

ATOK-BIG WEDGE CO., INC.

CODE OF DISCIPLINE

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PREAMBLE

To be part of the workforce of Atok-Big Wedge Co., Inc. (also referred to as the “Company”) requires the unconditional acceptance of the principle that the best form of discipline is SELF-DISCIPLINE, and that discipline is not limited to restraint or curtailment of one's behavior or conduct, but also the molding and conditioning of one's attitude, perception, conviction, and belief for the attainment of the highest form of excellence in the performance of work.

Every employee is expected to do his/her share in protecting the image and organizational well-being of the Company by observing the highest standard of honesty and integrity, professionalism, courtesy, punctuality, attendance, efficiency, responsibility, teamwork and cooperation as well as respect for others.

It is the goal of the Company to establish and nurture an environment that sustains, encourages and recognizes dutiful performance rather than to police and penalize its employees. Atok-Big Wedge Co., Inc. employees should act accordingly not because of penalties imposed, but to help the Company realize its goals and aspirations.

CHAPTER I

GENERAL GUIDELINES, DEFINITIONS AND COVERAGE

ARTICLE I. GUIDELINES

The following guidelines shall govern the administration of this Code of Discipline.

SECTION 1. STATEMENT OF POLICY

This Code of Discipline is promulgated to realize the following objectives:

- a. To encourage and support employees in their pursuit of total productivity, total quality and excellence in individual and organizational performance.
- b. To ensure and enforce compliance at all times with the company standards of performance and personal behavior.
- c. To correct wrongdoings, violation of rules or non-compliance therewith.

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- d. To instill to its employees the values of camaraderie, prudence, integrity and professionalism.

Atok-Big Wedge Co., Inc. believes that the basic purpose of discipline is to preserve harmony within the organization. Proper conduct is an indispensable condition in achieving this goal and for the effective and efficient performance of the organization as a whole. The administration of discipline must be firm, fair and equitable at all times under any condition, and for all purposes intended, must respect the dignity of the individual as a person whose offense is being investigated and/or corrected.

SECTION 2. SUMMARY PROCEEDING

Administrative investigation and other proceedings shall be conducted with prompt efficiency and shall be summary in nature. They shall not be governed by the strict technical rules of evidence and procedure applied in judicial proceedings. However the findings of administrative investigations shall be based on substantial evidence or such relevant evidence as a reasonable mind might accept as adequate to support a conclusion.

SECTION 3. TIMELINESS OF PENALTIES

Disciplinary action or penalties when found warranted by substantial evidence shall be imposed immediately thereafter.

SECTION 4. UNIFORMITY OF PENALTIES

Discipline must be imposed with consistency. It shall be uniformly and equitably applied to all offenders similarly situated regardless of rank or position in the Company. The same sanction shall be applied on all offenders committed under similar facts and circumstances. Like penalties shall be imposed for like offenses.

SECTION 5. IMPERSONAL IMPOSITION OF DISCIPLINE

The imposition of disciplinary action and penalties shall be impersonal, directed to the offense/infraction committed and not at the person or personality. As a rule therefore, the offense alone, together with mitigating or aggravating circumstances, shall be the measure of penalty to be imposed.

SECTION 6. SINGLE PENALTY RULE

Only one penalty shall be imposed for each offense. Furthermore, if a single set of facts or circumstances results in a finding that two or more offenses defined in this Code have been committed, the corresponding penalties for each offense shall be cumulated and/or the penalty finally imposed shall be based on the gravity of all offenses put together.

SECTION 7. HABITUAL DELINQUENCY

Except as otherwise provided in this Code, or subsequent thereto, and in connection therewith, the offenses incurred by the employee within a period of one year shall be taken cumulatively as basis for the imposition of the corresponding penalty warranting imposition of heavier penalty. Habitual delinquency shall not find its place in the Company. The length of time between the commission of each offense, whether of the same nature or not, must serve as the measure for determining whether the employee is incorrigible or merely indicate occasional lapses.

SECTION 8. RIGHT TO DUE PROCESS

Every employee who has committed a violation of any of the provisions of this Code shall be accorded his/her right to due process. No employee shall be held liable for the commission of an act, which may be deemed in violation of any of the provisions of this Code, unless he/she has been so informed in writing, allowed to

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explain the same in writing, called to a hearing or conference if deemed necessary where he/she is given the opportunity to respond to the charge/s, and present his/her evidence or rebut the evidence presented against him with the assistance of his counsel if he so desires.

SECTION 9. NO WAIVER OF PENALTIES

If an offense is committed, disciplinary action including the imposition of penalties when warranted, shall neither be waived, canceled, nor delayed for any reason after its effective date has been made final and executory.

SECTION 10. AUTHORITY AND RESPONSIBILITY

Each supervisor or people manager shall be strictly and directly accountable for the proper discipline and job performance of all employees reporting to him/her. Supervisors, who do not fulfill their role in ensuring their subordinates' compliance to Company policies, procedures, and Code of Discipline, shall themselves be subject to disciplinary action for failure to adhere to the Code of Discipline and Management directives.

ARTICLE II: DEFINITION OF TERMS

When used in this Code, the following terms (unless the context otherwise indicates) have the following meanings:

1. **Supervisor** – one who, in relation to another employee, is higher in station, rank, degree, and exercises authority over that of the other employee;
2. **Subordinate** – one who, in relation to another employee is lower in station, rank, degree or grade and is subject to the authority of that other employee;
3. **Employee** – a person employed by the Company in any capacity and shall include executives, managers, supervisory and rank-and-file personnel;
4. **Gravity** – refers to the seriousness of the nature of the offense or to the seriousness of the consequences of an offense.
5. **Mitigating Circumstances** – those circumstances by virtue of which the penalty incurred by a person who commits an offense is lessened or made less severe. This shall include the employee's length of service and past performance within the Company, lack of serious offenses in his employment file, the relative infrequency of minor offenses, and in

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general, any circumstance which in the judgment of the management justifies the imposition of a penalty less severe than that prescribed therefore.

6. **Aggravating Circumstances** – those circumstances by virtue of which the penalty incurred by a person who commits an offense is increased or made more severe. This shall include employee's past record of offenses, the frequency of the offenses (recidivism) even of different nature, adverse publicity to the Company caused by the offense and in general, any circumstance, which in the judgment of the management justifies the imposition of a penalty less severe than that prescribed therefore.

7. **Suspension** – suspension from service without pay. Availing of benefits shall likewise be suspended during the period of suspension. The time during which the employee has been placed under **Preventive Suspension** shall be deducted from the period of suspension unless the contrary is provided otherwise.

8. **Preventive Suspension** – temporary suspension from work. The employee under preventive suspension shall be barred from entering the company premises. This may be put into effect only in cases where his/her presence will pose danger to the life and property of the employees of the Company, as

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the case may be. Danger here does not have to be imminent. It is enough that there is some possibility of its occurrence, which shall be prevented to avoid any further risk, actual or constructive.

9. **Oral admonition** – verbal reprimand.
10. **Written Reprimand** – notice or memorandum addressed to the employee concerned stating the rule violated, the penalty, and the consequences of a repetition or omission in the future.
11. **Salary Deduction** – refers to the amount charged against the salary of the staff as a result of tardiness, undertime or absences.
12. **Restitution** – this refers to the amount imposed for losses or damage to property based on the current value of the property lost, damaged or destroyed. The Company may recover the amount through salary deduction or in installments or other legal means that may allow the offender to pay the amount involved. Restitution, however, does not relieve the other penalties attached to the offense or infraction.
13. **Forcible Resignation** – forcible resignation, as distinguished from dismissal, is the penalty for an offense that is normally punishable by dismissal, but mitigated by consideration and other circumstances. In forcible resignation,

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the employee concerned will not be entitled to benefits that will normally accrue on retirement or separation other than for cause. The employee concerned may be given clearance for purposes of re-employment with other companies like in the case of voluntary resignation.

