

XIGNEX DIGITAL SOLUTIONS INC

VIRTUAL BIZNEST

CODE OF CONDUCT

I. DESCRIPTION OF THE CODE OF CONDUCT

This Code of Conduct embodies the rules, general policies and guidelines of the Company based on governing principles it adheres to and believes in.

It is the basis by which all employees of the Company must conduct themselves in order to succeed as employees; and which helps them achieve or exceed the goals of the organization.

These are the standards by which an employee is measured and rewarded or penalized.

Specific expectations regarding the conduct of employees inside and outside of the company are enumerated including the corresponding corrective measures found in the latter portion of this Code of Conduct.

The Company reserves the sole right to amend, change and enforce this Code at any time for any reason.

In addition to the employee contract that the employee signs prior to or during his entry to the organization, this Code automatically forms part of the employee's employment contract.

Employees are expected to read the entire manual carefully, learn its contents, and retain their copy for reference and compliance.

The Administration & Human Resource Department will assist the employee on any inquiries on the contents hereof.

II. OBJECTIVES

This Code aims to:

- A. Define the employee's obligations and responsibilities in relation to his work, co-employees and the Company.
- B. Foster effective communications towards the realization of an efficient, productive and effective organization.
- C. Help create a working environment where all employees can function together harmoniously and cohesively as a productive and efficient team.

This Code of Conduct must be observed and followed. Corrective measures will be applied to those who fail to comply.

Any act not specifically covered by the Code which requires corrective action shall be handled by the Administration and Human Resource Department in a fair and just manner.

III. VALUES AND PHILOSOPHY

Respect for the Individual

- A. Everyone in Virtual BizNest is committed to a work environment that is both profitable and fun.

- B. Enthusiasm, strong work ethics, sense of humor, and good judgment are the basic values we nurture to create an atmosphere of excellence and a feeling of satisfaction and accomplishment.
- C. We recognize each other for our competence and character. At all times, we exercise integrity and are honest.
- D. We work as a team in the spirit of trust and cooperation. Through effective teamwork, we create powerful synergy.
- E. We assist and support each other because we believe that we accomplish more by working together as a group.
- F. We respect and appreciate each other's unique contribution to the team.

Accountability

- A. We count on each other to get the job done.
- B. We accept responsibility for our actions and their consequences.
- C. We learn from our mistakes.
- D. We do not frame or blame others.

Meritocracy

- A. The Company adheres to the principle of meritocracy. Opportunities for growth, responsibility and income are available to everyone who contributes to the success of the organization.
- B. The Company prefers to present new opportunities to qualified employees before looking outside the organization.

Life and Work Ethics

- A. At Virtual BizNest, no business requirement ever justifies an illegal act.

- B. Everyone is required to uphold the highest standards in ethical and professional practices.
- C. Each of us is personally committed to productivity.
- D. We are committed to getting the job done and approaching our daily work with gritty determination.
- E. We assist and support each other because we believe that we accomplish more by working together as a group.
- F. We celebrate and support those carrying the heaviest loads.

Operational Excellence

- A. Quality and excellence is our way of life.
- B. Excellence is reflected in how we design our processes, serve our clients, handle support customers, and behave toward each other.

Superior Client Value

- A. Everyone at Virtual BizNest exists to deliver incomparable service to our clients.
- B. The Company's leadership and superior financial performance in the industry are natural results of our ability to understand client needs, meet client requirements, and exceed client expectations.
- C. We will always remember that we are a service company.
- D. Every communication with clients is handled with diplomacy, friendliness and professionalism.

Cost Leadership

- A. In order to deliver superior value, we offer our services at competitive prices.

- B. We will only invest money where it creates value for clients.
- C. We are committed to being cost conscious, thrifty and good stewards over our resources.

Knowledge

- A. We recognize each other's capacity for growth and improvement, and commit ourselves to lifelong learning and continuous professional development.
- B. We actively seek knowledge, experience and the insight of others.

IV. STATEMENT OF ETHICAL PROFESSIONAL PRACTICE

All at Virtual BizNest shall behave ethically and embrace the overarching principles that express our values and observe the Standards that guide our conduct.

