

## **CODE OF CONDUCT<sup>1</sup>**

The Code of Conduct was promulgated to uphold the Company's values on excellence in everything we do, honesty and integrity, and respect for every individual. It also enables those comprising the Group to work together as a cohesive and competent team deeply committed to duty and responsibility.

### **1. CLASSES OF OFFENSES**

Violations against company policies, rules and regulations subject to disciplinary actions are classified as offenses concerning:

1.1 Conduct of Behavior

1.2 Security and Property

### **2. TYPES OF DISCIPLINARY ACTIONS**

Disciplinary measures are imposed in progressively increasing weight whenever violations are committed against the prescribed policies, rules and regulations. A running period of ONE (1) calendar year will be the basis for computing and imposing applicable penalties for repeated/recurring violations.

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<sup>1</sup> Section III of the Alcantara Group Corporate Office Employee Handbook, v-07.01.12, pages 23 -36

## 2.1 Verbal Reprimand

Verbal admonition for minor violation committed with a reminder that repetition of the offenses will be dealt with more severely.

## 2.2 Written Reprimand

Written reprimand for repeating an offense in which a verbal reprimand was previously given, or for the commission of a more serious violation which requires stronger disciplinary actions that need not be preceded by a verbal reprimand.

## 2.3 Suspension

Written notice of temporary lay-off without pay and suspension of benefits for committing serious to major offenses

## 2.4 Dismissal

Termination of an employee's services for just cause.

## 2.5 Other types of Disciplinary Actions

Management has the prerogative to impose appropriate disciplinary action depending on mitigating or aggravating circumstances.

### 3. PROGRESSIVE DISCIPLINARY ACTION FOR REPEATED OFFENSES

#### 3.1 Minor Offenses

- 1<sup>st</sup> offense - Verbal reprimand
- 2<sup>nd</sup> offense - Written Warning
- 3<sup>rd</sup> offense - 3 days maximum suspension
- 4<sup>th</sup> offense - 10 days maximum suspension
- 5<sup>th</sup> offense - 15 days maximum suspension
- 6<sup>th</sup> offense - Dismissal

#### 3.2 Serious Offenses

- 1<sup>st</sup> offense - Written warning or 3 days suspension
- 2<sup>nd</sup> offense - 10 days maximum suspension
- 3<sup>rd</sup> offense - Dismissal

#### 3.3 Major Offenses

- 1<sup>st</sup> offense - 15 days maximum suspension or dismissal
- 2<sup>nd</sup> offense - Dismissal

*If offenses result to loss to the Company, the employee shall pay the cost of damages or replacement.*

#### 4. GUIDELINES FOR IMPLEMENTING DISCIPLINARY ACTIONS

- 4.1 Line managers are held responsible for the strict implementation of the Code of Conduct.
- 4.2 Due process must be followed, i.e., employees should be given a chance to explain prior to the imposition of disciplinary action.
- 4.3 The immediate superior will impose the disciplinary action.
  - 4.3.1 Employees for suspension will be informed in writing of the Company's decision.
  - 4.3.2 A copy of the written warning with the employee's signature acknowledging receipt of the penalty will be filed in employee's 201 file. It will be a factor in evaluating the employee's performance within that rating period.
  - 4.3.3 Disciplinary action resulting to suspension shall be served in whole and will not be divided into segments several days apart (i.e. penalty of "six (6) days suspension" must be served continuously and not in segments of two (2) suspensions of three days each, or any other combination of days).
  - 4.3.4 The period of limitation of prescription is within 12 months from the date of the first offense.