14. **Dismissal** – it is the dishonorable separation from employment or service or the cessation of employer-employee relationship initiated by the Company. The employee concerned automatically forfeits all the benefits that normally accrue on retirement or on separation.

ARTICLE III: COVERAGE

This Code of Discipline shall apply to all employees of Atok-Big Wedge Co., Inc. regardless of rank or position in the Company's organizational structure including its executives, managers, supervisory and rank-and-file staff. This shall apply to the following states of employment:

- a. Regular employees
- b. Probationary employees
- c. Casual employees
- d. Project-Based employees
- e. On-the-Job Trainees with Pay

ARTICLE IV: CONFLICT OF RULES

In case of conflict between this Code and other special rules promulgated by the Company, the more severe provisions in regard to definitions of specific offenses and/or penalties prescribed therefore shall apply.

CHAPTER II

OFFENCES AND PENALTIES

ARTICLE I: PRINCIPLES

SECTION 1. OMNIBUS PROVISION

This Code shall not be construed as a limitation to other administrative acts, which may not be contained herein, but requiring immediate attention and solution at the opinion of the Company, the same being made part of this Code. All employees, for all purposes intended, must comply with and abide by the rules, regulations, standards, policies, instructions, and memoranda; especially standard of quality, behavior and productivity that the Company may otherwise promulgate and issue as a matter of course. Violation hereto shall mean imposition of penalty based on the gravity and/or frequency of the offense.

SECTION 2. SUPPLEMENTARY RULES

Every group, department, division, staff or any other organizational unit within the Company may, when warranted, issue supplementary rules and regulations which would clarify and amplify the provisions of this Code for specific application to the operation of the unit, and such subsequent supplementary rules and

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regulations shall be reviewed and approved by the President with recommendations from the Legal and Human Resources Departments.

SECTION 3. STANDARDS

It is hereby declared that compliance with the Company's quality, safety, reliability, productivity, output, cost, behavior and other standards is mandatory and not merely discretionary, unless otherwise specified. Culpable or inexcusable non-compliance therewith shall be punishable in accordance with this Code.

SECTION 4. PUNISHABLE OFFENSES

It is understood that any offense included in this Code, either explicitly or by inference, shall be punishable if it is committed deliberately or through negligence and without justifiable cause. Unless explicitly stated, malicious intent is not necessary to make an offense punishable. The presence of aggravating circumstances shall increase the severity of the penalty, and the presence of mitigating circumstances shall reduce it.

SECTION 5. CONSPIRACY OR CONCERTED ACTION

If any offense punishable in this Code is committed by a group of employees acting in concert, (whether or not there is evident premeditation) each and every employee who participates in any way in the concerted

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action shall be punished with the penalty prescribed for the most serious offense resulting there from.

SECTION 6. TOLERANCE OF OR CONDONING AN OFFENSE

Any employee who, not being guilty under the next preceding section, is clearly in a position (acting alone and without risk to himself) to prevent the commission of an offense punishable under this Code, or to take measures to solicit or obtain the assistance of others when needed to prevent the commission of such offense, or to inform others who are in a position to prevent commission of such offense, but fails to do so shall be meted a separate penalty to be determined in the light of the offense actually committed.

SECTION 7. FAILURE TO REPORT

It is the duty of every employee to report to Management, with reasonable dispatch, any information in their possession about any offense which has been, is being, or is about to be committed. In case of failure, refusal, or concealment, the penalty to be imposed shall be determined in the light of the gravity of the offense and the surrounding circumstances.

SECTION 8. INFRACTION/FELONY

The laws, ordinances, rules and regulations, letter of instructions, implementing policies issued by local and/or national government or its agencies are hereby incorporated and form an integral part of this Code as may be relevant to employment and general behavior. The commission of an unlawful act by any employee (whether against a client, an employee, the Company or any other party whatsoever) or of a crime may subject the employee to a penalty to be determined based on the gravity of the offense and the attending circumstances prevailing.

SECTION 9. INSTIGATION

Any employee who instigates, influences, persuades, forces, coerces, or otherwise causes another to commit an offense shall be deemed to have committed that offense himself/herself, and shall be subject to a penalty to be determined based on the gravity of the offense and the attending circumstances prevailing.

SECTION 10. GENERAL NORM

Every employee (regardless of status or rank) is obligated to obey the rules at all times, to respect the right of others, to treat others with dignity, and to behave according to the generally accepted norms of good conduct, courtesy, decency, and professionalism,

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whether or not such norms are explicitly included in this Code.

ARTICLE II: ACTS AGAINST JOB PERFORMANCE STANDARDS

SECTION 1. SIMPLE DISOBEDIENCE

An employee who demonstrates his/her refusal or inability, without justifiable reason or cause to perform the duties and responsibilities of his job and to accomplish a specific minor task shall be meted the penalty of verbal warning, written reprimand, suspension or dismissal, as the case may be, depending on the frequency and gravity of the offense.

NO. OF OFFENSE	PENALTY
FIRST	Verbal warning
SECOND	Written reprimand
THIRD	Suspension
FOURTH	Dismissal

SECTION 2. GROSS/HABITUAL NEGLIGENCE

Any employee who, having been delegated the task, responsibilities, duties for purposes of effectively

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achieving the Company's standard of performance, deliberately or maliciously, with full intent, abandons and/or fails to perform said tasks, responsibilities and duties, or in a manner showing habitual negligence, shall be considered subject to Dismissal.

SECTION 3. REFUSAL TO PERFORM OVERTIME WORK

Any employee, when exigencies of the time call for overtime work, refuses without justifiable reason, to extend his/her hours and work overtime when required to do so or for reasons or causes provided for under the Labor Code, shall be meted the penalty according to the schedule prescribed below:

NO. OF OFFENSE	PENALTY
FIRST	Written Reprimand
SECOND	2 days suspension
THIRD	5 days suspension
FOURTH	Longer suspension to dismissal

SECTION 4. ABSENCE WITHOUT OFFICIAL LEAVE (AWOL)

Any employee who, during the calendar year, fails to report for work for any working day, without securing a prior written approval of his/her immediate supervisor

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shall be considered AWOL. This shall also apply to unverified Sick Leaves. Each day of AWOL is considered one (1) offense and will subject the employee to the following schedule of penalties:

No. of Days	First Offense	Second Offense	Third Offense
1 day	Written Reprimand	5 days suspension	Termination proceedings begin
2 consecutive days	5 days suspension	Termination proceedings begin	N/A
3 or more consecutive days	Termination proceedings begin	N/A	N/A

- a. AWOL for at least three (3) consecutive working days shall mean lack of interest of the employee to continue working with the company and shall be considered job abandonment. Superior shall exert all possibilities to contact employee for each day the employee has been absent. However, termination proceedings shall commence after the 3rd day of absence.
- b. Each occasion of AWOL shall constitute an offense. The non-imposition of

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penalty prior to the commission of the next offense shall not constitute a waiver of the penalty otherwise imposable. Hence, should the second (2nd) offense of AWOL be committed and no sanction has been imposed as yet on the first offense, the company may simultaneously apply all imposable penalties, including the commencement of termination proceedings.