Principles

The Company espouses the overarching ethical principles of honesty, fairness, objectivity and responsibility. Everyone shall act in accordance with these principles and shall encourage others within the organization to adhere to them.

Standards

An employee's conduct must be guided by the following standards. Failure to comply may result to a corrective action:

1. Competence

Each employee has a responsibility to:

- perform professional duties in accordance with all laws, regulations and technical standards
- provide decision support information and recommendations that are accurate, clear, concise and timely
- recognize and communicate professional limitations or other constraints that will preclude responsible judgment or successful performance of an activity
- work with intensity or focus on assigned tasks and duties
- maintain, if not surpass, the level of performance, competence and standard of work set by the Company
- maintain an appropriate level of professional expertise by continually developing relevant knowledge and skills

2. Confidentiality

Each employee has a responsibility to:

- keep information confidential except when disclosure is authorized or legally required
- inform all relevant parties regarding appropriate use of confidential information and monitor subordinates' activities to ensure compliance
- refrain from using confidential information for unethical or illegal advantage
- acknowledge, accept and agree that all projects, conceptions, creations, work output, products, results, innovations, discoveries and ideas created, manufactured, built and/or accomplished during

the term of their employment and all proprietary rights and privileges attendant to its creation, manufacturing, building and/accomplishment shall belong and pertain exclusively to the Company.

3. Integrity

Each employee has a responsibility to:

- mitigate actual conflicts of interest, regularly communicate with business associates to avoid apparent conflicts of interest and advise all parties of any potential conflicts
- refrain from engaging in any conduct that will prejudice carrying out duties ethically
- abstain from engaging in or supporting any activity that may discredit the organization
- work diligently to advance the interest of the Company

4. Credibility

Each employee has a responsibility to:

- be honest
- communicate information fairly and objectively
- disclose all relevant information that can reasonably be expected to influence an intended user's understanding of the reports, analyses or recommendations

- disclose delays or deficiencies in information, timeliness, processing or internal controls in conformity with Virtual BizNest policies and/or applicable law.

5. Company Representation to the Public

- The CEO or his representative is authorized to issue statement, represent and communicate with the media for and in behalf of the company. Any other person/s aside from the two mentioned will have to be authorized by the CEO to be able to do so.
- No employee of the Company while employed, shall in any way communicate with the media, write articles or sponsor or initiate one that projects the company in a bad light in any way, shape or form

6. Consensual Relationships

- The Company is NOT against consensual relationship between two employees.
- The Company however does not approve of consensual relationship between a supervisor and a subordinate within the same team or department.
- If the relationship however is borne of true affection, then this relationship must be transparent and reported to the company.
- The latter shall then initiate the transfer of one party involved to another department or team. This protects the individuals involved against issues like conflict of interest.

V. RESOLUTION OF ETHICAL CONFLICT

In applying the Standards of Ethical Professional Practice, you may encounter problems identifying unethical behavior or resolving an ethical conflict.

When faced with ethical issues, please follow the Company's established policies on the resolutions of such conflict.

If these policies do not resolve the ethical conflict, consider the following courses of action:

1. Discuss the issue with your immediate supervisor.
2. If it appears that your immediate supervisor is involved or if you cannot achieve a satisfactory resolution, submit the issue to the Manager.
3. If after the fact it is still not resolved, escalate it to Human Resources.
4. For those who render support activities like Accounting, Human Resources or Technical Support staff – report and discuss the matter with your immediate supervisor, then to the Department Head.
5. Communication of such issues/problems to authorities or individuals not employed or engaged by the Company is not appropriate, unless you believe there is a clear violation of the law.

