



**EMPLOYEE HANDBOOK
And
CODE OF CONDUCT
(As revised on May 2017)**

PURPOSE OF MANUAL
(As Revised on January 2017)

The information contained in this Employees' Handbook is presented for the benefit of all employees of Roxas and Company Inc. (RCI) and Roxaco Land Corporation (Roxaco) (hereinafter referred to as the "Roxas Group"). The intention is to furnish as much information as possible concerning what benefits and compensation, the employees can expect from their employer, and what the employer expects from its employees. It is the employees' responsibility to familiarize themselves with all the benefits, compensation, rules and regulations contained in this Handbook and Code of Conduct as well as any and all amendments, revisions or supplements thereto, as may be published or circulated from time to time.

MISSION VISION

VISION

Roxas and Company, Inc. aims to be the leading holding firm establishing dynamic and socially-centered business enterprises that solidly contribute to nation building.

MISSION

- To maintain businesses that deliver superior results to customers and other stakeholders;
- To deliver long-term growth in shareholder value;
- To be a responsible corporate citizen;
- To ensure that our businesses promote environmental protection and sustainable development practices;
- To provide a nurturing environment to develop and empower our people.

I. INTRODUCTION

The success of Roxas and Company, Inc. and Roxaco Land Corporation, respectively, are measured not only by financial or operational success but is also measured by its values and its commitment to each employee, its business partners and to the communities where its employees and officers work and live. Each employee must be fully aware that he or she needs to positively embody the Roxas Group's culture and act as brand ambassadors for the organization.

The Roxas Group takes pride in performing its business in compliance with all legal requirements and the highest standards of integrity. Part of the Roxas Group's personal integrity means that others can trust and respect it and know that its personnel will be honest, fair and forthright. As a company, integrity means that the Roxas Group, and all its constituents, will always honor their commitments and will always be reliable business partners and trusted neighbors. Integrity protects the company's reputation, and enables it to thrive, even in today's complex and competitive business environment.

This Code is designed to help when employees have questions about what to do in specific situations. It is a summary of how the company will perform its business in accordance with its policies, laws and regulations. By faithful adherence to this Code, all employees ensure that the company's business activities and decisions are consistent, not only with law and regulations, but also with ethical business standards.

II. SCOPE

This Employee Handbook and Code of Conduct (the "Code") provides the ethical guidelines and expectations for conducting business on behalf of the Roxas Group. The Code applies to all directors, officers, employees, consultants, temporary workers, project-based, fixed term employees and other personnel of the Roxas Group.

Suppliers and certain business partners serve as an extension of the company and their conduct and behavior while carrying out business dealings with the Roxas Group or on behalf of the Roxas Group can have an impact on the Roxas Group and its reputation. For this reason, they are expected to conduct their businesses in a legal and ethical manner and to adhere to the spirit of the Code, as well as any applicable contractual obligations. In some cases provisions of the Code are not applicable to suppliers, vendors and consultants.

It is understood however, that employees who are assigned in other locations should also be compliant with the policies of the sites they are assigned to, which are deemed incorporated herein by way of reference.

No written policy can definitively prescribe an appropriate action for each situation. However, this Code seeks to define the minimum standards that must be followed in all professional dealings and relationships. The Code does not cover every possible subject or potential situation. It does indicate, however, the policies that should guide an individual in daily work, and describes the minimum standard of conduct expected from everyone.

III. IMPLEMENTING GUIDELINES

All reported offenses shall be dealt with in accordance with the established Disciplinary Management procedure.

The company will take appropriate disciplinary action against any director, officer, employee, consultant, temporary worker, project-based, probationary, fixed term and other personnel of the company whose actions are found to violate these policies or any other policies of the Roxas Group. Disciplinary actions may include immediate termination of employment or business relationship in accordance with this Code.

This Code applies to all employees/personnel in the absence of any Department/Business Unit specific policy/process.

The Roxas Group reserves the right to periodically review and correspondingly update and/or amend this Code. Any amendments/revisions/supplements to this Code shall be deemed incorporated herein by way of reference.

IV. STATUTORY/GOVERNMENT MANDATED BENEFITS

1. Maternity Leave Benefit

Every pregnant employee, whether married or unmarried, is entitled to maternity leave benefit of **sixty (60) days** in case of normal delivery or miscarriage, or **seventy-eight (78) days**, in case of Caesarian section delivery, with benefits equivalent to **one hundred percent (100%) of the average daily salary credit** of the employee as defined under the law. To be entitled to the maternity leave benefit, a female employee should be an SSS member employed at the time of her delivery or miscarriage; she must have given the required notification to the SSS through her employer; and her employer must have paid at least three monthly contributions to the SSS within the twelve-month period immediately before the date of the contingency (i.e., childbirth or miscarriage). The maternity leave benefit, like other benefits granted by the Social Security System (SSS), is granted to employees in lieu of wages. This means that the maternity leave benefit will not be included in computing the employee's thirteenth-month pay for the calendar year.