## 5. LIST OF OFFENSES SUBJECT TO DISCIPLINARY ACTION

### 5.1 MINOR OFFENSES

#### Disciplinary Action

- 1<sup>st</sup> offense : Verbal warning
- 2<sup>nd</sup> offense : Written warning
- 3<sup>rd</sup> offense : 3 days maximum suspension
- 4<sup>th</sup> offense : 10 days maximum suspension
- 5<sup>th</sup> offense : 15 days maximum suspension
- 6<sup>th</sup> offense : Dismissal

*(Note: Where the offense result to loss to the Company, the employee shall pay the cost of damages or replacement)*

#### 5.1.1 Conduct & Behavior

- 5.1.1.1 Improper office attire or failure/refusal to wear the prescribed company uniform and I.D
- 5.1.1.2 Failure to time in/out or swipe own time card
- 5.1.1.3 Failure to carry out instructions of a person in authority
- 5.1.1.4 False and/or malicious statements about the company, its employee or clients
- 5.1.1.5 Any conduct on company time which violates common decency, including:

- Creating or contributing to public disturbance such as engaging in horseplay, running, shouting during office hours or within company premises.
  - Fighting, verbal abuse during office hours and/ or within company premises.
- 5.1.1.6 Doing personal work or engaging in private business during work hours
- 5.1.1.7 Misuse of internet/email for activities that interface with job responsibilities
- 5.1.1.8 Leaving work areas or company premises during working hours without permission
- 5.1.1.9 Sleeping, loitering or abandoning place of work during office hours
- 5.1.1.10 Gambling within Company premises
- 5.1.1.11 Causing material wastage due to carelessness
- 5.1.1.12 Accident with injury due to negligence
- 5.1.1.13 Unauthorized posting, altering or removing any matter on bulletin boards or company property
- 5.1.1.14 Failure to undergo the required physical examination
- 5.1.1.15 Other acts similar to the above that may be determined by the Company

## 5.1.2 Security & Property

- 5.1.2.1 Requisition and use of Company supplies for personal use
- 5.1.2.2 Misuse of telephone, which would include its use for unnecessary personal incoming and outgoing calls during and after office hours
- 5.1.2.3 Misuse of the internet/email for personal gain or profit
- 5.1.2.4 Unauthorized use of the internet/email facility, e.g., downloading unauthorized software; unauthorized installation of new software
- 5.1.2.5 Failure to properly secure office equipment and/or machines and company records at the close of work hours
- 5.1.2.6 Failure to use or wear required or authorized personal protective equipment when working
- 5.1.2.7 Vandalism, posting, altering or removing any matter on bulletin boards, or other designated areas unless specifically authorized
- 5.1.2.8 Accident due to negligence with damages or cost to company amounting to less than P1,000
- 5.1.2.9 Other acts similar to the above that may be determined by the Company

## 5.2 SERIOUS OFFENSES

### Disciplinary Action

- 1<sup>st</sup> offense : Written warning OR  
3 days maximum suspension
- 2<sup>nd</sup> offense : 10 days maximum suspension
- 3<sup>rd</sup> offense : Dismissal

(Note: Where the offense result to loss to the Company, the employee shall pay the cost of damages or replacement)

### 5.2.1 Conduct & Behavior

- 5.2.1.1 Timing in/out for another employee (e.g swiping another employee's ID/timecard in the time recorder/bundy clock)
- 5.2.1.2 Unauthorized altering of one's ID/ timecard/time record or that of another employee's ID/timecard/time record
- 5.2.1.3 Harassment, threatening, intimidating, coercing, or assaulting fellow employees within the company premises
- 5.2.1.4 Use of offensive verbal or written remarks, lewd language against other persons
- 5.2.1.5 Misuse of authority or abuse of position to gain profit or advantage from employees under his supervision or control

- 5.2.1.6 Refusal to cooperate with a superior or officer in the performance of their duties or failure to do or neglecting to perform assigned work
- 5.2.1.7 Drinking alcohol or taking prohibitive drugs within Company premises
- 5.2.1.8 Reporting for work under the influence of intoxicating beverage or prohibitive drugs
- 5.2.1.9 False or fraudulent statements, written or knowingly withholding verbal or information, document or record in his possession and control during Company investigation
- 5.2.1.10 Publishing or publicly disseminating false or malicious statements about the Company, its employees or clients
- 5.2.1.11 Posting or downloading internet/email messages that are obscene, profane, threatening, harassing (racially, sexually or otherwise), defamatory, disruptive that will reflect poorly on the Company's name or reputation
- 5.2.1.12 Failure to report a serious contagious disease that may endanger other employees
- 5.2.1.13 Other acts similar to the above as may be determined by the Company