SECTION 5. TARDINESS

Subject to provisions below as well as any separate policy the Company may issue, any employee who reports late for work based on the time prescribed by the company shall be penalized according to the following schedule:

Offense	1 st Instance	2 nd Instance	3 rd Instance	4 th Instance	5 th Instance	6 th Instance
Five (5) instances of tardiness or undertime in a month Or Less than five (5) unexcused tardiness or undertime in any month but aggregates ten (10) or more for a period of three (3) months.	Verbal warning	Written warning	3 days suspension	5 days suspension	10 days suspension	Dismissal

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- a. The schedule of penalty applies to offenses committed within one calendar year and has no carry-over effect.
- b. Each occasion of Tardiness shall constitute an offense. The non-imposition of penalty prior to the commission of the next offense shall not constitute a waiver of the penalty otherwise imposable. Hence, should the sixth (6th) offense of Tardiness be committed and no sanction has been imposed as yet on the first five (5) offenses, the company may simultaneously apply all imposable penalties, including the penalty of dismissal.
- c. The counting of offense is reset in case an employee has not committed a single infraction of tardiness within three months from the last occurrence.

SECTION 6. ABSENTEEISM

Absenteeism is the intermittent or habitual pattern of absence of an employee from work or duty, which results to impairment of operations or losses to the Company. In determining whether absenteeism is present, immediate superiors shall give special

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attention to absence patterns such as but not limited to:

- (i) absence on the day before/after a scheduled holiday or day off, and;
- (ii) absence on the day after the payday and after payroll cutoff.

Any employee found guilty of absenteeism shall be meted the following penalties depending on the frequency and gravity of the offense.

NO. OF OFFENSE	PENALTY
FIRST	Written reprimand
SECOND	5 days suspension
THIRD	10 days suspension
FOURTH	Longer suspension to dismissal

SECTION 7. NEGLIGENCE AND NON-COMPLIANCE

Any employee, who, by negligence, failed to comply with any company schedule of work, or to perform an assigned specific task within a specific period, shall be penalized with either written warning, suspension of at least one (1) day or Dismissal, depending on the gravity of the offense.

SECTION 8. MALINGERING/WASTING RESOURCES

Any employee who deliberately, with malicious intent, or through negligence, wastes, consumes or utilizes more than reasonably necessary in the circumstances the Company's funds/money, supplies, materials, and other resources to perform his/her job or his/her tasks, or causes, encourages, or incites other employees to do the same, shall be penalized by suspension for at least one (1) day or Dismissal, depending on the gravity of the offense.

SECTION 9. FAILURE TO SUBMIT WORK ON TIME

Any employee who for unjustifiable reason fails to submit work on time, which has directly affected the operations of the company or has caused delays in the delivery of services shall be meted the penalty of suspension of at least one (1) day or Dismissal, depending on the gravity of the effect caused by such failure.

SECTION 10. UNAUTHORIZED USE OF COMPANY EQUIPMENT

Any employee who uses company equipment for personal embezzlement and/or profit, or for any reason not connected to his/her assigned task or work, shall be meted the penalty of suspension of up to three

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(3) days or Dismissal depending on the gravity of such an offense.

NO. OF OFFENSE	PENALTY
FIRST	Up to 3 days suspension or dismissal depending on gravity of offense (machine equipments suffer damage (s)/cause delay in operation or production)
SECOND	At least 7 days suspension or dismissal
THIRD	Dismissal

SECTION 11. FAILURE TO EXERCISE DILIGENCE, CARE, AND CONCERN FOR COMPANY PROPERTY

Any employee who fails to exercise diligence, care and concern in handling of company property, or fails to report damages in any operating machine or equipment, or maliciously and deliberately tampers, deface, damage any Company property shall be meted the penalty of verbal warning, written reprimand, suspension of at least three (3) days or Dismissal depending on the gravity of the offense.

SECTION 12. EXCEEDING BREAK PERIODS

Any employee attending to personal matters at excessive periods during working hours, leaving work assignments or place of work during working hours

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without prior notice, loitering, prolonged rest period or wandering about inside the Company premises, frequently receiving visitors during office hours for personal business, excessive use of telephone for personal calls and sleeping while on duty shall be penalized with written reprimand and suspension depending on the frequency of the offense.

NO. OF OFFENSE	PENALTY
FIRST	Written Reprimand
SECOND	1 day suspension
THIRD	5 days suspension
FOURTH	Longer suspension

SECTION 13. LOSING COMPANY RECORDS CAUSING PREJUDICE TO COMPANY

Any employee who loses company records, communications, or documents that consequently caused prejudice or damage to the company will be meted the penalty of written reprimand to Dismissal depending on the resulting harm or loss.

NO. OF OFFENSE	PENALTY
FIRST	Written reprimand, suspension or dismissal (depending on the resulting harm or loss)
SECOND	At least 3 days suspension to dismissal
THIRD	Dismissal

SECTION 14. FAILURE OF SUPERVISORS TO APPRAISE SUBORDINATES

Supervisors are responsible for ensuring the understanding and administration of Performance Management System (PMS). Any supervisors who fail to appraise his/her subordinates or administer PMS on the specified schedules, whether deliberate or unintentional shall be meted the penalty of written reprimand to Dismissal. Supervisors, who commit the following related act, shall likewise be punished:

- (i) cutting short the PMS process by skipping or neglecting any part of the specified process;
- (ii) delegating to other supervisor or to other employee the conduct of Performance Appraisal of one’s subordinate;
- (iii) failure to properly communicate to subordinate, the results of Performance Appraisal, intentional or unintentional;
- (iv) any malicious intent to bend the purpose of PMS including retaliation.

NO. OF OFFENSE	PENALTY
FIRST	Written Reprimand
SECOND	3 days suspension
THIRD	5 days suspension
FOURTH	Longer suspension to Dismissal

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ARTICLE III: ACTS AGAINST CO-EMPLOYEE, SUBORDINATE, SUPERIOR

SECTION 1. ACTS AGAINST TEAMWORK

Any employee who commits any of the following shall be meted the penalty of verbal warning, written reprimand, suspension, or dismissal depending on the gravity of the offense or its consequences.

a. Insubordination

Refusing or failing without justifiable cause to obey and/or implement any lawful rules, regulations, order, instructions, or policy issued by the Company or by his/her supervisor, or inciting or urging fellow employees to commit such insubordination, or committing other acts of similar nature shall be meted the penalty of verbal warning, written reprimand, suspension or Dismissal, depending on the frequency and gravity of the offense.

NO. OF OFFENSE	PENALTY
FIRST	Verbal warning
SECOND	Written reprimand
THIRD	Suspension
FOURTH	Dismissal

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b. Withholding of Cooperation

Refusing or failing to cooperate with or deliberately withholding cooperation from or refusing or failing to help, assist and provide team support to fellow employees, whether supervisors or subordinates, without justifiable cause, when such cooperation or teamwork are needed to ensure the performance or completion of any Company operation or to protect the Company's interest.

NO. OF OFFENSE	PENALTY
FIRST	Verbal Warning
SECOND	Written Reprimand
THIRD	Suspension
FOURTH	Longer suspension

c. Concealment/Withholding of Information

Concealment or withholding of information, or refusal or failure without justifiable cause or reason to communicate with or provide information to a fellow employee when such information is needed to ensure the performance or completion of any Company operation/production, or for any employee to make sound decisions, or to protect the interest of the Company.