After the lapse of the applicable periods provided by law, the maternity leave may be extended without pay on account of illness medically certified to arise out of the pregnancy, delivery, abortion or miscarriage, which renders the female employee unfit for work, unless she has earned unused leave credits from which such extended leave may be charged. Should the female employee opt for an extension under this clause, she

should notify her immediate supervisor at least five (5) days prior to the expiry of her maternity leave.

The maternity leave shall be paid by the employer only for the first four (4) deliveries.

2. Paternity Leave Benefit

Paternity Leave is granted to all married male employees, regardless of their employment status. The purpose of this benefit is to allow the husband to lend support to his wife during her period of recovery and/or in nursing her newborn child.

Paternity leave benefit shall apply to the first four (4) deliveries of the employee's lawful wife with whom he is cohabiting. If the spouses are not physically living together because of the work station or occupation, the male employee is still entitled to the paternity leave benefit. The paternity leave shall be for seven (7) calendar days, with full pay, consisting of basic salary and mandatory allowances fixed by the Regional Wage Board.

Usage of the paternity leave shall be after the delivery. However, the employee concerned may request his immediate superior to avail of the benefit before or during the delivery, provided that the total number of days shall not be more than seven (7) calendar days for each covered delivery. To avail of this Paternity Leave Benefit, the employee concerned shall apply for paternity leave at least ten (10) days prior to his intended leave. In case of a miscarriage,

prior application for paternity leave shall not be required, however, the employee concerned shall immediately notify his immediate superior of the miscarriage and his expected date of return to work. Paternity leave is not convertible to cash and is not cumulative.

3. Parental Leave for Solo Parents

"Parental leave" means leave benefits granted to a solo parent to enable him/her to perform parental duties and responsibilities where physical presence is required.

"Solo parent" means any individual who falls under any of the following categories:

- (1) A woman who gives birth as a result of rape and other crimes against chastity even without a final conviction of the offender: *Provided*, That the mother keeps and raises the child;
- (2) Parent left solo or alone with the responsibility of parenthood due to death of spouse;
- (3) Parent left solo or alone with the responsibility of parenthood while the spouse is detained or is serving sentence for a criminal conviction for at least one (1) year;
- (4) Parent left solo or alone with the responsibility of parenthood due to physical and/or mental incapacity of spouse as certified by a public medical

practitioner;

- (5) Parent left solo or alone with the responsibility of parenthood due to legal separation or *de facto* separation from spouse for at least one (1) year, as long as he/she is entrusted with the custody of the children;
- (6) Parent left solo or alone with the responsibility of parenthood due to declaration of nullity or annulment of marriage as decreed by a court or by a church as long as he/she is entrusted with the custody of the children;
- (7) Parent left solo or alone with the responsibility of parenthood due to abandonment of spouse for at least one (1) year;
- (8) Unmarried mother/father who has preferred to keep and rear her/his child/children instead of having others care for them or give them up to a welfare institution;
- (9) Any other person who solely provides parental care and support to a child or children;
- (10) Any family member who assumes the responsibility of head of family as a result of the death, abandonment, disappearance or prolonged absence of the parents or solo parent.

A change in the status or circumstance of the parent claiming benefits under R.A. 8972 (Parent Leave for

Solo Parent), such that he/she is no longer left alone with the responsibility of parenthood, shall terminate his/her eligibility for these benefits

The parental leave, in addition to leave privileges under existing laws, shall be for seven (7) work days every year, with full pay. A solo parent employee shall be entitled to the parental leave, provided that: 1. He/she has rendered at least one (1) year of service, whether continuous or broken; 2. He/she has applied for the parental leave at least two (2) weeks prior to the intended leave; and 3. He/she has presented to the Human Resources Department a Solo Parent Identification Card, which may be obtained from the DSWD office of the city or municipality where he/she resides.

This benefit is not convertible to cash and is separate and distinct from the vacation leave credits that an employee may be entitled to under this Code. If an employee shall avail of this leave benefit, the employee concerned shall file for the same at least five (5) days before the intended leave and shall specifically identify the reason for the availment. For the avoidance of doubt, a parent with a live-in partner is not entitled to this benefit as provided under the law.