VI. GENERAL GUIDELINES

1. The Code of Conduct shall apply to all employees of the Company:
 - while they are inside the company premises on duty or off duty
 - while they are outside the company premises on duty
 - while they are outside the company premises off duty, provided that the incident is connected with their work, or results to damage or prejudice to the company

2. The Code is not intended to be restrictive or all encompassing. Offenses not included or defined in the Code shall be treated on a case-to-case basis with due regard to the existing applicable Philippine labor laws and jurisprudence.
3. Ignorance of Company policies, rules and regulations shall not excuse any employee from complying therewith, from being subjected to appropriate actions or from serving the penalties herein contained or promulgated hereafter
4. Any or all acts violating and/or constituting a violation of the Code or of any Company policy, rule or regulation shall be considered as an offense and the erring employee shall be subjected to the appropriate corrective action
5. The classification of the offenses listed hereunder is merely descriptive and shall in no way affect the true nature and character of the offense committed in relation to existing provisions of the Labor Code of the Philippines and other similar laws and regulations
6. Offenses committed will be treated cumulatively and jointly even if they fall under a different type of category of offense
7. The employee may be penalized regardless of whether the commission of the offense is consecutive or not
8. Corrective actions shall be imposed by the immediate supervisor of the affected employee with the assistance of the Office of Administration & Human Resource

9. The corrective penalty of suspension shall be without pay. In no case will suspension from work be charged to earned leave benefits. Service of the suspension shall be during working days
10. Effectivity days of suspension cases will be at the discretion of the immediate supervisor or team leader who will schedule the dates of such suspension. The days of suspension may not be successive. The company has the option as to what days the employee will serve their suspension. Implementation of the corrective action will be carried out regardless of the employee's refusal to receive corrective penalty. Such tender and refusal should be indicated in the WN Form. A witness shall be called to attest to such refusal and a copy of the WN Form shall be sent to the employee at his/her last known address by registered mail
11. Implementation of corrective action on erring employees shall not prevent the Company from instituting civil and/or criminal actions against them in accordance with the applicable laws of the Philippines.
12. The Company reserves the right to suspend any or all provisions in this Code and those that may be promulgated hereafter, and to be lenient in meritorious cases
13. The Company reserves the right to impose a heavier or lighter penalty other than provided herein, whenever the circumstances of the case so warrant, taking into account the nature of the offense and the gravity thereof.

14. Failure of the Company to apply and impose the corresponding corrective sanction as provided herein shall not constitute a waiver of its right to enforce the provisions contained herein for similar acts committed in the future.

15. The Company, whenever necessary, may promulgate such other policies, rules and regulations relative to discipline which shall be deemed automatically incorporated in this Code.

The Company may also delete, amend or revise existing definitions and/or penalties

16. In case of irreconcilable conflict between the provisions of this Code and those of other policies, rules and regulations, the more recent provision shall prevail over a previous one.

Unless necessarily modified therein, other policies, rules and regulations shall be applied in consideration of the nature of operations or functions of the department, section or position where the employee is assigned.

VII. DISCIPLINARY PROCEDURES

The following guidelines and procedures shall be observed by the Company in the implementation of corrective action under this Code:

A. FOR OFFENSES WHERE THE IMPOSABLE SANCTION IS NOT SUSPENSION OR DISMISSAL

1. The Company shall issue a written notice to the employee.

2. The employee shall submit, within twenty-four (24) hours from the time of their receipt of the written notice, their written explanation and their

Failure of the employee to submit their written explanation within the prescribed period shall be considered a waiver of their right to answer the charges against them. reasons why no corrective action should be taken against them.

3. After receipt of the written explanation or if the employee shall have failed to submit their written explanation after the lapse of twenty-four (24) hours from the time the employee received his/her written notices, the Company shall render its decision in writing, make a brief finding therein and shall serve a copy thereof to the employee.

B. FOR DEVIATIONS WHERE THE IMPOSABLE SANCTION IS SUSPENSION OR TERMINATION

1. The Company shall issue a written notice to the employee.
2. The employee shall submit, within twenty-four (24) hours from the time of their receipt of the written notice, their written explanation and their reasons why no corrective action should be taken against them.

Failure of the employee to submit their written explanation within the prescribed period shall be considered a waiver of their right to answer the charges against them.

3. Upon receipt of the written explanation or after the lapse of the 24-hour period without the employee submitting their written explanation and reasons why they should not be suspended or terminated, the Company shall schedule an investigation or administrative hearing.

4. At the investigation or administrative hearing, the personal presence of the employee is required.

Failure of the employee to attend this investigation or administrative hearing without justifiable excuse shall be considered a waiver of their right to adduce evidence in their defense

If they so desire, the employee may be assisted by their counsel at the investigation/administrative hearing.

