



CODE OF CONDUCT AND DISCIPLINE

Document Approvers:

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Process Owner: HR / Admin Department

Scope

The policy applies to all EmpireOne employees regardless of the employment agreement and rank.

Purpose

The Code of Conduct and Discipline promotes and creates a good and healthy working environment. This policy ensures that our EmpireOne employees uphold professionalism among each other. The established code sets standards for how our organization lives up to its objectives.

I. RATIONALE/GUIDING PHILOSOPHY

1. The Company aims to promote an orderly and harmonious environment for its employees and other members by ensuring that employees exhibit satisfactory performance and appropriate behavior.
2. All Company employees are expected to act with integrity and sound judgment, and all decisions and actions must conform to all applicable laws, regulations, and Company policies.
3. The Company places as few restraints and restrictions on employees' conduct as possible. However, to protect its employees and its property and interests, the Company establishes reasonable norms of conduct that employees are mandated to observe.
4. The Company allows its employees to correct their behaviour and improve performance. However, erring employees must face the consequences of their actions.
5. Disciplinary actions are instituted to correct employees' unsatisfactory performance and/or improper behavior, improve work operations, relations, and morale, administer the commensurate penalty, and deter the commission of another infraction.
6. The Code of Discipline has been instituted to uphold the Company's value of respect for human dignity, to ensure that the discipline action process conforms to legal requirements, and to observe consistency and parity of practice.
7. The Company observes progressive discipline, in which increasingly severe measures are used for repeated infractions to encourage employees to improve unsatisfactory performance and correct behaviour after being given a reasonable opportunity.

The following are typical disciplinary measures applied by the Company:

- a. 1st Written Warning
- b. 2nd Written Warning
- c. Final Written Warning (with or without suspension)
- d. Termination of Employment

II. GENERAL GUIDELINES

1. ROLE OF THE SUPERVISOR

- 1.1 A supervisor is a Company employee in a line management position. He/she is tasked with overseeing, monitoring, and evaluating the performance of another employee or a group of employees. He/she also recommends hiring, rewarding, promoting, disciplining, and other allied activities regarding employees in his/her department /office.
- 1.2 Discipline is a line management responsibility. For this reason, the supervisor shall ensure order and discipline in the workplace by:
 - a. Exhibiting professionalism and leadership, thus serving as a role model to subordinates;
 - b. Communicating the Code of Discipline while emphasizing a good performance and positive behaviour;
 - c. Implementing appropriate interventions may help erring employees improve their performance and correct behaviour.
- 1.3 It is the supervisor's duty to initiate the disciplinary action process whenever necessary. This includes validating/investigating complaints against any employee under his/her supervision and send an INCIDENT REPORT to the HR Department.
- 1.4 The HR head/officer initiates the disciplinary action process when an employee habitually fails to perform his/her duties, behaves in a manner which interferes with the work of others or violates provisions of law, regulation, and Company policy.

2. DUE PROCESS

- 2.1 Due process is observed in every disciplinary action case. While it is the prerogative of the Company to impose the appropriate penalty for a specific infraction, this prerogative should neither be abused by the Company nor be done arbitrarily. The Company is expected to observe the following due process:
 - 2.1.1 Issuing the employee an Incident Report and/or Notice to Explain
 - 2.1.2 Allowing the employee to be heard in the form of his/her reply to the Notice to Explain/of Charge and a hearing (if necessary); and
 - 2.1.3 Issuing the Disciplinary Action memorandum to the employee.
- 2.2 This process is extended to all employees who have allegedly committed an infraction and have been cited for it.

3. CLEANSING PERIOD

- 3.1 The cleansing period is the time when an employee who has been subjected to disciplinary action is expected to improve his/her performance and/or correct improper behavior and refrain from committing

any other infraction. If an employee commits another infraction within the cleansing period, he/she shall be given the subsequent higher sanction for the succeeding infraction.

- 3.2 In determining the sanction to be applied for succeeding infractions, all disciplinary actions need to pass the requisite cleansing period indicated below, i.e., from the date the sanction was served entirely until the last day of the stated cleansing period before an infraction/sanction shall be considered cleansed.

Note that the passage of the cleansing period DOES NOT expunge the infraction from the employee's record.

Sanction	Cleansing Period (months)
First Written Warning	Three (3)
2nd Written Warning	Six (6)
Final Written Warning (With or Without Suspension)	Twelve (12)

- 3.3 This means that a disciplinary action of Written Warning meted out more than (6) months prior will no longer be considered in determining the appropriate sanction for the succeeding infraction. The same rule shall apply to other disciplinary actions with respective applicable cleansing periods.

For example A penalty of 5-day suspension ultimately served more than nine (9) months prior will no longer be considered in determining the appropriate penalty should the employee commit an offence with a corresponding sanction of 8-15 days of suspension. Consequently, the meted sanction should only be between 8 and 15 days of suspension instead of the subsequent higher sanction (16-30 days).

Likewise, a penalty of 5-day suspension, completely served less than nine (9) months prior, will be considered in determining the appropriate penalty should the employee commit an offence that has a corresponding sanction of 8-15 days of suspension. Consequently, the meted sanction should be the subsequent higher sanction (16-30 days of suspension) instead of the usual sanction for such offence (8-15 days).

- 3.4 However, the totality of one's infraction/s shall be considered for habitual offenders (i.e., repeat offenders), especially when termination from employment is the sanction to be applied. An employee is regarded as a repeat offender if he/she has been sanctioned more than once, regardless of the infraction and the completion of the cleansing period.

4. INFRACTIONS

- 4.1 The list of infractions is not meant to be exhaustive. Other infractions which fall under any of the just causes for termination of employment as provided under Article 282 of the Labor Code of the Philippines (Termination by Employer) and other applicable special laws, or those just cause for termination of employment sanctioned by jurisprudence, are deemed likewise subject to disciplinary action. Furthermore, other related Company instructions, circulars, or memoranda are considered part of this Code.
- 4.2 If the act or omission falls under two or more of the listed infractions, the Company reserves the right and option to charge the employee with the infraction that carries the heavier sanction.
- 4.3 Penalties imposed by law for infractions or violations of ordinances, regulations, or other laws or regulations shall not bar the resort to legal remedies, where warranted or sought.