4. Leave for Victims of Violence Against Women and their Children (VAWC)

A. Definition

“*Violence against women and their children*” as used in Republic Act 9262 (the “Anti-Violence Against Women and Their Children Act of 2004”), refers to any act or a series of acts committed by any person against a woman who is his wife, former wife, or against a woman with whom the person has or had a sexual or dating relationship, or with whom he has a common child, or against her child whether legitimate or illegitimate, within or without the family abode, which will result in or is likely to result in physical, sexual, psychological harm or suffering, or economic abuse including threats of such acts, battery, assault, coercion, harassment or arbitrary deprivation of liberty.”

B. Coverage and Purpose

Private sector women employees who are victims as defined in RA 9262 shall be entitled to the paid leave benefit under such terms and conditions provided herein. The leave benefit shall cover the days that the woman employee has to attend to medical and legal concerns.

C. Requirement for Entitlement

To be entitled to the leave benefit, the only requirement is for the victim-employee to present to the Human Resources Department a certification from the barangay chairman (Punong Barangay) or barangay councilor (barangay kagawad) or prosecutor or the Clerk of Court, as the case may be, that an action relative to the matter is pending.

D. The Benefit

In addition to other paid leaves under existing labor laws, company policies, and/or collective bargaining agreements, the qualified victim-employee shall be entitled to a leave of up to ten (10) days with full pay, consisting of basic salary and mandatory allowances fixed by the Regional Wage Board, if any. The said leave shall be extended when the need arises, as specified in the protection order issued by the barangay or the court.

E. Usage of the Benefit

The usage of the ten-day leave shall be at the option of the woman employee. In the event that the leave benefit is not availed of, it shall not be convertible into cash and shall not be cumulative.

5. Overtime Pay

Employees who perform work in excess of the regular eight-hour schedule, as authorized by their immediate superior, shall be entitled to an overtime pay equivalent to their basic hourly rate plus twenty five percent (25%). An employee shall secure the approval of his/her immediate superior prior to rendering the overtime work, otherwise, it shall be deemed non-compensable.

*For work rendered during regular holidays, they shall be given regular holiday premium as follows:

- a. If regular holiday falls on an employee's regular workday
 - If employee is not asked to report to work – 100% of daily rate
 - If worked – 1st 8 hours – 200%
 - Excess of 8 hours – plus 30% of hourly rate on said day
- b. If regular holiday falls on an employee's rest day
 - 100% of the employee's daily rate even if employee is not required to work
 - If worked – 200% plus 30% of 200%
 - Excess of 8 hours – plus 30% of hourly rate on said day

There are eleven (11) regular holidays in a year under Executive Order No. 203, as amended by Republic Act 9177, namely:

- New Year's Day – January 1
- Maundy Thursday – Movable Date
- Good Friday – Movable Date
- Araw ng Kagitingan – April 9

- Labor Day – May 1
 - Independence Day – June 12
 - National Heroes Day – Last Sunday of August
- a. Absences
 - Eidl Fitr – Movable Date
 - Bonifacio Day – November 30
 - Christmas Day – December 25
 - Rizal Day – December 30

Conditions for Entitlement to Holiday Pay:

a. Absences

All employees shall be entitled to holiday pay equivalent to 100% of their daily rate when they work on the work day immediately preceding the regular holiday or if they are on leave of absence with pay on the work day immediately preceding the regular holiday. Employees who are on leave of absence without pay on the day immediately preceding a regular holiday may not be entitled to holiday pay if they did not work on such regular holiday.

b. Successive Regular Holidays

Where there are two (2) successive regular holidays, like Maundy Thursday and Good Friday, an employee may not be entitled to both holidays if he/she absents himself/herself from work on the day immediately preceding the first holiday, unless he/she works on the first holiday, in which case he/she is entitled to his/her holiday pay on the 2nd holiday.

*For declared **special days** such as Special Non-Working Day, Special Public Holiday, Special National Holiday, in addition to the two nationwide special days (November 1, All Saints Day and December 31, Last Day of the Year), the following rules shall apply:

- a. If unworked
 - No pay
- b. If worked
 - 1st 8 hours – plus 30% of the daily rate of 100%
 - Excess of 8 hours – plus 30% of hourly rate on said day
- c. Falling on the employee's rest day and if worked
 - 1st 8 hours – plus 50% of the daily rate of 100%
 - Excess of 8 hours – plus 30% of hourly rate on said day

6. Night Shift Differential

Night Shift Differential (NSD) refers to the additional compensation of ten percent (10%) of an employee's regular wage for each hour of work performed between 10 p.m. and 6 a.m.