5. The employee may request that the investigation be reset to another date only on the account that their counsel will be not be available on the original date set. Only one resetting shall be allowed.

6. In the investigation or administrative hearing, the employee concerned shall be given an opportunity to adduce their defense to the charges leveled against them.

The Company shall have the sole discretion to terminate the formal investigation.

After the completion of the formal investigation, the Company shall assess and evaluate the evidence and determine whether or not the employee is guilty thereof, and if guilty, impose therein the appropriate penalty/ies.

The decision of the Company to suspend or terminate the employee

shall be in writing and shall be served upon the employee concerned.

7. The Company may, pending the investigation of the charge(s), place the employee under preventive suspension, if their continued employment poses a serious and imminent threat to the life or property of the employer or their co-employees, or may obstruct the investigation
- C. If it appears that your immediate supervisor is involved or if you cannot achieve a satisfactory resolution, submit the issue to the Manager.
 - D. For those who render support activities like Accounting, Human Resources or Technical Support staff – report and discuss the matter with your immediate supervisor, then to the Department Head.
 - E. Communication of such issues/problems to authorities or individuals not employed or engaged by the Company is not appropriate, unless you believe there is a clear violation of the law.

VIII. CORRECTIVE ACTIONS

Virtual BizNest requires everyone to adhere to the Code of Conduct to ensure proper decorum and set the norm of conduct for all its employees.

In cases of deviation from the same, the following corrective measures, as appropriate, may be administered.

1. Verbal Reprimand

2. Corrective Counseling – At the discretion of the Company, counseling of the erring employee may be held after office hours to instill in the employee the knowledge that there is a penalty for the offense(s) committed.

Hours spent for corrective counseling shall not entitle the erring employee to receive pay.

3. Written Warning – A written warning is a more serious action than corrective counseling. Supporting documents or a report of the deviations must be attached to the Notice of Corrective Action Form, which shall be used for documentation.

4. Suspension – This is the compulsory and temporary absence of the employee from work on a no-pay status as a result of a repeated violation of a Company policy, rule or regulation or a serious infraction that requires a more severe action.

The Notice of Corrective Action Form will still be used for documentation.

The prescribed number of days per offense is the maximum suspension that may be imposed. However, the Manager, with the concurrence of Human Resources Manager, may reduce or increase the number of days based on mitigating and/or aggravating circumstances attending the particular case.

5. Termination – This is the most serious form of employee corrective action which becomes necessary when all attempts to correct the misdemeanor have failed or where, because of the gravity of the offense, dismissal is specifically resorted to per Company rules and regulations even for first offenders.

IX. Classification of Offenses:

1. **MINOR OFFENSES** – Infractions or offenses considered minor. The corrective action shall be Corrective Counseling, Verbal Warning or Written Warning only.
2. **LESS GRAVE OFFENSES** – Infractions or offenses that are regarded serious in nature and have a negative impact on the organization's business, employee morale, property, and general business operations. The corrective action shall be up to Suspension.
3. **GRAVE OFFENSES** – Infractions or offenses that adversely affect the company and the entire organization; the severity of such infractions could cause major disruption and jeopardize the company's stability. The corrective action shall be up to Termination.

IX. NATURE OF OFFENSE AND IMPACT TO BUSINESS

The Table of Offenses found in the Code outlines the actions/behaviors the Company deems to have a negative impact to its operations and business. An explanation of the category or nature of the offenses is provided therein together with the specific list of offenses falling under each category and a brief explanation of such.

1. Violation of Performance Standards

Performance standards are the minimum requirements of a job to ensure the continued existence of the Company.

The nature of the business of the Company dictates that in each and every

project, timeliness, accuracy and credibility are of the essence.

When violations against performance standards are committed, the Company suffers repercussions ranging from a simple delay in the delivery of the project to client dissatisfaction to losing the project and the client entirely.

It is, therefore, of paramount interest to the Company that employees are present and on time during the shift; that each employee performs each job according to the standards of quality, work ethics and professionalism; and that work continues uninterrupted throughout the business year.