5. TEMPORARY TRANSFER

- 5.1 The Company Administration reserves the right to temporarily transfer an employee who has allegedly committed an infraction or who is reportedly involved in possible fraud or malversation of funds to an office/department where his/her presence is deemed not to be a threat to the welfare of the employees of that office/department, its operations, the property of the Company, or the integrity of the body of evidence, while he/she is under investigation.
- 5.2 The Office of Human Resource Management (OHRM) will issue a Temporary Control Transfer memorandum regarding this

6. PREVENTIVE SUSPENSION

- 6.1 The Company Administration reserves the right to place under preventive suspension (without pay) not to exceed thirty (30) calendar days an employee who has allegedly committed an infraction when his/her presence in the office/department is deemed detrimental to its operations, the welfare of his/her co-employees, the property of the Company, and the integrity of the body of evidence.
- 6.2 Suppose an ensuing internal administrative/disciplinary case remains unresolved after thirty (30) calendar days from the date of the imposition of the preventive suspension. In that case, the employee shall be reinstated on the payroll. However, the Company Administration reserves the right not to physically reinstate the employee (that is, require that he/she report for work), depending on the necessities of the service.

7. COMPANY'S PREROGATIVE

- 7.1 The Company Administration, in the exercise of its sole and exclusive prerogative, may deviate from the schedule of sanctions and impose a lighter or more severe sanction on violations, depending on its appreciation of mitigating or aggravating circumstances, which might include, but are not limited to, the following:
 - 7.1.1 The stages of execution of a **Felony Article 6 of RPC** (attempted, frustrated or consummated);
 - 7.1.2 Degree of participation (principal, accomplice or accessory);
 - 7.1.3 The amount or value of the property stolen/damaged;
 - 7.1.4 The status, rank, age and gender of the offender or offended party;
 - 7.1.5 The abuse of authority or confidence, ascendancy, or relationship, in committing the infraction;
 - 7.1.6 The use of firearms or other deadly weapons;
 - 7.1.7 Commission of the infraction under the influence of alcohol or illegal/controlled substances/drugs;
 - 7.1.8 The time, place, and occasion of the infraction;
 - 7.1.9 Voluntary confession/admission of wrongdoing or immediate return/restitution of property lost, stolen, or destroyed;
 - 7.1.10 Intent/motive of the offender; or
 - 7.1.11 Other analogous circumstances, including those listed in the Revised Penal Code.

8. FINANCIAL RESTITUTION

- 8.1 The Company Administration reserves the right to make automatic salary deductions and/or forfeit accrued benefits to effect restitution in favor of the Company for damages or the value of the property lost, stolen, or destroyed without needing the formal, prior consent of the erring employee.
- 8.2 The memorandum imposing the disciplinary action should always clearly state the demand for restoring monetary losses or repairing property damage.
- 8.3 The demand for financial restitution is not a penalty.

9. FORFEITURE OF BENEFITS

- 9.1 Terminating employment for just cause would result in the forfeiture of separation/retirement benefits due under the EmpireOne Retirement Plan (If any).
- 9.2 The unpaid salary and the current year's pro-rated 13th month pay will not be forfeited. However, they may be used to liquidate the employee's liabilities to the Company and other acknowledged obligations secured/coursed through the Company.

10. NON-RETALIATION

- 10.1 The Company encourages any member to report his/her observations of actions or omissions that conflict with this Code of Conduct and all other Company policies, rules, and regulations. In doing so, the Company commits to providing a safe environment free from fear and bullying by prohibiting any retaliation against anyone who, in good faith, discloses alleged infractions.

11. EMPLOYEE 201 FILE

- 11.1 Supervisors must furnish the OHRM with original copies of relevant documents about disciplinary actions, which shall form part of employee records (201 files). The relevant documents include verbal and written warnings issued to the employee, which had been duly acknowledged/received by the employee concerned.
- 11.2 The Office/Department concerned and the Unit HR shall keep their own photocopies of documents about disciplinary action.

III. DISCIPLINARY ACTION

1. PROGRESSION OF DISCIPLINARY ACTION

- 1.1 In the Company's Code of Discipline, infractions are classified according to their gravity; likewise, sanctions increase correspondingly with the gravity of infractions. The table below shows the type/extent of sanction corresponding to each class of infraction:

Infraction	Sanction
Minor	Written Warning
Moderate	Second or Final Written Warning (With or without Suspension)
Major	Termination

However, applying disciplinary actions may increase in severity for successive infractions and/or aggravating circumstances.

- 1.2 The totality of an employee's record is considered in meeting the appropriate sanction for each infraction committed.

2. PRELIMINARY TO DISCIPLINARY ACTION for MINOR INFRACTIONS

- 2.1 First Written Warning is the first step in the preliminary process for minor infractions. It involves a verbal discussion between the Immediate Supervisor and the employee. This discussion should be documented and signed by both the employee concerned and the Immediate Supervisor.

- 2.2 Second Written Warning up to Final Written Warning is the second step after the First Written Warning. It shall be issued for violations where a Verbal Warning had already been previously given.
- 2.3 In both preliminary steps, documentation shall include the following and must be signed by both the employee concerned and the Immediate Supervisor:

- 2.3.1 The employee is informed of his /her unacceptable performance or improper behavior and the necessary corrective action;
- 2.3.2 The employee is required to improve performance or correct behaviour;
- 2.3.3 The employee is given a reasonable and specific time frame within which he/she shall improve his/her performance or correct his/her behaviour;
- 2.3.4 The employee is advised that his/her performance or behaviour is considered severe enough to commence the use of the disciplinary action process.

3. TYPES OF DISCIPLINARY ACTION

- 3.1 **A written warning** is a formal memorandum detailing an employee's infractions and warning that further violations will merit the imposition of a more severe disciplinary action.