7. 13TH Month Pay

All employees who have worked for at least one (1) month during a calendar year shall be entitled to thirteenth-month pay, which shall not be less than one-twelfth (1/12) of the total basic salary earned by an employee in a calendar year. It does not include allowances and monetary benefits which are not considered or integrated as part of the regular or basic salary, such as the cash equivalent of unused vacation and sick leave credits, overtime, premium, night shift differential and holiday pay. The 13th

month pay is paid not later than December 24 of every year.

8. Separation Pay

Separation pay is given to employees in instances covered by Articles 283 and 284 of the Labor Code of the Philippines. An employee's entitlement to separation pay depends on the reason or ground for the termination of his or her services. An employee may be terminated for just cause (i.e., gross and habitual neglect of duty, fraud, or commission of a crime), and other similar causes as enumerated under Article 282 of the Labor Code or as may be provided in this Code. Termination under those instances, generally, may not be entitled to separation pay. On the other hand, where the termination is for authorized causes, separation pay is due.

a. One-Half Month Pay per Year of Service

An employee is entitled to receive a separation pay equivalent to one-half (1/2) month pay for every year of service, a fraction of at least six months being considered as one (1) whole year, if his/her separation from the service is due to any of the following authorized causes:

- i. Retrenchment to prevent losses (i.e., reduction of personnel effected by mgnt. to prevent losses);
- ii. Closure or cessation of operation of the company not due to serious losses or financial reverses; and

- iii. When the employee is suffering from a disease not curable within a period of six (6) months and his/her continued employment is prejudicial to his/her health or to the health of his/her co-employees.

b. One-Month Pay per Year of Service An employee is entitled to separation pay equivalent to his/her one-month pay for every year of service, a fraction of at least six (6) months being considered as one whole year, if his/her separation from service is due to any of the following:

- i. Installation by employer of labor-saving devices;
- ii. Redundancy, as when the position of the employee has been found to be excessive or unnecessary in the operation of the enterprise;
- iii. Impossible reinstatement of the employee to his or her former position or to a substantially equivalent position for reasons not attributable to the fault of the employer, as when the reinstatement ordered by a competent authority cannot be implemented due to closure or cessation of operations of the establishment/ employer, or the position to which he or she is to be reinstated no longer exists and there is no substantially equivalent position in the establishment to which he or she can be assigned.

In the computation of separation pay, the salary base properly used in computing the separation pay should

include not just the basic salary but also the regular allowances that an employee has been receiving

V. COMPANY INITIATED BENEFITS

1. Vacation Leave

Upon regularization, all employees are entitled to paid vacation leave (VL) equivalent to 1.25 working days per month. The leave credits shall vary depending on the length of service with the company, as provided in the table below:

<u>Length of Service</u>	<u>Leave Credits</u>
0 - 5 years	15 days
Over 5 - 8 years	16
Over 8 - 10 years	17
Over 10 - 13 years	18
Over 13 - 15 years	19
Over 15 years	20

VL may be granted by his superior at anytime of the year. Applications for VLs must be submitted to the Senior Officer at least five (5) days in advance, with a copy furnished to the HR Department. Employees are encouraged to enjoy time off to reinvigorate themselves. However, before an employee takes his/her leave, the employee concerned shall submit Leave Notes to his/her immediate superior, which

shall list down pending projects/work, the status thereof and the timelines/deadlines, if any.

Unused vacation leave credits are converted in their cash equivalent at the end of the year.

2. Sick Leave

Upon regularization, all employees are entitled to paid sick leave (SL) equivalent to 1.25 working days per month. The leave credits shall vary depending on the length of service with the company, as provided in the table below:

<u>Length of Service</u>	<u>Leave Credits</u>
0 - 5 years	15 days
Over 5 - 8 years	16
Over 8 - 10 years	17
Over 10 - 13 years	18
Over 13 - 15 years	19
Over 15 years	20

The Company considers sick leave as any temporary absence due to illness or non-occupational injury that prevents an employee from coming to work. Application for sick leave must be submitted to the immediate superior, with a copy furnished to the HR Department, immediately upon returning to work. Sick leave for more than three (3) successive days shall be supported by a medical certificate and submitted to the HR Department.

Unused sick leave credits are converted in their cash equivalent at the end of the year.