2. Violation Against Professional and Interpersonal Relationships

The existence of good professional and interpersonal relationships contribute to employee satisfaction and retention.

It is the goal of the Company that employees are able to communicate their thoughts and feelings to their superiors and peers appropriately without fear and hesitation.

Acts that harm the harmonious interpersonal relationships in the workplace negatively impact the operations of the Company because the same may cause high employee turnover, poor quality of work, project delays and eventually, unsatisfied clients.

3. Violation Against Safety, Health and Use of Company Resources

Company mechanisms and devices as well as policies ensure the safety and good health of all employees in the workplace. Violation of these policies, including misuse and nonuse of these mechanisms and devices, exposes risk and danger to anyone, if not everyone in the workplace.

On the other hand, Company resources like equipment, furniture, supplies, tools and technology are solely for the use of the Company. Inappropriate,

unauthorized or wrong utilization of these resources diminishes their utility and is financially disadvantageous to the Company

4. Gross Neglect of Duty

Habitual neglect of duty refers to the commission of a combination of various categories of offenses which, when put together, shows a person to be one who continually and regularly fails to observe the diligence required of them as an employee. The nature of this offense entitles the Company to review past offenses and evaluate them collectively. Other acts which may be committed or other causes which may exist, although not falling squarely within the above categories or in the Table of Infractions, which are nevertheless related to or similar therewith, shall be dealt with in accordance with the Code.

XIII. RESET PERIOD

In a continued effort to balance performance with employee motivation and as a sign of good faith, the management has decided to provide a reset period to the present Code of Conduct this allows our employees opportunities to relieve themselves of the burden and implications of these offenses as they pile up and result to an increased overall gravity score.

The reset period for each classification is as follows:

| CLASSIFICATION | RESET PERIOD |
|--------------------|--------------|
| Minor Offense | 3 months |
| Less Grave Offense | 6 months |

XIII. PRESCRIPTION CLAUSE

The corrective action shall remain active for a prescribed period of time after the unacceptable behavior is committed. Regardless of the prescription clause, the records of offenses that are reset as prescribed continue to have an impact on the employee's general record.

The prescription clause of the Code of Conduct is provided as follows:

1. All offenses committed on or before August 27, 2018 will prescribe on August 26, 2019. This means that this could no longer be used as basis for gross neglect of duty in the monitoring of offenses leading to the accumulation of the gravity score.
2. Offenses committed August 27, 2018 onwards will prescribe based on the gravity of the offense (shown by its gravity score) as provided in the Code.

The prescription period for each gravity classification is as follows:

| Nature of Offenses (Gravity Score) | Standard Penalty | Prescription Period |
|---|-------------------------|----------------------------|
| 1 | Verbal Reprimand | 6 months |
| 2 | Written Reprimand | 1 year |
| 3 | 2 to 5 days suspension | 1 ½ years |

| Nature of Offenses (Gravity Score) | Standard Penalty | Prescription Period |
|---|-------------------------|----------------------------|
| 4 | 5 to 10 days suspension | 2 years |

3. When the gravity score of the offense is not equivalent to the penalty imposed upon the erring employee, the gravity score prevails over the sanction and as such, will be the basis for the prescription.
4. Upon prescription of an offense, frequency or the gravity of subsequent offenses of the same nature will count from that offense after the one that prescribed.

X. REPEALING CLAUSE

Any existing policy, rule or procedure which is contrary to or inconsistent with the foregoing provisions is deemed modified or repealed accordingly upon effectivity of this Code.

XI. SEPARABILITY CLAUSE

If any provision of this Code is declared to be contrary to law, morals or public policy, only such provision shall be void.

The rest shall remain in full force and effect, unless the same becomes inoperative or impractical if implemented without the particular provision(s) declared to be contrary to law, morals or public policy.