- 3.1.1 An employee is given a Written Warning when he/she commits an infraction for which verbal and written warnings had already been issued.
- 3.1.2 The Disciplinary Action (DA) memorandum shall include:
 - 3.1.2.1 a reference to the previous written warnings;
 - 3.1.2.2 the current infraction committed (refer to the Table of Infractions);
 - 3.1.2.3 the corrective action to be taken;
 - 3.1.2.4 a reasonable period to improve performance or correct behaviour;
 - 3.1.2.5 a warning that further violations will warrant the imposition of more severe disciplinary action, which may lead to termination of one's employment;
 - 3.1.2.6 the effect of the Written Warning on his/her performance appraisal and promotion.

- 3.2 **SUSPENSION** is the temporary prohibition of an employee from reporting for work as a sanction for an infraction committed. While serving the suspension, the employee is also prohibited from entering the Company or attending any official Company function without prior authorization from his/her Office/Unit Head and the HR Manager.

- 3.2.1 An employee who commits an infraction for which a written warning had been previously issued or who commits an infraction classified as moderate or significant (refer to the Table of Infractions) is suspended.
- 3.2.2 The suspension duration depends on the gravity of the infraction/s committed. The employee is not entitled to any salary and benefits (released through payroll during the suspension period).
- 3.2.3 All disciplinary actions to suspend an employee must be reviewed by the OHRM Manager and approved by the Director and CEO.

3.2.4 The Disciplinary Action (DA) memorandum shall include:

- 3.2.4.1 A reference to the previous written warnings, if applicable.
- 3.2.4.2 The identification of the current infraction/s committed (refer to the Table of Infraction);
- 3.2.4.3 A summary of the due process followed;
- 3.2.4.4 Description/s of the facts of the case, observations, and findings;
- 3.2.4.5 Citation/s of applicable provision(s) from the Company manuals, policies and procedures, rules and regulations, instructions, circulars, memoranda, the Labor Code of the Philippines, and other pertinent laws which were violated;
- 3.2.4.6 The duration of the suspension and the specific dates/period covered (start and end dates);
- 3.2.4.7 A warning that further violations will warrant imposition of more severe disciplinary action, including and up to termination of one's employment;
- 3.2.4.8 The effect of the Suspension on employee performance appraisal and promotion.

3.3 TERMINATION OF EMPLOYMENT is the release of an employee from his/her employment with the Company for a just cause.

- III.3.1. Termination of employment is meted out when an employee commits the same infraction for which he/she had been previously suspended, or he/she commits another infraction despite having been meted out a suspension, or he/she commits a violation classified as a major infraction (refer to the Table of Infractions).
- III.3.2. All disciplinary actions to terminate one's employment shall be reviewed by the HR Manager and approved by the Director.
- III.3.3. The Disciplinary Action (DA) memorandum shall include:
 - III.3.3.1. A reference to the previous verbal and written warnings, Written Warning, and/or suspension if any;
 - III.3.3.2. The identification of the current infraction/s committed (refer to the Table of Infractions);
 - III.3.3.3. A summary of the due process followed;
 - III.3.3.4. A description of the facts of the case, including observations and findings;
 - III.3.3.5. Citation/s of applicable provision(s) from the Company manuals, policies and procedures, rules and regulations, instructions, circulars, memoranda, the Labor Code of the Philippines, and/or other pertinent laws which were violated;
 - III.3.3.6. The date when the termination of the employee's employment takes effect or if the employment is terminated immediately upon receipt of the disciplinary action memorandum, as the case may be.

IV. PROCEDURES

The following procedures shall be observed in the implementation of the discipline process:

- 1. WRITTEN WARNING:** When a Written Warning is the maximum sanction applicable based on the Table of Infractions, the following procedures shall be observed in processing a complaint regarding the alleged commission of such infractions:

- 1.1 The Immediate Supervisor/ HR issues a Notice to Explain (NTE) to the employee, asking him/her to explain why he/she should not be sanctioned for an alleged commission of an infraction. The HR Officer/Manager shall note the NTE.
- 1.2 The employee has five (5) calendar days to submit a written and signed reply addressed to his/her Immediate Supervisor.
- 1.3 Depending on the employee's response to the Notice to Explain, whether it is a non-admission or an admission of guilt, the following shall then be followed;

- 1.3.1.1 **Non-Admission:** The employee may submit a written response in which he/she does not admit to committing the infraction.

- 1.3.1.2 Suppose the Immediate Supervisor/HR finds the employee's written explanation sufficient or acceptable. In that case, all proceedings shall cease, and the Immediate Supervisor shall issue the corresponding memorandum to clear the employee of the allegations against him/her.

- 1.3.1.3 If the Immediate Supervisor/HR does not find the employee's written explanation sufficient/acceptable, then the Immediate Supervisor shall forward the case to the Approving Authority (refer to the Approval and Service of Disciplinary Action Table for the authorized Approving Authority) to determine whether a Local Disciplinary Action Committee (Local DAC) should be formed to hear the case and make necessary recommendations.

- 1.3.1.4 If the Approving authority finds enough bases in the facts of the case and the written explanation to decide, then he/she issues the Written Warning immediately.

- 1.3.1.5 If the Approving Authority finds insufficient bases in the facts of the case and the written explanation to make a decision, he/she may form a Local DAC to hear the case and make the necessary recommendations.

1.3.2 Admission. Suppose the employee admits in writing to the Immediate Supervisor the commission of the alleged infraction. In that case, the Immediate Supervisor recommends to the Approving Authority that the appropriate disciplinary action be taken.

- 1.3.2.1. If the Approving Authority finds the facts of the case and the written admission enough bases to make a decision, then he/she issues the written Warning immediately.

- 1.3.2.2 If the Approving Authority finds the facts of the case and the written admission insufficient to decide, then he/she may form a Local DAC to hear the case and make necessary recommendations.