3. Emergency Leave

A regular employee shall likewise be entitled to three (3) days of emergency leave with pay per year in addition to the employees' vacation leave credit. Emergency Leave shall be granted in cases of emergency such as but not limited to bereavement (first degree of affinity or consanguinity), marriage of the employee, fire and similar calamities affecting the employee, and other serious emergencies as determined by the Senior Vice President.

Verbal approval by the superior is needed before going on leave. Application for emergency leave must be submitted not later than five (5) days upon returning to work.

4. Health Care Plan

Roxas Group provides all regular employee, through a Health Maintenance Organization (HMO) provider, a health card that will help them with their medical expenses. The company pays for the total costs of the employees' coverage plus one (1) free dependent. No premiums will be paid by the employee.

Presently, the group hospitalization plan is provided by Intellicare. All employees are entitled to register one (1) dependent. For married employees, the dependent can be either the spouse or a child. For single employees, the dependent can be either parent. Features of the healthcare plan are out-patient care, preventive health care, annual

check-up, in-patient care, emergency care and additional concessions depending on the job classification. Each employee will be provided with a summary of benefits as provided in the Healthcare Plan availed of by the Roxas Group.

The Group Hospitalization Levels are:

1. Platinum - Executives
2. Gold - Managers
3. Silver - Supervisors
4. Bronze - Professional/Technical and Monthly Rank and File

Dependents will enjoy the next lower hospitalization level. However, dependents of employees will also be entitled to the bronze level.

Should an employee desire to add an additional beneficiary, the employee may do so at his/her own additional cost.

In the future, should the company decide to shift to another health care provider, principally the same coverage and range of benefits will apply.

5. Pre-employment Medical Exam

Prior to engagement, all individuals who wish to join the organization/the company shall undergo a routine pre-employment check up selected for any position. This includes a chest x-ray and through vital and laboratory examination. The cost of this pre-employment medical exam is shouldered by the company.

6. Annual Physical Medical Exam

All regular employees are schedule to undergo medical check-up annually at the expense of the company.

7. Group Insurance Plan

For added security and protection, the Roxas Group provides a reasonable Group Life Insurance plan. All regular employees are enrolled under the plan and the company pays for the group insurance premium.

8. Financial Assistance Plan

The Roxas Group likewise extends a Financial Assistance Plan to qualified regular employees for the following purposes:

- Asset acquisition
- Medical Treatment
- Educational expenses
- Other Purposes (with CEO approval)

An employee may apply for this benefit by sending a written request to the Human Resources Department, with the endorsement of his/her immediate superior. Final approval shall be vested with the Chief Executive Officer of the company involved.

Loanable Amount:

- Officers below Vice President: maximum of 6 month's salary but fully covered by the monetary equivalent of retirement / resignation benefits.

- Vice Presidents and up: maximum of P750,000 but fully covered by the monetary equivalent of retirement / resignation benefits.

Amortization: Semi-monthly with payments not to exceed 20% of gross monthly salary.

Interest: 1% over the company's highest short-term clean borrowing rate at the time of availment; subject to review and revision every 12 months from the time of availment.

Tenor: Minimum of 1 year
Maximum of 4 years

Others: No multiple availments
Clean up period of 30 days
Employed by the Company for at least two (2) years
Subject to availability of funds

9. Job Opportunities/ Promotions/ Training and Development

The policy of Roxas Group is to promote from within whenever practicable. When an opening occurs in the Roxas Group, those employees who have expressed a desire and have proven that they have the attitude and qualifications necessary to do the job will be considered before recruitment is made from the outside. Decisions to promote will be based on qualifications, experience, previous job performance, attendance record and the interest shown by the employee through his participation in the training opportunities and seminars which are available to all or upon approval by the Senior Officer.

The company believes in continuing development of potentials of an employee. For this purpose, in house or on-the-job training shall be conducted for the benefit of the employees. Employees may also be sent to training programs outside the company to further enhance their skills and knowledge. Also, a regular employee may recommend and justify a specific seminar or course related to his/her function for approval by the Senior Officer.

10. Performance Management System Rewards

Performance Management System (PMS) is a means of obtaining better results by establishing a shared understanding of what **is** to be achieved, of managing, developing and motivating people in a way that it **will** be achieved.

The PMS rewards system enables the management to recognize and reward an employee's contribution in the achievement of the corporate targets that are set at the beginning of each year and updated quarterly.

The mechanism involved in the implementation of the rewards recognizes the causal effect in the balanced scorecard, such that an individual who performed well will result to a better team performance, that will impact on the company's performance and to the whole group in totality.

The PMS reward is an incentive which is in the form of a variable pay wherein the cash equivalent will vary depending on the following:

- Company's performance in terms of the achievement of corporate goals and targets
- Individual performance based on the PMS rating.