XII. EFFECTIVITY CLAUSE

This Code of Conduct shall take effect on August 27, 2018

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|--|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| I. VIOLATION OF PERFORMANCE STANDARDS | | | | | | | |
| A. NON-ADHERENCE TO ATTENDANCE & SCHEDULING REQUIREMENTS | | | | | | | |
| a. Excessive Breaks | Taking breaks more than the allowed time | 1st | 2nd | | 3rd | 4th | 5th |
| b. Tardiness | Coming to work late | 1st | 2nd | | 3rd | 4th | 5th |
| c. Unauthorized Undertime | Unauthorized or any unexcused undertime of more than one hour in a shift | | 1st | | 2nd | 3rd | 4th |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|-----------------------------|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| d. AWOL (absence w/o leave) | Any absence without justifiable reason which is (a) not supported by an approved leave application or (b) an unauthorized extension of one’s previously approved Leave of Absence. (c) Notification may be in the form of a text message, phone call, fax or email message or other acceptable means set forth by the team. Notification must be done at least two hours prior to the start of the shift and must be confirmed and approved by the immediate supervisor/team leader. | | 1st | | 2nd | 3rd | 4th |
| f. Consecutive Absences | Unauthorized or any unexcused absence for at least two (2) but not more than three (3) consecutive days | | | | 1st | 2nd | 3rd |
| g. Abandonment of Work | Unauthorized and unexcused absence | | | | | | 1st |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | or AWOL for four (4) consecutive days or more | | | | | | |
| B. OFFENSES RELATING TO WORK ETHICS AND PROFESSIONALISM | | | | | | | |
| a. Failure to log in/out | Two counts of failure to log within a pay period shall constitute a single offense. | | 1st | | 2nd | 3rd | 4th |
| b. Failure to Render Accountability | Failure to account for advanced company funds, accountable forms, company-issued tools and equipment and similar items; failure to render and submit regular reports or other reports/information as may be required by the company. | | 1st | | 2nd | | 3rd |
| c. Alteration of official documents | Unauthorized alteration or falsification of any company record that includes giving of false or misleading information about | | | | | 1st | 2nd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|--|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | the Company, work, work processes and/or one's self. | | | | | | |
| d. Reporting to work under the influence of liquor/drugs | Coming or reporting to work under the influence of liquor or drugs, including drinking of alcoholic beverages during work hours within the company premises except during company-authorized occasions. | | | | | 1st | 2nd |
| e. Lewd conduct | Indecent or immoral conduct within the Company premises including, but not limited to, having sex, exhibitionism/voyeurism, and browsing, distributing or showing of pornographic materials. | | | | | 1st | 2nd |
| f. Conflict of interest | Engaging, participating or involving oneself | | | | | 1st | 2nd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | directly or indirectly in any transaction, undertaking or enterprise which is in conflict with or is undesirable or detrimental to the interest of the Company | | | | | | |
| g. Breach of Confidentiality | Unauthorized disclosure or use of classified information including information generated for internal use of the Company regardless of whether or not the same was posted/published within the Company; engaging in any form of intelligence collection using Company facilities. | | | | | 1st | 2nd |
| h. Disclosure of confidential information | Disclosure of one’s contract agreement details between the employee and the company, such as salary, commissions, | 1st | 2nd | | 3rd | 4th | |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | allowances and benefits. | | | | | | |
| C. OFFENSES THAT AFFECT QUALITY OF WORK | | | | | | | |
| a. Unsatisfactory Work Performance | Failure of an employee to provide the required diligence and due care in the performance of his work. An employee’s work assignment consists of that which is explicitly given to him by the manager/team leader of his department and other job assignment that will be given to him/her from time to time. | | | | 1st | 2nd | 3rd |
| b. Discourtesy to client | Swearing or blurting out profanities towards the client, making fun of the client, hanging up on them and other similar acts | | | | 1st | 2nd | 3rd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|--|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| c. Falsification | Mutilating or adding false entries on EOD reports, documenting answers contrary to or different from what the client gave, fabricating conversations, willful perversion of facts, making fraudulent transactions and other similar acts. | | | | | | 1st |