2. SUSPENSION or TERMINATION OF EMPLOYMENT: When a Suspension or Termination of Employment is the maximum sanction applicable based on the Table of Infractions, the following procedures shall be observed in processing a complaint regarding the alleged commission of such infractions:

- 2.2 The HR Manager creates a Company Disciplinary Action Committee (CDAC) to investigate the matter. HR Manager shall select and appoint members of the CDAC.

- 2.3 The RM Manager issues a Notice of Explanation (NTE) to the employees, asking him/her for a written explanation as to why he/she should not be sanctioned for his/her alleged commission of an infraction.
- 2.4 The employee has three (3) calendar days to submit his/her written reply to the NTE.
- 2.5 The CDAC meets to discuss the violation, review the employee's written reply and other available evidence and documentation, hear the employee's side and explanation in a hearing, and, if necessary, hear accounts of witnesses or other employees who may know the case's subject matter.
- 2.6 The CDAC prepares a report of its observations, findings, and recommendations, which is submitted to the HR Manager. In consultation with the Office/Department/Unit Head, the latter shall make the final decision regarding the final disposition of the case, including the appropriate disciplinary action to be meted out to the employee if warranted.
- 2.6.1 **SUSPENSION.** If the HR Manager decides to suspend the employee, the Office/Department Head and the HR Manager will sign and issue a disciplinary action memorandum informing the employee of his/her suspension.
- 2.6.2 **TERMINATION OF EMPLOYMENT.** If the HR's recommendation to the CEO/Director is to terminate the employment of the concerned employee and the CEO/Director approves the recommendation. The Company Director and the HR Manager will issue a memorandum informing the employee of the termination of his/her employment.

3. GUIDELINES FOR SPECIFIC CASES

- 3.1 For cases involving fraud/negligence, which may result in financial loss, the procedures for suspension or termination of employment (Part IV: Procedures, Section 2) shall be followed, but with the involvement of the Company Director for Finance. The latter shall be his/her representative in the CDAC and be notified of the status of the case from the time of issuance of the NTE to the resolution.

The Company HR will decide on the appropriate resolution of the case based on the CDAC's recommendation, including terminating employment.

- 3.2 For sexual harassment cases, the procedures for suspension or termination of employment (Part IV: Procedures, Section 2) shall be followed. The Committee on Decorum and Investigation (CODI) shall replace the CDAC referred to in the said section.

- 4. DOCUMENTATION.** All memoranda issued to the employee regarding this procedure shall be duly received, signed by the latter, and filed in his/her employee record (i.e., 201 file).

V. APPROVAL AND SERVICE OF DISCIPLINARY ACTION

The tables below indicate the appropriate authorities' roles in approving and implementing disciplinary action.

1. Preliminary to Disciplinary Action

	Originator/ Authority responsible for implementation
1. Written Warnings	HR – Employee Relation

2. Disciplinary Action

	Recommending Body	Approving Authority	Authority responsible for implementation
1. Written Warning			
Staff Professionals	Immediate Supervisor/HR	Immediate Supervisor or Office Head Department Head	HR Manager/Officer
Administrative Officers	Immediate Supervisor/ HR	Company Director or CEO, as applicable	HR Manager/Officer

	Recommending Body	Approving Authority	Authority responsible for implementation
2. Suspension			
Staff Professionals	Immediate Supervisor/HR	Company Director in consultation with Immediate Supervisor/HR	HR Manager/Officer
Administrative Officers	Immediate Supervisor/ HR	Company Director or CEO, as applicable	HR Manager/Officer

3. Termination of Employment			
Staff Professionals	Immediate Supervisor/HR	CEO/Director	HR Manager/Officer
Administrative Officers	Immediate Supervisor/ HR	CEO/Director	HR Manager/Officer

VI. ADVERSE EFFECTS OF THE IMPOSITION OF DISCIPLINARY ACTION

1. The Company gives each employee a chance to improve performance and/or correct his/her behavior. However, the erring employee must face the consequences of his/her actions.
2. Disciplinary action imposed has adverse effects on performance review ratings, promotion, and Company Awards for Excellence (CAE).
3. An employee is disqualified from being promoted or receiving a Company Awards for Excellence (CAE) for a period as specified in the table below:

Disciplinary Action	Adverse Effect on Performance Review (for the fiscal Year under Review)	Adverse Effect on Company Awards for Excellence (CAE)	Adverse Effects on Promotion
Written Warning	No rating higher than "average"	Not Qualified For CAE for the current fiscal Year	No promotion/or not eligible to apply for a higher position for three (3) months from the date of receipt of the Written Warning
Suspension of one (1) to seven (7) days	No rating higher than "below average"	Not qualified for CAE for the current fiscal year	No promotions /not eligible to apply for higher position for Six (6) months from the date the suspension is served
Suspension of eight (8) to fifteen (15) days	No rating higher than "below average"	Not qualified for CAE for the current fiscal year	No promotions/not eligible to apply for higher position for twelve (12) months from the date the suspension is served
Suspension of sixteen (16) to thirty (30) days	No rating higher than "below average"		No promotions/not eligible to apply for higher position for twenty-four (24) months from the date

		Not qualified for CAE for the current fiscal year	the suspension is served
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Note: The director and CEO can override the adverse effects on promotion.

VII. INFRACTIONS AND IMPOSSIBLE DISCIPLINARY ACTIONS

Since all employees act as ambassadors of the Company in their daily work, they are expected to observe high standards of conduct and behave in a manner that reflects positively on themselves and the Company. They shall fulfill their duties and responsibilities diligently with due regard to the values promoted by EmpireOne BPO Solutions Inc. and under its policies and procedures, as well as its rules and regulations.

The following Table of Infractions is not meant to be exhaustive or cover all possible scenarios. The Company reserves its right to impose disciplinary sanctions for other actions that may be in violation of the provisions of the Labor Code of the Philippines and other relevant laws and regulations, Company-issued circulars, memoranda, Directives, and the like.

The sanctions indicated for each group of infractions in this Code should be the usual disciplinary actions; however, depending on attendant mitigating and aggravating circumstances, the Company reserves its right to exercise its direction and issue a lower or higher sanction.