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NO. OF OFFENSE	PENALTY
FIRST	Verbal Warning
SECOND	Written Reprimand
THIRD	Suspension
FOURTH	Longer suspension

d. False Information

Any employee who deliberately and/or maliciously gives untruthful, false, inaccurate, misleading, incomplete, or delayed information to a fellow employee, or any information or facts which are material to any investigation conducted by the Company. If for any reason, the consequence, of such act causes irreparable injury or damage to the Company's products and services, customer dissatisfaction in any form whatsoever, errors, delays, inefficiencies, higher costs and other similar disruptions or irregularities in operations, losses or foregone resources, lowering operations; lowering of employee productivity or morale; wrong or unsound decision; or any other disruptions or damage to the Company's effectiveness and efficiency in achieving its goals, objectives, and standards in any area of operations. The offense shall be meted the penalty of written reprimand, suspension, or Dismissal depending on the consequent loss or prejudice to the Company.

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e. Disrespect/Discourtesy for Authority

Treating a supervisor or any person in authority in a manner (by word or deed) that indicates contempt or disrespect for the position occupied by such supervisor or person in authority; intimidating, coercing, threatening, attacking, or attempting to attack or merely planning to attack; or, committing, has committed, or is about to commit a crime or offense against the person, property or reputation of any Company official/representative while inside or outside the Company premises, whether within or out of working time, or against the person or property or reputation of any member of the supervisor's family, is an offense that carries a penalty of up to 15 days suspension to Dismissal (depending on the gravity of offense).

NO. OF OFFENSE	PENALTY
FIRST	Up to 15 days suspension to dismissal (depending on gravity of offense)
SECOND	Longer suspension to dismissal
THIRD	Dismissal

f. Abuse of Authority

Abusing the exercise of one's authority, or taking advantage of such authority to gain undue favors or advantage for oneself or to oppress, harass or otherwise prejudice another.

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NO. OF OFFENSE	PENALTY
FIRST	Verbal warning
SECOND	Written reprimand
THIRD	3 days suspension
FOURTH	At least 5 days suspension to dismissal (depending on gravity of offense)

g. Intrigue/Rumor Mongering

Deliberately or maliciously spreading or disseminating false, inaccurate, misleading or incomplete information about an employee with or aimed at, or which results in damaging, tarnishing, or besmirching his/her reputation or position in the Company; or intending to weaken or destroy the trust and confidence of others to him/her, or undermining or destroying his/her authority over others. If the offender is a supervisor with the intent or aim of, or which results in, damaging, tarnishing or besmirching his/her reputation or position in the Company, or destroying the trust and confidence of others in him/her, or undermining or destroying his/her authority taking into consideration the sensitivity of the offended person's position and to directly or indirectly make mockery of the actions taken for no reason whatsoever shall be meted the penalty of fifteen (15) days or longer suspension to Dismissal depending on the impact or gravity of the offense.

h. Maltreatment of Supervisor, Colleagues, or Subordinate

Treating of a supervisor, peer, employee, or subordinate without respect or in a manner inconsistent with their dignity as human being, in violation of their rights, or contrary to or inconsistent with the accepted principles and forms of justice, fairness, and equity, shall be meted a penalty of written warning or suspension of at least thirty days depending on the gravity of offense.

i. Threats/Discourtesy

Threatening to inflict harm on the person or property or reputation of a fellow employee, supervisor or any officer including any member of his/her immediate family; or discourtesy towards a co-employee in any form or manner, by word or action, within or outside Company premises or during working hours is an offense that carries a penalty of suspension for at least fifteen (15) days. If for any reason, the employee continues to pose danger to the life or property of the fellow employee, the penalty of suspension for thirty (30) days or Dismissal shall be imposed depending on the gravity of the offense.

j. Unauthorized Absence

Unauthorized absence refers to any absence which is not approved by the supervisor due to any of the following:

- (i) No justifiable reason is presented.
- (ii) Call-in procedure was not followed (such as claims of emergency and medical-related absences where notification was not done).
- (iii) Required proper documentation is not presented (such as medical certificates for sick leaves, paternity leaves, etc.).
- (iv) No advance notification was provided.
- (v) No leave credits are available, unless otherwise authorized by the superior.
- (vi) No authorization provided by the supervisor due to business needs (unapproved vacation leaves due to business urgencies).

Commission of such an act shall be meted the following schedule of penalties:

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No. of Days	First Offense	Second Offense	Third offense
1 day	Written reprimand	3 days suspension	Termination proceedings begin
2 days	3 days suspension	Termination proceedings begin	N/A
3-5 days	Termination proceedings begin	N/A	N/A

SECTION 2. VIOLENT ACTS

Any employee who commits the following acts of violence, whether inside or outside the company premises, or whether within or out of company time, shall be meted the penalty of up to fifteen (15) days suspension to Dismissal depending on the gravity of the offense.

a. Violence

Using force, violence, or intimidation on other employees for any reason for any purpose whatsoever.

b. Assault

Physical assault and battery committed against a fellow employee, regardless of whether the assault results in serious physical injury to such employee.

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c. Fighting

Engaging in physical combat with another employee, for any reason other than the legitimate exercise of reasonable defense.

d. Horseplay

Engaging in horseplay, running, scuffling or throwing things within the Company premises which directly causes or results in physical injury and/or death of a fellow employee, whether intentionally or through negligence.

e. Firearms/Deadly or Sharp Object/Explosive

Physical possession of firearm, whether legal or illegal without prior authorization from the administration thru Security Office, explosive substance or materials which could possibly pose danger to life and property, or mere possession of deadly or sharp object not intended for operation/production use or other than that duly authorized and supplied by the Company, and when duly authorized to carry firearm, or the unnecessary use or threat to use the same.

f. Possession/Use of Prohibited Drugs/Alcohol

Performing work while intoxicated or under the influence of any alcoholic beverages, or controlled, or prohibited drugs or hallucinogenic substance, shabu, or any other drug of the same

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nature, substance and effect, unless prescribed by the employee's physician or Company physician for medical reasons and when the duly authorized supervisor of the employee extends permission for him/her to be on duty while on such condition. In which case, the supervisor shall be answerable/liable likewise if destruction, damage to operation, production, equipment, and/or machines resulted there from and/or has caused stoppage of work which directly or indirectly resulted to grave irreparable injury or loss thereto.

The mere possession of items in (e) and (f) as stated above, without justifiable reason, shall constitute consummated act of willful violation of this Section.

ARTICLE IV: ACTS AGAINST THE EMPLOYEES

SECTION 1. ANTI-EMPLOYEE OFFENSES: COMMISSION AND OMISSION

Any employee who commits any of the following shall be meted the penalty of written reprimand, suspension or Dismissal depending on the gravity of offense.

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a. Non-observance/Violation of Operating Procedures

Willful non-observance, refusal or failure without justifiable reason to comply with the Standard Operating Procedure in the handling of any transaction or work assignment for purposes of personal gain, profit or advantage of another person or co-employee shall be punished with the penalty of Dismissal.

b. Erroneous Handling of Employee Service

Culpable unjustified and avoidable errors, deliberate or otherwise, in handling of any employee transaction, service or need, including but not limited to errors and unjustified delays in salary and wage computation and payment, processing of payroll/authorization and processing of employee benefits.

c. Negligence

Inattention to or neglect of the rights of any employee as set forth in Company manuals, policy directives, rules and regulation or any arrangements for that matter or causing unnecessary delays in processing of employee requests regarding benefits and privileges to which such employee is entitled, or otherwise, refusing or failing without justifiable cause to provide prompt, efficient and courteous service to the employee.

d. Undue favors

Providing favored or preferential treatment to any employee in the application of any company procedures, in violation of Company rules and regulations, if this offense is committed in exchange for monetary or non-monetary considerations in exchange for a job, work location or assignment, or favorable condition of work, the penalty shall be that of Dismissal.