| D. DISRUPTION OF WORK | | | | | | | |
| a. Sleeping while on duty | Sleeping during work hours in any area within company premises | | | 1st | | 2nd | 3rd |
| b. Unauthorized/inappropriate activities during work hours | Abuse of company time for example, unauthorized time away from the work area, use of company time for personal business, texting or receiving text messages during hours of work, engaging in excessive visiting or long personal conversations, or | | | 1st | | 2nd | 3rd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|-----------------------------|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | using the computer for personal use | | | | | | |
| c. Disruptive Behavior | Inappropriate shouting, boisterous laughter, abnormally raising one’s voice, and similar acts | | | 1st | | 2nd | 3rd |
| d. Failure to work overtime | Failure to work overtime without any valid reason after signifying willingness and being authorized/instructed to do so. | | | 1st | | 2nd | 3rd |
| e. Refusal to accept work | Refusal to accept work, change of shift or work location assigned by a supervisor/team leader or management. | | | | 1st | 2nd | 3rd |
| f. Work slowdown | Participating in any kind of work slowdown or similar concerted interference with company operations | | | | | 1st | 2nd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| g. Gambling | Gambling in any form, promoting or assisting gambling operations, betting lottery or any game of chance contrary to law, within company premises. | | | | | 1st | 2nd |
| II. VIOLATION AGAINST PROFESSIONAL AND INTERPERSONAL RELATIONSHIP | | | | | | | |
| A. Disobedience/insubordination | Willful failure to follow a supervisor's or the company's instructions. Willful refusal to obey or comply with official and lawful orders, rules and instructions | | 1st | | 2nd | 3rd | 4th |
| B. Discourtesy/disrespect to co-employees | Improper conduct and acts of gross discourtesy and/or disrespect to co-employees, visitors and/guests at any time within company premises | | | | 1st | 2nd | 3rd |
| C. False information | Deliberately submitting false, misleading or grossly inaccurate | | | | | 1st | 2nd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | data/information about other employees | | | | | | |
| D. Threats/Offensive language | Using disrespectful, abusive, indecent or offensive words/language to co-employees, visitors and/or guests of the company | | | | | 1st | 2nd |
| E. Intrigue/Defamation/Malicious Statements/False Information | Making false, defamatory or malicious statements against a co-employee or the company as a whole so as to dishonor, discredit or contempt the said employee of the company; deliberately submitting false, misleading or grossly inaccurate data/information about other employees. | | | | | 1st | 2nd |
| F. Commission of a crime | Commission and/or being found guilty of crime punishable under existing laws | | | | | | 1st |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| G. Assault/Inflicting Bodily Harm | Inflicting or attempting to inflict bodily harm to a co-employee, whether inside or outside the company premises, in relation to work | | | | | | 1st |
| III. VIOLATION AGAINST APPROPRIATE USE OF COMPANY PROPERTY, SAFETY AND HEALTH | | | | | | | |
| A. INAPPROPRIATE USE OF COMPANY PROPERTY | | | | | | | |
| a. Smoking in undesignated places | Smoking in work areas, comfort rooms and other areas not designated as a smoking area | | 1st | | 2nd | 3rd | 4th |
| b. Littering | Acts creating or contributing to unsanitary conditions; littering, which includes leaving leftovers or dirty dishes unattended on a workstation and throwing cigarette butts anywhere except in trash bins. | | 1st | | 2nd | 3rd | 4th |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| c. Unauthorized entry/exit to offices | Unauthorized entry or exit from any restricted area, or permitting or assisting any person to enter and/or have access to restricted areas, cabinets, drawers, lockers, files, computer files, etc. | | | 1st | | 2nd | 3rd |
| d. Unauthorized use of company property | Unauthorized use, operation, possession or lending of company property, equipment or materials for personal use/purpose. | | | 1st | | 2nd | 3rd |
| e. Willful damage to property | Deliberately damaging or attempting to damage company property. | | | | | | 1st |
| f. Failure to report damage | Failure of the employee to report any damage to company property caused by the employee himself | | 1st | | 2nd | 3rd | 4th |
| g. Theft | heft or unauthorized | | | | | | 1st |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|--|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | removal or appropriation of company records or property of co-employees, visitors and guests | | | | | | |
| B. OFFENSES RELATED TO SECURITY, SAFETY AND HEALTH | | | | | | | |