LEGEND:

WR - Written Warning

WR with SUSP – Written Warning with Suspension

WR without SUSP - Written Warning without Suspension

TOE – Termination of employment

- 1. INTEGRITY.** Integrity flows from the honesty and fairness of all employees in performing their duties and their interactions with the Company. They are expected to conduct themselves accordingly without using their position for personal gain or advantage.

INFRACTION	GRAVITY OF INFRACTION	NUMBER OF REPEAT INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
1.1 Using another employee's Identification Card (ID) or having another employee use your ID for time in/out (Kasocius) purposes, whether to record one's own or another's time in/out.	Moderate	First WW	FWW with SUSP of 7 days Maximum 10 days	TOE		

1.2 Unauthorized alteration or falsification of entries in one's or another employee's time records	Major/Grave	First WW	FWW with SUSP 7 days Maximum 10 days	TOE		
1.3 Malingering (fabricating or exaggerating the symptoms of mental or physical disorders)/feigning illness (pretending to be sick)	Moderate	First Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE	
1.4 Unauthorized use of Company resources for personal use/gain or tasks other than assigned work (e.g., office supplies, equipment, person hours, etc.)	Minor	First Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE	
1.5 Unauthorized use of the name and/or visual identity device (i.e., logo, seal, letterhead) of the Company for personal transactions	Major/Grave	First Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE		
1.6 Giving false testimony or withholding of information in any investigation or inquiry conducted in relation with or concerning any matter affecting the Company's interest; suppression of evidence relative to any subject matter under investigation	Major/Grave	First Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE		

or withholding of information to cover up any irregularity or infraction.						
1.7 Making false statements or furnishing fraudulent information in the application form or in any document submitted for the purpose of employment; withholding of information intended to cover up any irregularity or infraction committed previously in the application for employment	Major/Grave	FWW with SUSP 7 days Maximum 10 days	TOE			
1.8 Deliberately providing false statements against a co worker/person or deliberately lying in relation to cover up any failure towards the job. Minor impact towards the company not resulting to company loss.	Major/Grave	FWW with SUSP 7 days Maximum 10 days	TOE			
1.9 Willfully receiving on behalf of the Company, materials and equipment knowing that the same are of less or inferior value than what was specified in the purchase order or what was paid for by the Company.	Major/Grave	FWW with SUSP 7 days Maximum 10 days	TOE			
1.10 Receiving fees, commissions, kickbacks, goods, or services from suppliers and /or clients for having considered or	Major/Grave	FWW with SUSP 7 days Maximum 10 days	TOE			

patronized their products or services						
1.11 Deliberate submission of a false expense statement, padding of receipts, overcharging in reimbursement of expenses and tampering with official receipts	Major/Grave	TOE				
1.12 Misappropriation or malversation of Company funds; non-remittance or withholding of funds belonging to or entrusted by the Company	Major/Grave	TOE				
1.13 Theft involving funds, equipment, supplies or the property of the Company, co-employee, or other stakeholders, whether the same is only attempted or frustrated and regardless of whether the person involved is the main perpetrator or just an accomplice or accessory	Major/Grave	TOE				
1.14 Failure to report immediately any loss, damage, or pilferage from which the Company has suffered after having access to such information.	Moderate	1st Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE	
	Moderate				TOE	

1.15 Unauthorized solicitation and/or acceptance of money, goods, and/or services from any external person/organization transacting business with the Company		1st Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days		
1.16 Conflict of Interest such as engaging services or employment, may it be full-time or part-time, belonging in the same industries that affect one's productivity.	Moderate	1st Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE	
1.17 Providing information classified as confidential to unauthorized persons, such as, but not limited to, employee records, salary data records, employee performance evaluation records, and office communications	Moderate	1st Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE	
1.18 Providing misleading or false explanations for absence, tardiness, or any other work-related obligations, which may include misrepresentation of illness, adverse weather conditions, or engagement in non-work-related activities during scheduled work hours.	Moderate	FWW with SUSP 7 days Maximum 10 days	TOE			
1.19 Failure to clock into the Kasocius/Timekeeping system could result in an incorrect salary amount or even no salary.	Minor	1st Written Warning	2nd Written Warning	FWW with SUSP 7 days Maximum 10 days	TOE	

2. **PUBLIC MORALS.** Public morals refer to moral and ethical standards enforced by society on its members. Employees are expected to observe high moral and ethical standards as their actions done in public reflect on the Company.

INFRACTION	GRAVITY OF INFRACTION	NUMBER OF REPEAT INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
2.1 Gambling or betting, in any form, within the premises of the Company	Moderate	First Written Warning	FWW with Suspension of 7 days Maximum 10 days	TOE		
2.2 Possessing, showing, exhibiting, or viewing pornographic materials, pictures, films or literature or intentionally accessing/opening browsers using Company's resources or doing so within the Company premises	Moderate	First Written Warning	FWW with Suspension 7 days Maximum 10 days	TOE		
2.3 Engaging in indecent (whether verbal or non-verbal), lewd or immoral conduct within the premises of the Company or during Company activities	Major/Grave	FWW with Suspension 7 days Maximum 10 days	TOE			

2.4 Performing acts of lasciviousness against any member or guest of the Company	Major/Grave	FWW with Suspension 7 days Maximum 10 days	TOE			
2.5 Committing any act against public morals punishable by the Revised Penal Code, such as engaging in any scandalous or immoral practices such as maintaining illicit (forbidden by law, rules, or custom) relationships, pimping (providing female/male companions), and similar acts that violate common decency or morality	Major/Grave	FWW with Suspension for 10 days	TOE			
2.6 Committing any act that is offensive to social convention, including unwelcome verbal, visual or physical conduct of any nature.	Major/Grave	First Written Warning	Second Written Warning	Final Written Warning	TOE	

- 3. PRODUCTIVITY.** Each employee has a valuable contribution to ensure the Company's continued viability. This may be achieved by making good use of one's time and the resources available at work. This includes but is not limited to, coming to work on time and avoiding unexcused absences.