SECTION 2. GRAVE ANTI-EMPLOYEE OFFENSES

Any employee who commits any of the following shall be meted the penalty of Dismissal.

a. Extortion/Bribery/Graft

Demanding or receiving concessions, favors, favored treatment, services, or other improper considerations from other employees in exchange for a service or favor to which that employee may or may not be entitled.

b. Theft or Destruction

Stealing, pilfering, deliberately or through culpable negligence damaging, destroying, misusing, or wrongfully disposing of the property of an employee.

c. Indecency

Engaging in indecent or offensive behavior towards an employee either by word or action contrary to recognized standards of propriety and good conduct while on Company premises or during working hours.

ARTICLE V: ACTS AGAINST THE COMPANY

SECTION 1. ANTI-COMPANY OFFENSES

Any employee who commits the following shall be given verbal warning, or be penalized with written reprimand, suspension or Dismissal depending on the gravity of the offense.

a. Breach of Security

Endangering, jeopardizing, or compromising, in any manner by word or action, the security of the Company personnel, operations, assets and properties, and documents which includes but not limited to: any employee who refuses or fails to, deliberately/intentionally, meet the security requirements prescribed by the Company.

b. Breach of Instruction, Official/Legal Order, or Memorandum

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Deliberately, maliciously, intentionally, consciously and willfully fails, refuses, or impedes, obstructs any instructions, orders, memoranda issued by the Company in the furtherance and in consonance with the goals, objectives and programs, and/or measure provided to attend and act on matters requiring exigency to further redirect, augment, and clarify policies, orders or procedure. This includes refusal or failure to acknowledge receipt of the same or any communication made officially for the purpose intended.

b.1. In case refusal is done through the intervention, influence, or solicitation of and supported thereto by a supervisor; the next higher penalty shall be meted with him/her or Dismissal, depending on the extent of damage or injury caused to the Company.

c. Damage or Disruptions

c.1. Deliberately or through negligence, causing directly or indirectly, through words or deeds, damage to and/or disruption of the operations of the Company.

c.2. Permitting such damage, destruction and/or disruption to occur when the employee is clearly in a position and has the capability to prevent it without danger to himself/herself; or is about to commit, or plans to commit any act of sabotage to

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production or company property or resorting to such activity with the intention to inflict damage, loss or destruction to the Company, its production or property.

- c.3. Performing any act of inciting to, by solicitation or otherwise, and participating in, or taking part, directly or indirectly, in any of concerted activities, through conspiracy, connivance, or otherwise, resulting to work stoppage, riot mass leave or similar actions of the same nature and purpose which has directly caused grave loss to sales, production and profit. In which case, the penalty of dismissal shall be meted in connection therewith.
- c.4. Concealing or withholding from the appropriate authorities within the Company information in the employee's possession regarding actual or imminent threats or dangers to the well-being or safety of the Company's business operations, in which case, penalty of Dismissal.

d. Injuring Company Reputation

Deliberately damaging or injuring the reputation and image of the Company such as spreading false or unsupported rumors about the Company, embarrassing, ridiculing, insulting, or mocking the Company by work or deed in the presence of other people or thru other means,

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whether employee or not, and criticizing the Company in public; provided, however, that criticizing constructively, with the intent of correcting deficiencies and improving Company operations, shall not constitute an offense if such criticism is expressed solely within the Company and before appropriate company official.

e. Improper Release of Information

Revealing, releasing without authority any confidential information belonging to or pertinent to any Company program or plans (including but not limited to trade secrets, marketing strategies, financial data, or information relating to any aspect of the Company's purchasing activities) which revelation or release exposed the company to or actually inflicted upon the Company, financial damage or injury to its goodwill, reputation and standing in the community or the industry.

f. Advanced Release of Information

Releasing information belonging to or pertaining to any Company plans and programs of confidential nature in advance of the authorized release date whether with or without any negative repercussion.

In case of subparagraphs (d), (e), and (f) immediately preceding, if the revelation or release of information was done deliberately, intentionally, maliciously, and

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with full intent to cause damage to the Company or for personal gain or favor, the penalty of Dismissal shall be imposed.

ARTICLE VI : ACTS AGAINST PERSONAL BEHAVIOR AND CONDUCT

SECTION 1. CONVICTION

Any employee who violates or attempts to violate any existing laws, decrees, regulations, and ordinances, orders issued by the local or national government, their agencies and/or instrumentalities shall be penalized with verbal warning, written reprimand, suspension or dismissal depending on the gravity and/or frequency of the offense.

SECTION 2. DISORDERLY OR IMMORAL BEHAVIOR

Any employee who acts in a disorderly manner during working hours or while on duty, or engages in indecent, immoral, or lascivious behavior during working hours within Company premises shall be suspended for up to seven (7) days or dismissal, depending on the gravity of the offense.

SECTION 3. ASSAULT

Any employee who physically assaults another person, property or reputation of another person, not being an employee, shall be given a stern warning, suspension, or dismissal depending on the gravity of the offense charged.

SECTION 4. SEXUAL HARASSMENT

The Company upholds the right of every employee to dignity and respect in the work environment. It is the policy of the Company to prohibit sexual harassment of its employees in any form by any person.

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

- (i) The sexual favor is made as a condition in the hiring or in the employment, re-employment or continued employment of said individual, or in granting said individual favorable compensation, terms and conditions, promotions, or privileges; or the refusal to grant the sexual favor results in limiting, segregating or classifying the employee which in any way would discriminate, deprive or diminish employment opportunities or otherwise adversely affect said employee;
- (ii) The above acts would impair the employee's rights or privileges under existing labor laws; or

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- (iii) The above acts would result in an intimidating, hostile, or offensive environment for the employee.

Sexual harassment can occur in a variety of circumstances, including but not limited to the following:

- (i) The victim as well as the harasser may be a woman or a man. The victim does not have to be of the opposite sex.
- (ii) The harasser can be the victim's supervisor, a representative of the employer, a supervisor in another area, a co-worker, or a non-employee.
- (iii) The victim does not have to be the person harassed but could be anyone affected by the offensive conduct.
- (iv) The harasser's conduct must be unwelcome.

Any applicant or employee who feels that he or she has been the victim of sexual harassment and any employee or other person witnessing an incident of sexual harassment is encouraged to report in writing the incident immediately to their supervisor, or to the Human Resources Department, or an administrative officer. The Company will thoroughly investigate all such claims with due regard for the privacy of the individuals involved. Substantiated complaints of sexual harassment will be effectively and promptly redressed and the complainant will be advised of the

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action taken. Any employee who knowingly retaliates against an employee who has reported workplace sexual harassment shall be subject to immediate disciplinary action, up to and including Dismissal.

ARTICLE VII: ACTS AGAINST HONESTY AND INTEGRITY

SECTION 1. CORRUPTION/EXTORTION/BRIBERY

Any employee, who directly or indirectly demands, requests, solicits, receives, or accepts any consideration, share, percentage, or commission for himself/herself or for another person in connection with any contract or transaction entered into by the Company, shall suffer the penalty of Dismissal. The foregoing shall not apply if the employee makes prior written disclosure of his interest in the contract or transaction in accordance with Section 11, Article VII, and the Company gives prior written consent.