| a. Failure to comply with company health and security requirements | Not wearing ID, failure to submit pre-employment documents, annual medical exams and other similar offenses. | | 1st | | 2nd | 3rd | 4th |
| b. Unauthorized use of ID & employee identification documents | Lending or permitting the use of one's company ID or company-issued documents for the benefit of another | | | | | 1st | 2nd |
| c. Endangering company safety | Committing acts which endanger the safety of oneself, others or the property of the company | | | | | 1st | 2nd |
| d. Working while harboring a contagious disease | Failure to notify the Administration and HR Department | | | | | | 1st |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | that one is suffering from a contagious disease which may endanger the health of other employees | | | | | | |
| e. Possession/use of illegal drugs | Possessing, using or causing others to use prohibited drugs within company premises | | | | | | 1st |
| f. Possession of deadly weapon/explosive | Unauthorized carrying or possession of deadly weapon(s) and/or explosive(s) inside the company premises | | | | | | 1st |
| C. OFFENSES RELATING TO COMPANY IT FACILITIES AND INTELLECTUAL PROPERTY | | | | | | | |
| a. Forwarding of non-work related emails | Forwarding/transmitting/storing of personal emails/td> | | 1st | | 2nd | 3rd | 4th |
| b. Unauthorized internet use | Using company computer resources to access the internet for personal purpose without approval from the user’s manager and the IT department. | | 1st | | 2nd | 3rd | 4th |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| c. Unauthorized downloading of programs | Unauthorized downloading of any shareware programs or files for use without prior authorization from the user's manager and the IT Department | | 1st | | 2nd | 3rd | 4th |
| d. Unauthorized use of data storage facility | Acquisition, storage and dissemination of data which is illegal, pornographic or which negatively depicts race, sex or creed | | | | 1st | 2nd | 3rd |
| e. Breach of assigned password | Allowing others to use one's username and/or password | | | 1st | | 2nd | 3rd |
| f. Unauthorized access of files, data and information | Unauthorized access to information that is not needed for proper execution of job functions, making unauthorized changes to information contained therein, unauthorized pointing/hyperlinking of company web | | | 1st | | 2nd | 3rd |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|--|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | sites or intracompany sites to internet/VBN sites | | | | | | |
| g. Unauthorized use of intellectual property | Use, transmission, duplication or voluntary receipt of material that infringes on the copyrights, trademarks, trade secrets or patent rights of any person or organization. It is assumed that all materials on the internet are copyrighted or patented unless specific notices state otherwise. | | | | | | 1st |
| h. Abuse of usage of company IT and the internet | Creating, posting, transmitting or voluntarily receiving any unlawful, offensive, libelous, threatening, harassing material including but not limited to comments based on race, national origin, sex, sexual orientation, age, disability, religion | | | | | | 1st |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|--|---|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| | or political beliefs, using current company software or the internet. | | | | | | |
| i. Use of company IT facility to perform illegal acts | Use of the company email or electronic messaging system to infringe the copyright or other intellectual property rights of third parties to distribute defamatory, fraudulent or harassing messages, or otherwise to engage in any illegal or wrongful conduct. | | | | | | 1st |
| j. Commission of a crime (local or global) related to information technology | Any conduct that constitutes or encourages the commission of a criminal offense, leads to civil liability or otherwise violates any regulation, local, national or international law including but not limited to US export control laws and regulations. | | | | | | 1st |

| Specific Offense | BRIEF EXPLANATION (if any) | CORRECTIVE ACTION WITH CORRESPONDING GRAVITY SCORE | | | | | |
|---------------------------|--|--|--|---|---------------------|-------------------------------------|-------------|
| | | Verbal Reprimand | Written Reprimand with warning of suspension | Written Reprimand with warning of termination | 2-5 days suspension | 5-10 days suspension to termination | Termination |
| GRAVITY SCORE | | 1 | 2 | 3 | 3 | 4 | 5 |
| IV. GROSS NEGLECT OF DUTY | | | | | | | |
| GROSS NEGLECT OF DUTY | Commission of offenses, whether or not falling within the same category and regardless of the timeframe within which the first and the last offenses were committed, which, when the gravity score for each offense is cumulated and lumped together, resulting to a total gravity score of equal to or not more than fifteen (15) | | | | | | 1st |