	GRAVITY OF	NUMBER OF REPEAT
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INFRACTION	INFRACTION	INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
3.1 Tardiness (Lates/Overbreak) - Below 30 min. Five infractions in a month. However, a grace period of (5) minutes is provided for each working day before an employee will be marked as tardy.	Minor	FWW	SWW	FWW	TOE	
3.2 Excessive tardiness - Tardiness is considered excessive when the same has been committed for (10) or more times in a given month and/or is tardy for more than 1 hour.	Moderate	First WW	FWW with SUSP (7 days)	TOE		
3.3 NCNS Committing 3 consecutive NCNS (With RTWO)	Major	AWOL				
3.4 Unauthorized undertime-undertime is understood as not completing one's official work hours, such as: <ul style="list-style-type: none"> Failure to report at one's workstation after timing-in; 	Minor	First WW	SWW	FWW with SUSP (7 days)	TOE	
3.5 Failure to notify immediate Supervisor of the reason: for sick leave at least four hours before the start of one's official work schedule; and for emergency leave at least within the day; or failure to file vacation leave three days before the date of the leave <i>(Supervisor must acknowledge receipt of the notification, otherwise it will be considered as a leave of absence without pay.)</i>	Moderate	First WW	FWW with SUSP (7 days)	TOE		
			TOE			

3.6 Extending the original period of a previously authorized vacation/sick leave without prior authorization - At least two days extension		FWW with SUSP (7 days)				
3.7 Sleeping or loitering during one's official work schedule with no significant impact	Moderate	First Written Warning	FWW with SUSP (7 days)	TOE		
3.8 Patronizing ambulant vendors, solicitors or collectors of contributions for any purpose whatsoever during one's official work schedule	Minor	First WW	SWW	FWW	TOE	
3.9 Attending to personal business during working hours or engaging in non-work-related activities during official work hours (for example the unreasonable use of social media for personal concerns, attending to personal calls, browsing the internet for non-work-related content, attending to personal emails)	Minor	First WW	SWW	FWW	TOE	
3.10 Engaging in horseplay, riotous behavior or conduct which cause a disturbance	Moderate	First Written Warning	FWW with SUSP (7 days)	TOE		
3.11 Habitual Absenteeism – unexcused/unauthorized absences of at least three (3) days in any given month (non-consecutive)	Major/Grave	First Written Warning	FWW with SUSP (7 days)	TOE		
3.12 Failure to accomplish a given project, assignment or deliverables with no valid reasons		First Written Warning	FWW with SUSP (7 days)			

	Moderate			TOE		
<p>3.13 Simple Negligence of duties that cause an error with minimal business impact, such as but not limited to</p> <ul style="list-style-type: none"> - failure to put the customer on hold, and the customer hung up -failed to follow his/her schedule - Failure to accomplish a given tasks including but not limited to not providing critical updates. 	<p>Moderate</p> <p>Moderate</p>	First Written Warning	FWW with SUSP (7 days)	TOE		
<p>3.14 Gross or Habitual negligence in assigned task/duties that causes an error with significant business impact</p> <ul style="list-style-type: none"> a. huge company loss b. Anything prejudicial to the image or reputation of the company to its customers and external; parties c. Client escalations/ call out 	Major/Grave	TOE				
3.15 Improperly executing or delegating specifically assigned tasks to that are considered critical caused company loss	Major/Grave	FWW with SUSP for 10 Days	TOE			
<p>3.16 Refusal to render overtime in cases provided for by law (Labor Code of the Philippines, Art. 89):</p> <ul style="list-style-type: none"> a. When the country is at war or when the National Assembly or the Chief Executive has declared any other national or local emergency; 	Moderate	First Written Warning	FWW with SUSP (7 days)	TOE		

<p>b. When overtime is necessary to prevent loss of life or property or in case of imminent danger to public safety due to actual or impending emergency in locally caused by a serious accident, fire, flood, typhoons, earthquakes, epidemic or other disasters or calamities;</p> <p>c. When there is urgent work to be performed on machines, installation, or equipment/facilities in order to avoid serious loss or damage to the Company or some other causes of a similar nature;</p> <p>d. When the work is necessary to prevent loss or damage to perishable goods;</p> <p>e. When the completion or continuation of work started before the 8th hour is necessary to prevent serious obstruction or prejudice to the business or operations of the Company;</p> <p>f. When overtime work is necessary to avail of favorable weather or environmental conditions where the performance or quality of work is dependent thereon.</p>						
3.17 Insubordination or refusal to carry out a reasonable work order, including but not limited to, refusal to accept work, change shifts, or work	Major	FWW with SUSP for 10 days	TOE			

location assigned by a supervisor or the Company.						
<p>3.18 Any work or call avoidance types which include but are not limited to:</p> <ul style="list-style-type: none"> a. Not answering a critical call/lead or service call/lead b. Intentionally disconnecting a call or failing to answer lead request c. Deliberately was unable to respond to customer chat/calls/emails resulting in customer escalation d. Negligence resulting in call avoidance. Ex: Sleeping while on duty and missed some calls. 	Major/Grave	TOE				
3.19 Failure of the employee to improve and meet the job standard of tasks and responsibilities after being coached and given a chance to improve his/ her performance; Failing the company's performance improvement plan or the likes	Major/Grave	Final Written Warning with SUSP for 10 days	TOE			
3.20 Unauthorized staying in an area to disrupt work	Minor	First WW	SWW	FWW	TOE	
<p>3.21 Stats Manipulation</p> <p>Deliberately doing incorrect activities to manipulate stats or performance.</p> <p>Including but not limited to: Gaming, Sales Manipulation, Selecting easy tasks/case to handle</p>	Major/Grave	FWW with SUSP for 10 days.				