SECTION 2. FRAUD AGAINST THE COMPANY

Any employee who makes false or fraudulent claim against the Company, or knowingly initiates or takes part in any action intended to defraud the Company, or to obtain payment, benefit, or gain from the Company to which he/she is not entitled or knowingly honors a forged signature for his/her own benefit or that of another person or gives due course or approval to a

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document knowing it to be false or erroneous shall suffer the penalty of Dismissal.

SECTION 3. MISUSE OF COMPANY FUNDS OR PROPERTY

The penalty of dismissal shall be imposed upon any employee who:

- a. By reason of his duties and position is accountable for or is entrusted with the custody, control, or handling of Company funds or property, and who appropriates, divert, or uses the said funds or property for his own benefit or for the benefit of third party without the approval of the Company.
- b. Deliberately or through negligence, permits another employee to misappropriate, divert, or misuse the same.
- c. Deliberately or through negligence, losses, destroys, or causes damage to Company property or records or willfully permits a co-employee to lose, destroy or damage the same.

SECTION 4. THEFT, PILFERAGE OR EMBEZZLEMENT

Any employee who removes or takes, or attempts to remove or take from the Company premises any funds,

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equipment, tools, materials, supplies, accountable forms, or other properties owned by, leased to, or deposited with the Company, regardless of the condition or value of such properties, or who steals, embezzles, or defalcates with the Company funds, accountable forms, or property, or the personal property of other employees shall be punished by Dismissal.

The same penalty of Dismissal shall be meted the employee who is caught pilfering or attempting to pilfer supplies, machine parts, products, scraps of any kind, of any quantity and any other Company property, or who acts or gives occasion to pilfering.

SECTION 5. FALSIFICATION OF COMPANY DOCUMENTS

Any employee who for personal gain or for the benefit of another, shall falsify, conceal, or fabricate Company documents or records or enters false information on any Company document to the prejudice of the Company shall suffer the penalty of Dismissal.

SECTION 6. UNLAWFUL USE OF COMPANY PROPERTY AND FACILITIES

Any employee who uses the Company's equipment and facilities including communication facilities or any pouches containing official correspondence, documents or the likes for illegal or unauthorized

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purposes, and as a result therefore, the company suffers loss or damage, permanent or temporary, shall be penalized with suspension or Dismissal depending on the gravity or frequency of the offense.

SECTION 7. PERJURY

Any employee who knowingly makes untruthful statements in an affidavit or any written statement necessary in the investigation conducted by the Company, or who knowingly or deliberately gives false testimony in an official inquiry or investigation shall suffer the penalty of Dismissal.

SECTION 8. IRREGULAR RECOMMENDATION FOR EMPLOYMENT

An employee who persuades, induces, or influences an official into hiring an applicant by concealing or misrepresenting the disqualification or lack of qualification of the latter, or otherwise deceives another official by falsely representing that the applicant possesses the qualification, training or experience for the given position shall suffer the penalty of Dismissal.

The person hired, and the employee who falsely represented his/her qualifications shall be dismissed upon discovery of the veracity of the irregularity.

SECTION 9. DISLOYALTY, ABETTING COMPETITORS

Any employee who acts or does anything in any manner contrary, prejudicial, or damaging to the interest of the Company, or beneficial to the interest of the Company's competitors at the expense of the Company, or abets the efforts of other parties in inflicting commercial, political, legal, publicity, or any other form of harm or damage to the Company shall suffer the penalty of dismissal unless mitigating circumstances warrant a lesser penalty.

SECTION 10. CONFLICT OF INTEREST

It is the obligation of every employee to declare and disclose in writing to the Company his own involvement in any endeavor, which is in conflict to the interest of the Company. The very existence of conflict of interest per se is not a punishable act. However, failure, whether deliberate or through neglect, to disclose the same to the Company shall be meted the penalty of five (5) days suspension or Dismissal depending on the impact or effect to the Company's interest.

ARTICLE VIII: ACTS AGAINST INFORMATION SECURITY AND INTELLECTUAL PROPERTY

SECTION 1. E-MAIL AND COMMUNICATIONS

Any employee who commits any of the following shall be meted the penalty of written reprimand, suspension or Dismissal depending on the gravity of the offense.

a. Making fraudulent offers

Any employee who makes, is about to make, or plans to make fraudulent offers of products, items or services using company's e-mail account to current and potential customers and the public, in general, shall be meted the severe penalty of Dismissal.

b. Creating, forwarding or sending unsolicited e-mail messages

Creating, forwarding or sending unsolicited email messages including, but not limited to, email spam, jokes, chain letters or other forms of junk mail or other advertisement material that are not related to the employee's job functions and the Company's business shall be penalized with the following penalties:

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NO. OF OFFENSE	PENALTY
FIRST	Written reprimand
SECOND	3 days suspension
THIRD	5 days suspension
FOURTH	Longer suspension to dismissal

c. Forgery

Unauthorized use or any attempt to forge email header information or messages or, attempt to disguise one's identity when sending e-mail is punishable by Dismissal.

d. Conducting private business not related to the company

Any employee, who conducts, is about to conduct or plans to conduct private business via e-mail not related to the company and during official work hours shall be meted the penalty of fifteen (15) days to Dismissal depending on the gravity of the consequences that the offense may bring to the company.

e. Harassment and Discrimination

Creating, forwarding or sending profane, obscene, harassing, discriminatory, and other threatening e-mail or otherwise offensive matters, that may or may not promote criminal behavior shall be meted suspension of up to

fifteen (15) days to Dismissal depending on the gravity of the offense.

f. Unauthorized use of another user's email account

Any employee who uses another user's email account without prior authorization of the account holder shall be meted the penalty of dismissal. Any employee who induces another to commit such unauthorized use of another user's email account shall likewise be dismissed.

SECTION 2. ABUSE OF INTERNET PRIVILEGES

Any employee who commits the following offenses shall be meted the penalty of written warning/reprimand, suspension or dismissal, depending on the frequency and gravity of the offense.

a. Conducting non-business related-activities

Using the Internet to conduct non-business related activities such as playing computer games, surfing on the social networking sites, downloading music, and watching videos during and after office hours shall be meted the following penalties:

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NO. OF OFFENSE	PENALTY
FIRST	Written reprimand
SECOND	5 days suspension
THIRD	15 days suspension
FOURTH	30 days suspension to dismissal

b. Unauthorized downloading

Unauthorized downloading of software, programs or media files from the Internet, to which the Company has no license to use.

NO. OF OFFENSE	PENALTY
FIRST	Written reprimand
SECOND	15 days suspension
THIRD	30 days suspension to dismissal

c. Setting up personal websites

Any employee, who sets up, is about to set up and plans to set up personal websites or other channels within the Company network for personal business or financial gain shall be meted the following penalties:

NO. OF OFFENSE	PENALTY
FIRST	Written reprimand
SECOND	15 days suspension
THIRD	30 days suspension to dismissal

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d. Viewing, downloading or sharing Offensive material

Use of the Internet to view, download, or share inappropriate or pornographic materials including, but not limited to pornography, discrimination, and behaviors which are contrary to good morals or are deemed to be unethical.