11. Retirement Plan

To provide financial assistance to Officers and Employees on their separation from the company, either by retirement or resignation, Roxas Group has put up a non-contributory retirement plan. The retirement age of employees is at sixty (60) years old and an employee should have rendered at least five (5) years of service to be entitled to this Retirement Benefit.

For the avoidance of doubt, an employee who is terminated for just cause shall not be entitled to the Retirement Benefits provided herein. Any Retirement Benefits that may have accrued shall be deemed forfeited upon termination for cause.

a. Retirement Benefit

The Plan provides for a normal retirement benefit (at age 60 yrs.) which is equal to one month's salary, based on the employee's final monthly salary as of the date of retirement, for every year of service, multiplied by the applicable factor as follows:

<u>Year of Service</u>	<u>Applicable Factor</u>
Less than 5 years	None
At least 5 years	0.50
At least 6 years	0.60
At least 7 years	0.70
At least 8 years	0.80
At least 9 years	0.90
At least 10 years to less than	

20 years	1.00
20 years and above	1.50

b. Early Retirement Benefit

If an employee voluntarily resigns from the Company or opts for early retirement after at least five (5) years of service, he/she shall be entitled to receive a portion of his/her earned benefit credits as follows:

<u>Years of Service</u>	<u>Applicable Factor</u>
Less than 5	None
5 to less than 10	0.20
10 to less than 15	0.40
15 to less than 20	0.60
20 to less than 25	0.80
25 and above	1.00

VI. CODE OF CONDUCT

The Roxas Group regards its employees as its most valuable resource and thereby reposes a high level of trust and confidence in them. It therefore encourages its staff to reciprocate such trust and confidence with work and conduct consistent with the following general principles:

- 1) Honesty
- 2) Judicious use or availment of company resources, facilities and benefits within the limits established by policy or business practice

- 3) Accurate accounting of company funds or property placed in her/ his charge
- 4) Prompt and truthful reporting of matters that affect or could affect the Roxas Group as a whole
- 5) Fidelity in the custody of confidential information which he/she acquires knowledge of in the course of employment
- 6) Obedience to company rules and regulations
- 7) Respect for her/his supervisor and co-workers
- 8) Prudence in her/ his dealings with the public
- 9) Punctuality
- 10) Orderliness in work
- 11) Pride in working with the organization
- 12) A deep sense of responsibility to undertake her/ his job effectively and expeditiously

These Rules and Regulations shall apply to all employees within the company premises and/or designated jobsites. It shall likewise apply to employees outside of the company premises if it involves company property, or when the employee is on official business/ activity or participating in a company-sponsored activity. Moreover, in situations where the cause of action arises from a “superior-subordinate” relationship, these rules shall apply.

These Rules and Regulations shall be implemented independent of any civil or criminal action that may be filed against the erring employee. All infractions shall be duly recorded and shall form part of the 201 file of the employee concerned.

Everyone is expected to study, understand, and adhere to these rules and regulations. No one can plead ignorance of the same.

A. OBJECTIVES

1. To acquaint the employees on the fundamental patterns of standards of behavior and performance expected of everyone;
2. To serve as a constant reminder of what employees are expected to do in order to ensure and attain high level of productivity;
3. To instill proper and correct attitude on the part of employees towards their work; and
4. To provide Department Heads and Supervisors with guidelines on the administration of employee discipline.

B. TREATMENT OF A SERIES OF NON-CONFORMANCES

If a series of infractions of the same nature is committed, each infraction shall be treated as a separate offense; and corrective action will be based on the number of counts the offense was committed.

A commission of several minor offenses indicates habitualness of the offender, his/her disregard of company rules, and disrespect for the company. As such, a commission of a series of light related or unrelated offenses within a period of six months may earn for the employee concerned a heavier penalty.

C. RULES AND REGULATIONS

1. Attendance

The success and efficiency of day-to-day operations depend to a great extent on the employees reporting for work on time each day. If the employee is absent, or even late in reporting for work, he/she places an extra burden on his/her fellow employees.

The regular workweek of the employees is from Monday to Friday, 8:30am to 5:00pm with 1.5-hour lunch break from 12:00nn to 1:30pm.

Tardiness in excess of 15 minutes in any given day shall be deducted from payroll. Aggregate tardiness in excess of one hour in any given month shall be ground for disciplinary action.