3.22 Unauthorized Absence: The employee/agent failed to report to work but was able to notify his/her direct supervisor at least four hours before the scheduled shift.	Moderate	First WW	SWW	FWW with SUSP for 7 days.	TOE	
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- 4. RESPECT FOR PERSONS.** Relationships with company members must be governed by mutual respect. Employees' conduct should promote a safe and healthy environment free from intimidation and harassment for all company members.

INFRACTION	GRAVITY OF INFRACTION	NUMBER OF REPEAT INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
4.1 Intimidating, bullying, or threatening guests or members of the Company within the premises of the Company	Moderate	First WW	FWW with SUSP for 7 days	TOE		
4.2 Provoking or instigating a fight or attempting to inflict injury on guests or another member of the Company within the premises of the Company	Moderate	First WW	FWW with SUSP for 7 days	TOE		
4.3 Fighting or inflicting injury on guest or another member of the Company within or outside the premises of the Company during work hours	Major/Grave	FWW with Suspension 7 days Maximum 10 days	TOE			
4.4 Compelling, forcing, or requiring any member of the Company to perform illegal acts	Major/Grave	TOE				
	Major/Grave	TOE				

4.5 Sexual harassment as defined by law.						
4.6 Retaliation against a person who reports/reported an alleged infraction or who testifies, assists or participates in any administrative proceeding- Retaliation includes but is not limited to, threats, intimidation, reprisals, and/or any adverse action related to employment, education or a business decision.	Major/Grave	Final Written Warning	TOE			

- 5. RESPECT FOR PROPERTY.** Employees are expected to respect each other's personal property as well as that of the Company. Due diligence and care must be exercised in handling and using property and resources belonging to the Company, as well as those that belong to other members of the Company.

INFRACTION	GRAVITY OF INFRACTION	NUMBER OF REPEAT INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
5.1 Misuse of or damage to Company records, property, resources, products and/or services	Moderate	First WW	FWW with SUSP for 7 days	TOE		
5.2 Being Disrespectful towards co worker, using foul language or act discourteous	Moderate	First WW	FWW with SUSP for 7 days	TOE		
5.3 Damage to co-employee's property within the Company premises or during any official function outside the Company premises	Moderate	First WW	FWW with SUSP for 7 days	TOE		
	Moderate	First WW	SWW		TOE	

5.4 Tampering with the lockers or drawers of any members of the Company				FWW with SUSP for 7 days		
5.5 Vandalism	Moderate	First WW	SWW	FWW with SUSP for 7 days	TOE	
5.6 Intentionally divulging confidential information of the company and its accounts to competitors and any unauthorized persons.	Major/Grave	TOE				
5.7 Bringing and using of mobile phones in non-designated areas	Moderate	First WW	SWW	FWW with SUSP for 7 days	TOE	
5.8 Failure to follow Building House Rules Policy/ Dress Code Policy	Moderate	First WW	SWW	FWW with SUSP for 7 days	TOE	

- 6. HEALTH, SAFETY, AND SECURITY.** Reasonable health, security, and safety precautions must be observed to ensure the well-being of the Company. All employees are expected to report promptly to one's Immediate Supervisor any hazard, accident, injury, or incident that would compromise the well-being of any member of the Company.

INFRACTION	GRAVITY OF INFRACTION	NUMBER OF REPEAT INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
6.1 Endangering oneself and/or member/s of the Company through gross negligence,	Major/Grave	Final Written Warning	TOE			

carelessness, inefficiency, or willful disregard of the recommendation/order of a competent authority						
6.2 Disregarding or violating security and safety rules, including those for fire, and theft	Moderate	First WW	SWW	FWW with SUSP for 7 days	TOE	
6.3 Refusal to submit to and abide by Company security regulations including submission of medical certificate and fit to work.	Major/Grave	FWW with SUSP for 7 days	TOE			
6.4 Refusal/failure to undergo the Annual Physical Examination (APE) or Random Drug Testing as scheduled by the Company	Major/Grave	TOE				
6.5 Refusal/failure to heed the physician's recommendation in regard to the result of the APE and/or any medical finding that may compromise other employees (example: Prospected communicable disease)	Major/Grave	TOE				
6.6 Submit someone else's medical records (e.g., chest x-ray) or other medical samples (e.g., blood, urine as your own	Major/Grave	TOE				
6.7 Engage in unsanitary acts or habits within the Company premises or at a Company function. (Failed to observed CLAYGO)	Minor	First WW	SWW	FWW with SUSP for 7 days	TOE	
6.8 Falling to seek medical treatment to address an illness, which because of its infectious	Major/Grave	FWW with SUSP for 10 days	TOE			

nature, endangers the health of others						
6.9 Non-disclosure of contagious diseases which may endanger the lives of other employees	Major/Grave	TOE				
6.10 Smoking/lighting a cigarette in "Danger" areas "DANGER" areas are places where combustible or flammable substances/materials are stored or where such signs are located.	Major/Grave	FWW Suspension 10 days	TOE			
6.11 Unauthorized possession and/or use of a device (e.g., lock pick, master key) which can open padlocks, lockers, drawers, offices, storage areas and/or vehicles within the Company	Major/Grave	FWW Suspension for 10 days	TOE			
6.12 Unauthorized entry and/or letting unauthorized persons into highly restricted areas as defined by the units- Restricted areas include, but are not limited to, the following: Accounting office, Server Room, Boardroom, Generator Room, and where employees' records are kept.	Major/Grave	First Written Warning	FWW Suspension for 10 days	TOE		
6.13 Unauthorized possession and/or display of firearms, explosives or flammable materials, and bladed and sharp tools which are not work-related within the Company premises	Major/Grave	FWW Suspension For 10 days	TOE			
			TOE			

6.14 Refusal to leave the place of work or premises of the Company for security, safety, and/or health reasons when required to do so by a supervisor or authorized representative of the Company	Major/Grave	FWW Suspension For 10 daysays				
6.15 Malicious dissemination of false information that may cause panic, e.g., threats of bombs, explosives, or any similar devices	Major/Grave	TOE				
6.16 Non-observance of proper housekeeping such as but not limited to: <ul style="list-style-type: none"> a. Proper disposal of waste materials b. Failure to observe ClayGo (Clean as you go) 	Minor	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	
6.17 Creating or doing unsanitary acts inside the production floor, such as but not limited to: <ul style="list-style-type: none"> a. Eating inside the production floor b. Failure to use the spill-proof mug. 	Moderate	First Written Warning	FWW with SUSP for 7 days	TOE		
6.18 Failure to follow the provisions of the Locker Policy, Foot sock Policy, Dress Code Policy and other memo	Moderate	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	
6.19 Failure to follow the provisions of the ID Policy,	Moderate	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	

7. GOOD CONDUCT. In performing one's work, due regard must be given to the members of the Company. All employees are expected to display courtesy and good behavior, ensuring a good working environment in deference not only to co-employees but also to the public that we serve.