NO. OF OFFENSE	PENALTY
FIRST	Written reprimand
SECOND	15 days suspension
THIRD	30 days suspension
FOURTH	Dismissal

e. Installation of malware or malicious programs

Deliberate or intentional installation or downloading of malicious software including, but not limited to viruses, worms, Trojan horses, and spywares into the network, servers, work stations or any computer systems within the Company premises shall be meted the penalty of fifteen (15) days suspension to Dismissal depending on the gravity of the offense.

Writing, compiling, copying propagating, executing or attempting to introduce any computer code with semblance to malicious software that is designed to infiltrate or damage or otherwise hinder the performance of any

information system shall likewise be punished by the penalty of fifteen (15) days suspension to Dismissal, depending on the gravity of the offense.

SECTION 3. DATA SECURITY AND DOCUMENT HANDLING

Any employee who commits any of the following offense shall be meted the penalty of suspension to Dismissal depending on the gravity of the offense.

a. Unauthorized disclosure of confidential information

Disclosing internal information without the permission of proper authorities of the Company that jeopardize or could jeopardize the Company's reputation and interests shall be meted the penalty of Dismissal.

Internal information means any information that is confidential and proprietary about the Company, including, but not limited to trademarks, upcoming product releases, sales, finances, potential acquisition targets, company strategies, and contracts with partners, and any other information that has not been publicly released by the company, or is not allowed to be released by the company.

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b. Unauthorized advertisement of the Company

Unauthorized advertisement, promotion, presentation or statements about Company's products, clients and services in Internet on-line communities or social networking sites shall be meted the penalty of 15 days suspension to dismissal depending on the gravity of the offense.

c. Unauthorized copying, distribution and/or modification of Company's licensed programs and resources

Unauthorized copying, distribution, and/or modification of the Company's licensed programs, propriety applications, software and source codes and unauthorized use of Company's resources for private or commercial gain shall be punished by the following penalties:

NO. OF OFFENSE	PENALTY
FIRST	30 days suspension
SECOND	Dismissal

d. Violations against Intellectual Property Rights

Any actions which violate local or international copyright, trademark, trade-name, patent or other similar intellectual property laws or regulations, including, but not limited to:

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1. The installation or distribution of 'pirated' or other software products that are not appropriately licensed for use by the Company;
2. Use of digital versions of copyrighted photographs from magazines, books or music, movies without the Company's permission from the owners/authors; and
3. Exporting software, technical information, encryption software or technology in violation of international or regional exports control laws, shall be meted with the severe penalty of Dismissal.

Unauthorized use of the Company's copyrighted documents, products, logos and images for private purposes and financial gain shall likewise be penalized by Dismissal.

DISCIPLINARY PROCEDURE

A disciplinary action serves as a reminder to the employee concerned to reform and revert to acceptable norms of conduct and behavior. The responsibility of ensuring that policies and regulations pertaining to discipline of all employees are strictly vested in the Company. The Human Resources Department and the Legal Affairs Department, together with other concerned units or departments shall assist, monitor, and add inputs to the process.

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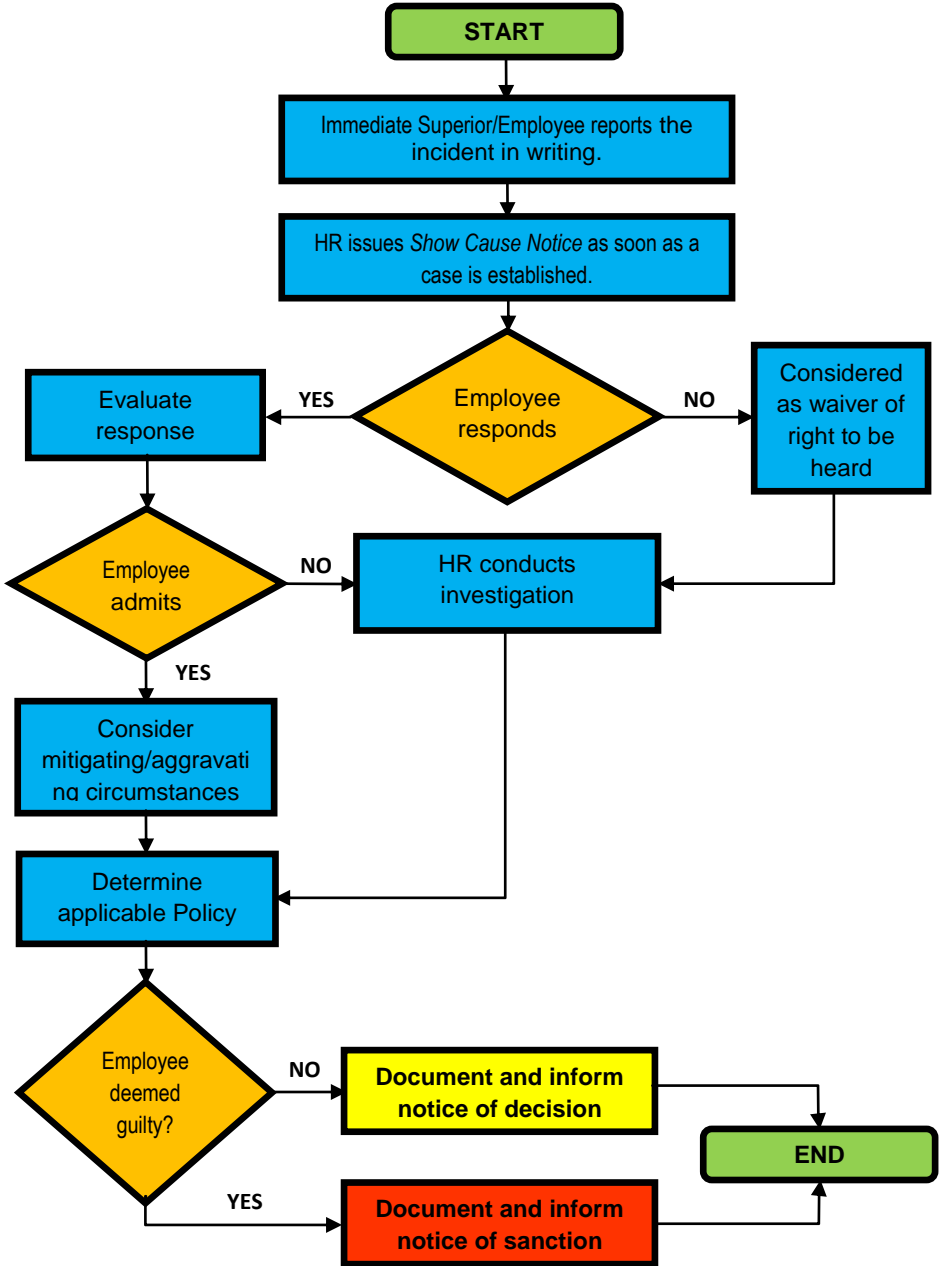


TABLE OF OFFENSES AND DISCIPLINARY ACTION

NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
ACTS AGAINST JOB PERFORMANCE STANDARD				
1. Simple Disobedience	Verbal Warning	Written Reprimand	Suspension	Dismissal
2. Gross/Habitual Negligence	Dismissal			
3. Refusal to Perform Overtime Work	Written Reprimand	2 Days Suspension	5 Days Suspension	Longer Suspension to Dismissal
4. Absence Without Official Leave (AWOL)	<i>See table under provision (Code of Discipline)</i>			
5. Tardiness	<i>See table under provision (Code of Discipline)</i>			
6. Absenteeism	Written Reprimand	5 Days Suspension	10 Days Suspension	Longer Suspension to Dismissal
7. Negligence and Non-compliance to company's schedule of work and assigned task	Written Reprimand, Suspension to Dismissal, depending on the gravity of the consequences of the commission of the said act to the Company			
8. Malingering / Wasting Resources	At least 1 Day Suspension or Dismissal depending on the gravity of the offense			
9. Failure to Submit Work on Time				