## 5.2.2 Security and Property

- 5.2.2.1 Accident due to negligence with damage to Company property amounting to over P1,000.00
- 5.2.2.2 Misuse of Company property or causing damage or loss of property
- 5.2.2.3 Failure to report an accident involving a company vehicle
- 5.2.2.4 Misuse or unauthorized access of the Company's internet/email facility resulting to the interference of the internet/email firewall or disruption of the internet/email service
- 5.2.2.5 Other acts similar to the above as may be determined by the Company

## 5.3 MAJOR OFFENSES

### Disciplinary Action

1<sup>st</sup> offense : 15 days maximum suspension  
OR dismissal

2<sup>nd</sup> offense : Dismissal

(Note: Where the offense result to loss to the Company, the employee shall pay the cost of damages or replacement)

### 5.3.1 Conduct of Behavior

- 5.3.1.1 Gross insubordination or disrespect to superiors
- 5.3.1.2 Betrayal of confidential information
- 5.3.1.3 Fraud or willful breach of trust in the conduct of the job
- 5.3.1.4 Using the internet/email for unauthorized access or release of confidential and/or restricted information
- 5.3.1.5 Using the internet/email to advertise or otherwise support unauthorized or illegal activities
- 5.3.1.6 Falsifying forging or altering official documents or Company records (including documents related to employment application or during course of employment)
- 5.3.1.7 Convincing with fellow employees or outsiders in falsifying, forging or altering Company records and/or official documents
- 5.3.1.8 Theft (whether consummated, attempted or frustrated) of Company or other employee's property/funds; malversation of Company funds
- 5.3.1.9 Illegal possession of firearms or other prohibited and dangerous items

- 5.3.1.10 Bringing in, possessing, selling or use of illegal drugs or unprescribed habit forming drugs or illegal drug paraphernalia within Company premises
- 5.3.1.11 Inciting, participating or intimidating others to participate in illegal concerted work stoppage, slowdown or other similar disruptive activities
- 5.3.1.12 Causing willful physical injury to any employee within the Company premises at anytime
- 5.3.1.13 Committing a criminal offense or a crime involving moral turpitude
- 5.3.1.14 Accepting other employment or engaging in business that may result in conflict of interest or competing antagonistic business
- 5.3.1.15 Offenses amounting to sexual harassment
- 5.3.1.16 Demanding, obtaining or accepting any sum of money, gifts or anything of value in consideration of any of the following:
  - For entering into arguments with suppliers, clients, or other third parties
  - For preferential treatment, unfair advantage or personal gain
  - For any act of service connected with the performance of one's duties and responsibilities

5.3.1.17 Other acts similar to the above as may be determined by the Company

## 5.3.2 Security and Property

5.3.2.1 Stealing, misappropriating, embezzling, damaging, destroying or substituting Company funds of property

5.3.2.2 Fraudulent, illegitimate or unauthorized possession, use withdrawal, acquisition or release of Company funds or property to other persons

5.3.2.3 Gross negligence or deliberate failure to follow instructions, established procedures, resulting in loss or damage to company property

5.3.2.4 Unauthorized removal from Company premises, concealing or deliberately misplacing Company property

5.3.2.5 Willful withholding and causing others to withhold due notification if known and needed information to persons concerned, resulting in loss or damage to Company property

5.3.2.6 Failure to report within a reasonable time, probable or actual loss or destruction of Company property

- 5.3.2.7 Operating, using, meddling with, tampering or impeding the proper use of machines, tools, equipment, vehicles and facilities which the employee has no authority to operate, use or otherwise have access to
- 5.3.2.8 Falsification of documents, padded receipts for reimbursement or liquidation of advances
- 5.3.2.9 Possession of firearms, explosive and/or deadly weapons within the Company premises at anytime without proper authorization
- 5.3.2.10 Other acts similar to the above as may be determined by the Company