If, for some valid reason, the employee finds it impossible to report for work, he/she is expected to notify his/her immediate supervisor and the Human Resources Department personally, or as soon as the employee can determine that he/she will be late or absent. The employee should explain fully the reason for his/her absence and when he/she expects to be able to resume work.

The employee should not depend on friends, relatives or fellow employees to report his/her absence. Absences of more than one day must be reported duly unless other arrangements have been made with the employee's Department Head. Absences due to illness for three (3)

days or more require a medical certificate from the attending physician.

All absences shall be supported by the applicable leave forms.

2. Dress Code

All employees are required to wear clothes in accordance with the company's dress code. Employees are expected to wear clothes appropriate to their duties and responsibilities.

Male managers are expected to wear long-sleeved polo shirts or short-sleeved barong, dark pants and leather shoes. Supervisors and rank and file employees are expected to wear the prescribed uniform, if applicable, or long-sleeved polo shirts or short-sleeved barong, dark pants and leather shoes. During Fridays, all employees can wear office appropriate casual attire.

Female managers are expected to wear business attire such as blouses, slacks, skirts, dresses, blazers or jackets. Supervisors and rank and file employees are expected to wear the prescribed uniform, if applicable, or business attire. During Fridays, all employees can wear office appropriate casual attire.

Casual attire may be worn during field work which requires the employee to be out of the office for four (4) hours or more.

For the avoidance of doubt, the following shall be considered as inappropriate casual attire: shorts, mini-skirts, ripped jeans, tank tops, crop tops, midriffs, singlets (or “sando”), sports clothes, flip-flops, and the like.

3. Company I.D.

The Company will provide the employee with a company I.D. upon regularization. The employee is expected to wear the I.D. at all times during office hours. This will make it easy for the employees to learn the names of fellow employees & vice versa.

The replacement of lost I.Ds. shall be subject to current replacement costs. Should the employee resign, h/she must return the I.D. before he/she can receive the final pay check, clearance and certification of employment.

4. Change of Status

The employee should inform the Head of the Administration Department if he/she wishes to make changes in any of the following areas:

- Name (because of marriage)
- Address and Phone Number
- Marital Status
- Dependents
- Person to notify in case of emergency
- Beneficiary for SSS Retirement benefits

5. Security

An employee is encouraged to report questionable activities or suspicious circumstances to his/her supervisor or the security officer promptly.

6. Telephone Calls

Telephones are primarily for business use and may not be used for personal calls unless necessary.

7. Security Passes and Package Inspection

A security pass, signed by the company’s designated representative, is required in order to bring out any article from the office. If the employee is bringing in any article of value, he/she is advised to declare it to the floor security officer for logging in the control logbook. The unauthorized removal of any company property from the premises is ground for serious disciplinary action, including dismissal.

8. Visitors of Employees

The employee is not allowed to receive visitors in his/her place of work. In cases of bonafide emergency, however, the Security Officer will inform the employee and in turn the employee shall ask the permission of his/her department head to leave his/her work area and attend to the visitor.

9. Outside Employment

While the Roxas Group does not intend to interfere with an employee’s personal affairs or limit his outside activities, it strongly discourages employees to maintain work in other companies, even if on a part-time basis only, as this greatly

affects the employee's efficiency. Any work/job that is in conflict with an employee's working hours in the company is prohibited. An employee, while in the employ of the Roxas Group, is expressly prohibited from engaging in any activity which is in conflict with the interest of the Roxas Group or which will interfere with the performance of his/her job, including consulting, whether within or outside of the working hours without the prior written consent of the Senior Officer.

10. Confidentiality

From time to time, employees may come into contact with confidential information, including but not limited to information about Roxas Group's customers, subsidiaries or affiliates, suppliers, finances and business plans. Employees are required to keep any such matters that may be disclosed to them or learned by them strictly confidential.

All employees are likewise expected to keep any and all information that may come into his/her possession in the course of his/her employment in the Roxas Group strictly confidential, whether or not such information is labelled as "confidential". Unauthorized reproduction, dissemination or disclosure of any such information shall be considered a breach of trust of the Roxas Group and shall be actionable pursuant to this Code.

The confidentiality provisions in this Code shall remain in full force and effect even after the termination of the employee's employment.

11. IT Information Storage and Security

Employees acknowledge that any storage devices (USB's, Memory Sticks, CD's, Floppy Discs) used by employees at the company premises are the property of the Roxas Group. Furthermore, it should be understood by employees, that company equipment should be used for company business only during normal working hours. Downloading of personal materials on company equipment can be harmful to said equipment and should not be done.

12. Health and Safety

The Roxas Group, along with its employees, must take reasonable precautions to ensure that the workplace is safe.