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
10. Unauthorized Use of Company Equipment	Up to 3 Days Suspension or Dismissal depending on the gravity of the offense	At least 7 Days Suspension or Dismissal depending on the gravity of the offense	Dismissal	N/A
11. Failure to Exercise Diligence, Care and Concern for Company Property	Verbal Warning, Written Reprimand, at least 3 Days Suspension or Dismissal depending on the gravity of the offense			
12. Exceeding Break Periods	Written Reprimand	1 Day Suspension	5 Days Suspension	Longer Suspension
13. Loosing Company Records Causing Prejudice to the Company	Written Reprimand, Suspension or Dismissal depending on the resulting loss	At least 3 Days Suspension to Dismissal	Dismissal	N/A
14. Failure of Supervisors to Appraise Subordinates	Written Reprimand	3 Days Suspension	5 Days Suspension	Longer Suspension to Dismissal
ACTS AGAINST CO-EMPLOYEES, SUBORDINATE, SUPERIOR				
Acts Against Teamwork				
1. Insubordination	Verbal Warning	Written Reprimand	Suspension	Dismissal
2. Withholding of Cooperation	Verbal Warning	Written Reprimand	Suspension	Longer Suspension to Dismissal

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
3. Concealment / Withholding of Information	Verbal Warning	Written Reprimand	Suspension	Longer Suspension to Dismissal
4. False Information	Written Reprimand, Suspension or Dismissal, depending on the consequent loss or prejudice to the Company			
5. Disrespect / Discourtesy for Authority	Up to 15 Days Suspension to Dismissal, depending on the gravity of the offense	Longer Suspension to Dismissal	Dismissal	N/A
6. Abuse of Authority	Verbal Warning	Written Warning	Suspension	At least 5 Days Suspension to Dismissal
7. Intrigue / Rumor Mongering	Up to 15 Days Suspension or Dismissal			
8. Maltreatment of Supervisor, Colleagues, or Subordinate	Written warning to suspension of at least 30 days, depending on the gravity of the offense			
9. Threats / Discourtesy	Suspension for up to 15 days and maximum of 30 days to dismissal if employee continues offense			
10. Unauthorized Absence / Leave despite Written or Verbal Disapproval of Officer	<i>See table under provision (Code of Discipline)</i>			

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
Violent Acts				
1. Violence	Up to 15 Days Suspension to Dismissal depending on the gravity of the offense			
2. Assault				
3. Fighting				
4. Horseplay (e.g. running, scuffling or throwing things within the Company premises)				
5. Firearms / Deadly or Sharp Object/Explosive				
6. Possession / Use of Prohibited Drugs/Alcohol				
ACTS AGAINST THE EMPLOYEES				
Anti-employee Offenses				
1. Non-observance / Violation of Operating Procedures	Dismissal	N/A	N/A	N/A
2. Erroneous Handling of Employee Service	Written Reprimand, Suspension to Dismissal depending on the gravity of the offense			
3. Negligence				
4. Undue Favors	Dismissal	N/A	N/A	N/A

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
Grave Anti-employee Offenses				
1. Extortion / Bribery / Graft	Dismissal	N/A	N/A	N/A
2. Theft or Destruction				
3. Indecency				
ACTS AGAINST THE COMPANY				
Anti-Company Offenses				
1. Breach of Security	Written Reprimand, Suspension or Dismissal depending on the gravity of the offense			
2. Breach of Instruction, Official / Legal Order, or Memorandum				
3. Damage or Disruption				
4. Injuring Company Reputation				
5. Improper Release of Information				
6. Advanced Release of Information				
ACTS AGAINST GOOD PERSONAL BEHAVIOR AND CONDUCT				
1. Conviction	Verbal Warning, Written Reprimand, Suspension or Dismissal depending on the gravity and/frequency of the offense			

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
2. Disorderly or Immoral Behavior	Up to 7 Days Suspension to Dismissal depending on the gravity of the offense			
3. Assault	Verbal Warning, Written Reprimand, Suspension or Dismissal depending on the gravity of the offense			
3. Sexual Harassment	Dismissal	N/A	N/A	N/A
ACTS AGAINST HONESTY AND INTEGRITY				
1. Corruption / Bribery / Extortion	Dismissal	N/A	N/A	N/A
2. Fraud Against the Company				
3. Misuse of Company Funds or Property				
4. Theft, Pilferage or Embezzlement				
5. Falsification of Company Documents				
6. Unlawful Use of Company Property and Facilities	Suspension or Dismissal depending on the gravity or frequency of the offense			
7. Unauthorized Access to Employee Personal Payroll Portal	Dismissal	N/A	N/A	N/A
8. Perjury				

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
9. Disloyalty, Abetting Competitors				
10. Conflict of Interest	Up to 5 Days Suspension or Dismissal depending on the gravity of the offense			
ACTS AGAINST INFORMATION SECURITY AND INTELLECTUAL PROPERTY				
E-mail and Communications				
1. Making Fraudulent Offers	Dismissal	N/A	N/A	N/A
2. Creating, forwarding or sending unsolicited e-mail messages	Written Reprimand	3 Days Suspension	5 Days Suspension	Longer Suspension to Dismissal
3. Forgery	Dismissal	N/A	N/A	N/A
4. Conducting private business not related to the company and during official work hours	Up to 15 Days Suspension to Dismissal, depending on the gravity of consequences that the offense may bring to the Company			
5. Harassment and Discrimination	Up to 15 Days Suspension to Dismissal, depending on the gravity of the offense			
6. Unauthorized use of another user's email account	Dismissal	N/A	N/A	N/A

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
Abuse of Internet Privileges				
1. Conducting Non-business related-activities	Written Reprimand	5 Days Suspension	15 Days Suspension to Dismissal	30 Days Suspension to Dismissal
2. Unauthorized Downloading	Written Reprimand	15 Days Suspension	30 Days Suspension to Dismissal	N/A
3. Setting up Personal Websites	Written Reprimand	15 Days Suspension	30 Days Suspension	N/A
4. Viewing, Downloading or Sharing Offensive Material	Written Reprimand	15 Days Suspension	30 Days Suspension	Dismissal
5. Installation of Malware or Malicious Programs	15 Days Suspension to Dismissal, depending on the gravity of the offense			
Data Security and Document Handling				
1. Unauthorized Disclosure of Confidential Information	Dismissal	N/A	N/A	N/A
2. Unauthorized Advertisement of the Company	15 Days Suspension to Dismissal, depending on the gravity of the offense			

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NATURE OF OFFENSES	INSTANCES OF COMMISSION/PENALTIES			
	1 st	2 nd	3 rd	4 th
3. Unauthorized copying, distribution and/or modification of Company's licensed programs and resources	30 Days Suspension	Dismissal	N/A	N/A
4. Violations against Intellectual Property Rights	Dismissal	N/A	N/A	N/A

ATOK – BIG WEDGE CO., INC.

Declaration of Having Read the Code of Discipline

I, the undersigned, acknowledge that I have read the Code of Discipline and I am required to become familiar with and abide by all the provisions of these policies.

I understand that the Company may, change or modify the policies and procedures and that future changes shall supersede those found in this handbook.

Signature over Printed Name

Date

Department

Division