INFRACTION	GRAVITY OF INFRACTION	NUMBER OF REPEAT INFRACTION				
		1 ST	2 ND	3 RD	4 TH	5 TH
7.1 Smoking in Company Premises	Major/Grave	First Written Warning	FWW with SUSP for 7 days	TOE		
7.2 Failure to maintain cleanliness and order in the assigned workstation	Minor	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	
7.3 Failure to follow the English – Only Policy in the Production Floor Area	Minor	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	
7.4 Creating unnecessary noise inside the office	Minor	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	
7.5 Failure to complete the pre-employment requirements within the given deadline	Major/Grave	First Written Warning	FWW with SUSP for 7 days	TOE		
7.6 Posting of any unauthorized material or unauthorized removal of any official poster, announcement, memorandum, circular or other Company document	Moderate	First Written Warning	FWW with SUSP for 7 days	TOE		
7.7 Discourteous acts or words in dealing with any customer, guest or any member of the Company	Moderate	First Written Warning	FWW with SUSP for 7 days	TOE		

7.8 Reporting for work under the influence of alcohol	Major/Grave	Final Written Warning	Suspension 7 days Maximum 10 daysays	TOE		
7.9 Bringing in of alcoholic drinks or beverages	Major/Grave	Final Written Warning	Suspension 7 days Maximum 10 daysays	TOE		
7.10 Unauthorized drinking of alcoholic beverages within the Company premises and during Company functions	Major/Grave	FWW with SUSP for 7 days	TOE			
7.11 Violation of RA 9165 (“Dangerous Drugs Act of 2002”): <ul style="list-style-type: none"> Reporting for work under the influence or prohibited drugs or substances Possession, use, or selling of prohibited drugs or substances/paraphernalia within Company premises or at any Company functions 	Major/Grave	TOE				

7.12 Holding or conducting a meeting that is non-work related or participating in any nonwork-related activity inside the premises of the Company without prior permission from the immediate supervisor	Minor	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	
7.13 Initiating and spreading (sharing) gossip/rumours/information or uploading videos/images/audio	Moderate	First Written Warning	Second Written Warnings	FWW with SUSP for 7 days	TOE	

recordings through the internet, text messages, or other media that may embarrass or discredit the Company and/or any member of the Company; ranting, attacking, fighting on media that may dishonour or shame the company and/or any member of the company						
7.14 Conviction in a court of law for a criminal infraction	Major/Grave	TOE				

VIII. APPEAL PROCESS

1. An employee who has been meted out a sanction of a Written Warning or Suspension may appeal the decision to the next higher authority (usually the Company Director) within five (5) working days from receipt of the disciplinary action memorandum. Sufficient and meritorious justification must be provided for the appeal to prosper (e.g., new evidence that did not surface during the investigation which may mitigate the sanction meted out to the employees, a sound and valid reason why the employee thinks he/she was unjustly sanctioned, and/or other analogous circumstances/situation).
2. An Employee who has been meted out the sanction of Termination of his/her Employment may appeal the decision to the CEO within five (5) calendar days from receipt of the disciplinary action memorandum. Sufficient and meritorious justification must be provided for the appeal to prosper. (e.g., new evidence that did not surface during the investigation, which may mitigate the meted penalty, a sound and valid reason why the employee thinks he/she was unjustly sanctioned, and/or other analogous circumstances/situations).

Note: Pending the decision on the appeal, the sanction shall nevertheless be immediately effected or executed.

- 2.1 If a served suspension is reduced or overturned, reimbursement for lost pay will be accorded, and a clean record, if warranted, will be reflected in the employee's personal (201 file) record.
- 2.2 If termination of employment is overturned, the reinstatement of the affected employee shall be implemented as of the date stated in the decision on the appeal. Depending on the provisions of the decision on the appeal, back wages covering the period from the date an employment was terminated up to when the employee is reinstated shall also be accorded.

IX. MISCELLANEOUS

1. STANDARD REVIEW AND UPDATING PROCESS

- 1.1 The Human Resource Council (HR Council) shall review this Code of Discipline (COD) every three 3 years after its approval and dissemination or more frequently as necessary.

- 1.2 The HR Council shall update the COD as necessary, considering any new laws that may have been passed that may affect the material content of this Code or if sanctions for infractions deserve to be reclassified higher or lower on the sanction scale. The HR Council may issue a memorandum regarding the new policy or law and then include such updates in the review of the COD.
- 1.3 Any changes in the COCD must be approved by the CEO/Director or his designated representative before implementation.
- 1.4 Implementing changes made in the COCD for sanctions not yet served shall not have a retroactive effect unless the change lightens the corresponding sanction for an already specified violation or makes similar changes in favor of the employee. Changes will become effective fifteen (15) calendar days after their announcement/circulation.

2. EXCLUSIVE PREROGATIVE

The Company Administration, in the exercise of its sole and exclusive prerogative, may add, amend, revise and/or delete this Code.

3. SUPERSEDING CLAUSE

This supersedes all policies, circulars, and memoranda inconsistent with those contained in this document.

4. SEPARABILITY CLAUSE

If a provision of law repeals any portion of this Code, it shall not affect the remaining provisions not inconsistent with the law.

Approved By:

Cielo Villanueva- Cupta

Director