of the offense)	3S or T	T				

Code of Conduct

R-024	Deliberately logging-in or logging-out for another employee; requesting an employee to log-in or log-out his behalf. Requesting or performing any action that would result in time fraud	1S	T				
B-006	Undisclosed personal or romantic relationships with subordinates	WW	1S	T			
R-025	Falsification of company records or documents	T					
R-026	Dishonesty: Any act, omission or concealment which involves a breach of legal duty, trust or confidence and is injurious to the employer or representative and in connection with the employee's work.	1S or T	T				
R-027	Fraud; especially any attempt to circumvent or violate productivity measurement of other systems. Any form of deceit injurious to the employer or representative and in connection with the employee's work.	T					
R-028	Misappropriation of Company funds and/or withholding funds due to the Company	T*					
	V. Health, Safety, and Security (Level 1)	1st	2nd	3rd	4th	5th	6th
W-014	Failure to display or present official ID card	VW	WW	WW	WW	1S	T
W-015	Contributing to or causing poor sanity conditions and poor housekeeping	VW	WW	WW	1S	T	
	Health, Safety, and Security (Levels 2&3)	1st	2nd	3rd	4th	5th	6th
B-007	Smoking in non-smoking area	WW	1S	T			
B-008	Allowing entry of personal visitors to office area without authorization.	WW	WW	T			

Code of Conduct

B-009	Refusal to submit to reasonable inspection conducted within company premises by authorized Company security personnel; Failure to declare storage and electronic devices, harmful equipment, upon entry and exit	WW	WW	T			
B-010	Bringing in personal laptops, and other storage or electronic devices without proper authorization/ notification	WW	WW	T			
B-011	Entrance without permission into restricted areas	WW	WW	T			
R-029	Any act of vandalism causing damage, deformity, or defacement to property of other employees, clients, visitors within Company premises.	1S	T				
R-030	Knowingly harboring a contagious disease, continued employment of which may be prejudicial to health and/or such would endanger the health of fellow employees without notifying proper authorities.	1S	T				
R-031	Reporting for duty or coming into office premises while under the influence of alcohol or illegal drugs.	1S	T				
R-032	Possession use, distribution, sale or purchase of an illegal, habit forming or controlled substance during company time, including rest and meal periods	T					
R-033	Theft of property of other employees, clients, visitors within Company premises.	T					
R-034	Assaulting any company official or co-employees, inside company premises; or outside company premises	T					
R-035	Threatening, intimidating, coercing clients, customers, visitors and other employees	T					
R-036	Unauthorized carrying or possession of firearms, explosives, or other deadly weapons within company premises	T					

Code of Conduct

	VI. Company Property (Level 1)	1st	2nd	3rd	4th	5th	6th
W-016	Unauthorized use of computers; accessing unauthorized files or sites; downloading non-work related files and other violations of the Internet Acceptable Use Policy	VW	WW	WW	1S	T	
W-017	Failure to report the destruction of or a known defect in Company property or equipment	VW	WW	WW	1S	T	
	VI. Company Property (Levels 2&3)	1st	2nd	3rd	4th	5th	6th
B-012	Utilization of company property for personal , non-work related reasons	WW	1S	T			
B-013	Failure to immediately report loss of Company Property)	WW	WW	T			
R-037	Tampering with or misuse or unauthorized use of safety equipment, such as fire extinguishers, fire alarms, CCTV etc.	1S	T				
R-038	Theft of company property	T					
R-039	Unauthorized use, operation, possession, or lending of company property	1S	T				
R-040	Tampering with another employee's locker	1S	T				
R-041	Vandalism of company property	1S	T				
R-042	Computer Hacking; Unauthorized use, or attempts to circumvent or bypass the security mechanisms of information system/network.	T					

List of Forms

AUTHORIZED FIELD ACTIVITY FORM

Guidelines:

1. To be accomplished by employees who need to leave the office work base for official business.
2. To be filed BEFORE the employee goes out for official business.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Duration:

From: _____
(Date) (Time)

To: _____
(Date) (Time)

Purpose: _____

Requested by:

Signature of Employee

() Approved () Approved
() Disapproved () Disapproved

Immediate Supervisor Department Head

() Approved
() Disapproved

President/CEO

For HR Use only

Verified by: _____
Name and Signature

AUTHORIZED OVERTIME FORM

Guidelines:

1. To be accomplished by employees who need to work beyond eight (8) hours a day.
2. To be filed BEFORE the employee performs overtime work.
3. Meal times (dinner and/or lunch: 1hr each) are not considered overtime work.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Reason for Overtime: _____

() For OT Pay
() For Recovery Leave/ Work Offset

Requested by:

Signature of Employee

Endorsed by:

Immediate Supervisor Department Head

Approved by:

President/CEO

For HR Use only

Actual number of OT Hours: _____

Verified by: _____
Name and Signature

AUTHORIZED FIELD ALLOWANCE/ REIMBURSEMENT FORM

Guideline:

1. To be accomplished by employees who will do field activity and require field allowance or reimbursement for incurred expenses during official business.
2. To be submitted together with Field Activity Form BEFORE the field activity.
3. Liquidation of expenses for field allowance should be within 2 days after Field Activity. No liquidation, employee will be charged.

Filing Date: _____

Name of Employee: _____

Company: _____

Employee is requesting for: PHP _____ (Amount)

____ Allowance ____ Reimbursement

() Transportation*

() Fuel* () Parking*

() Meal* *Receipt required

Location of Field Activity: _____

Requested by: _____

Signature of Employee _____

() Approved

() Approved

() Disapproved

() Disapproved

Immediate Supervisor _____

Department Head _____

() Approved

() Disapproved

President/CEO _____

For HR Use only

Verified by: _____

AUTHORIZED UNDERTIME FORM

Guidelines:

1. To be accomplished by employees who need to log-out up to (2) hours earlier than 6:00PM. (Log-out time: 4:00PM-5:59PM). For more than 2 hours, employee should apply for half-day.
2. To be filed before the day the employee will undertime.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Duration:

From: _____ To: _____

Number of Hour(s): _____

Reason: _____

Requested by: _____

Signature of Employee _____

() Approved

() Approved

() Disapproved

() Disapproved

Immediate Supervisor _____

Department Head _____

() Approved

() Disapproved

President/CEO _____

For HR Use only

Actual number of Undertime Hours: _____

Verified by: _____

Name and Signature

RECOVERY LEAVE FORM

Guidelines:

1. To be accomplished by employees who need to perform OT work equivalent to half-day (4 hrs) or whole day (8 hrs) during a rest day, special day, or holiday in lieu of OT pay.
2. To be filed two (2) days before the date of recovery leave.
3. This form must be submitted together with the Authorized Overtime Form

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Recovery Leave Duration:

From: _____

To: _____

Number of Hours: _____

Requested by:

Signature of Employee

Endorsed by:

Immediate Supervisor Department Head
Approved by:

President/CEO

For HR Use only

Actual number of OT Hours: _____

Verified by: _____
Name and Signature

SICK LEAVE FORM

Guidelines:

1. To be accomplished by employees who are entitled to the sick leave benefit with existing SL credits.
2. To be filed upon return to work. Employee is must present a medical certificate for two (2) days of successive Sick Leaves

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Reason: _____

Requested by:

Signature of Employee

() Approved () Approved
() Disapproved () Disapproved

Immediate Supervisor Department Head

() Approved
() Disapproved

President/CEO

For HR Use only

Employee date of Regularization _____
SL Credits as of Jan 02, 2014: _____
Used SL 2014= _____
Verified by: _____

UNPAID LEAVE FORM

(Authorized Absence)

Guidelines:

1. To be accomplished by employees who are not entitled to leave benefits, no longer have leave credits, or has used max leave credit limit per year (6SL/6VL)
2. To be filed at least 3 working days before the date of leave. For 3 or more days of successive leaves, filing must be 7 working days before the leave. For medical reasons, upon return to work.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Unpaid Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Reason: _____

Requested by:

Signature of Employee

() Approved () Approved
() Disapproved () Disapproved

Immediate Supervisor Department Head

() Approved
() Disapproved

President/CEO

For HR Use only

Total Unpaid Leave as of Jan 2, 2014 = _____

Verified by: _____

Name and Signature

VACATION LEAVE FORM

Guidelines:

1. To be accomplished by employees with at least 1 year of regularization with existing VL credits. This may be used for whole day (8hours) or half day (4hours) leave.
2. To be filed at least 3 working days before the date of leave. For 3 or more days of successive leave, filing must be 7 working days before the leave.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Reason: _____

Requested by:

Signature of Employee

() Approved () Approved
() Disapproved () Disapproved

Immediate Supervisor Department Head

() Approved
() Disapproved

President/CEO

For HR Use only

Employee date of Regularization _____

VL Credits as of Jan 2, 2014: _____

Used VL= _____ Encashed VL= _____

Verified by: _____

VACATION LEAVE CASH CONVERSION FORM

Guidelines:

1. To be accomplished by employees with at least 1 year of regularization with existing VL credits.
2. To be filed at least one month before date of encashment. An employee may convert a maximum of 12VL Credits at a time.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

The Employee is requesting the Cash Conversion

of _____ VL Credits
Quantity

Requested by:

Signature of Employee

For HR use only:

Employee date of Regularization _____

VL Credits as of Jan 2, 2014: _____

Used VL 2014= _____ Encashed VL 2014= _____

Total Available VL Credits: _____

**The employee has () sufficient () insufficient
VL Credits and may convert _____ VL Credits to cash**

Verified by: _____
Name and Signature

For Accounting use only:

VL Credit Cash Equivalent = PHP _____

Acctg. Representative _____
Name and Signature

() Approved () Disapproved

President/CEO

BEREAVEMENT LEAVE FORM

Guidelines:

1. To be accomplished by regular monthly-paid employees in case of death of an **immediate** family member.
2. To be filed at least 7 working days before the leave.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Requested by:

Signature of Employee

Noted by:

Immediate Supervisor Department Head

() Approved

() Disapproved

President/CEO

For HR Use only

() Entitled to 3 days bereavement leave

Verified by: _____
Name and Signature

MATERNITY LEAVE FORM

Guidelines:

1. To be accomplished by female employee who is unable to work due to childbirth or miscarriage provided she has submitted required notification of her pregnancy to SSS through HRD and met all SSS requirements.
2. To be filed at least 30 working days before the leave.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Date of Delivery

Requested by:

Signature of Employee

Noted by:

Immediate Supervisor

() Approved

() Disapproved

Department Head

President/CEO

For HR Use only

Entitled to:

() 60 days maternity leave normal/miscarriage

() 78 days CS delivery

Verified by: _____

Name and Signature

NUPTIAL LEAVE FORM

Guidelines:

1. To be accomplished by regular monthly-paid employees who are getting married.
2. To be filed at least 7 working days before the leave.

Filing Date: _____

Name of Employee: _____

Company: _____

Department: _____

Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Requested by:

Signature of Employee

Noted by:

Immediate Supervisor

Department Head

() Approved

() Disapproved

President/CEO

For HR Use only

() Entitled to 3 days nuptial leave

Verified by: _____

Name and Signature

PATERNITY LEAVE FORM

Guidelines:

1. To be accomplished by employee whose legal wife will deliver their child or suffers a miscarriage. May not be used earlier than 15 days before and after delivery.
2. To be filed at least 30 working days before the leave.
3. Must submit with ff docs: marriage contract, proof of wife's pregnancy with due date (ultrasound)

Filing Date: _____

Name of Employee: _____

Company: _____

Leave Duration:

From: _____ To: _____

Number of Day(s): _____

Date of Legal Wife's Delivery/Miscarriage:

Legal Wife's Pregnancy () 1st () 2nd () 3rd () 4th

Requested by:

Signature of Employee

Noted by:

Immediate Supervisor

Department Head

() Approved

() Disapproved

President/CEO

For HR Use only

Entitled to 7 working days paternity leave

Verified by: _____

Name and Signature