Alcohol consumption or illegal drug use is not permitted during work hours on the premises. From time to time, with the permission of the Chief Executive Officer, alcohol may be used to celebrate an occasion/event. Smoking and use of electronic cigarettes in the company premises is likewise not permitted.

13. Harassment and Bullying

The Roxas Group wants to provide a harassment-free environment for its employees. Mutual respect, along with cooperation and understanding, must be the basis of interaction within the organization. The Roxas Group will neither tolerate nor condone behaviour that is likely to undermine the dignity or self-esteem of an individual, or create an intimidating, hostile or offensive

environment. Thus, all forms of harassment and/or bullying of co-workers are expressly prohibited, whether performed within or outside company premises, and will subject the employee concerned to disciplinary proceedings. This includes harassment or bullying on social media or the world-wide web.

There are several forms of harassment and bullying but all can be defined as any unwelcome action by any person, whether verbal or physical, on a single or repeated basis, which humiliates insults or degrades. “Unwelcome”, for the purposes of this policy, refers to any action which the harasser knows or ought to reasonably know is not desired by the victim of the harassment or bullying.

“Harassment” or “Bullying” is repeated, unwanted, and unreasonable behavior or treatment, verbal or non-verbal, that is intended to intimidate, offend, degrade, threaten, instill fear, embarrass, or humiliate a particular individual or group of employees at the place of work, and/or in the course of employment, or during company-organized events. Bullying may be committed directly or indirectly, verbally or physically, or through the use of social media or online or digital medium.

The following acts, if done repeatedly, are examples of bullying/harassment:

- i. Verbal bullying: Slandering, ridiculing or maligning a person or his or her family; repetitive name calling or insult that is or may have the effect of being vexatious, hurtful, insulting or humiliating to the intended victim or targeted person; using a person as butt of jokes; abusive and offensive remarks,

regardless of whether such remarks have sexual meaning or implication.

- ii. Physical bullying: Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault, damage to a person’s work area or property.
- iii. Gesture bullying: Non-verbal threatening gestures; glances that can convey threatening messages.
- iv. Exclusion: Socially or physically excluding or disregarding a person in work-related activities.

“Sexual harassment” under this Code is any unwanted attention of a sexual nature such as but not limited to remarks about appearance or personal life, offensive written or visual actions like graffiti or degrading pictures, physical contact of any kind, acts of lasciviousness or sexual demands. Cases of sexual harassment shall be covered, handled and interpreted in accordance with the Anti-Sexual Harassment Act of 1995 (Republic Act No. 7877). Notwithstanding the foregoing, it is hereby understood that Sexual Harassment under this Code shall not be limited to persons exercising moral ascendancy or influence over the victim of the sexual harassment.

14. Company Property and Work Area

All employees are required to exercise due care and diligence in the handling and safekeeping of company equipment, property and facilities officially issued to them, as well as other properties under the care of the company. Employees shall be held accountable for the loss of equipment and other company property officially issued to them.

The cleanliness of the office and premises is the responsibility of all employees. Extra efforts should be exerted toward developing, clean, orderly and safe working habits as this would have long term benefits to all concerned. Listed below are some of the acts that violate the company's cleanliness program and can be considered hazardous to the company and to the employee's health and safety. Such acts are penalized under our Rules and Regulations.

1. Vandalism can be committed by writing, posting, defacing or destroying ceilings, partitions, walls or any other part of the office, including equipment, tools and any other office materials and accessories.
2. Littering constitutes throwing cigar and cigarette butts, empty cigarette packs, pieces and bits of paper, cotton cloth, raw materials or throwing any unusable objects anywhere in the company premises.
3. Improper use of facilities.
4. Other unsanitary practices.

15. Property of Third Persons

Stealing and all other acts of dishonesty committed within the company premises are prohibited. Any employee who loses personal effects or finds any article not belonging to him/her should immediately report the loss or discovery to his supervisor, who in turn, should report the matter to the Administration Department.

16. Cessation of Employment

An employee who shall resign from the company is required to give written notice at least thirty (30) days in advance of the effective date of resignation. Should an employee fail to comply with this rule, all moneys due him/her, if any, from the Company up to but not exceeding an amount equivalent to one (1) month's salary shall be forfeited in favor of the company without prejudice to the company's right to file any action against the employee for any balance or for the full amount.

After an employee has filed his/her written notice of resignation which the company has accepted (through acknowledgment by his/her Manager and endorsement to the Human Resources Department), and prior to the effective date of resignation, the employee must clear all his/her accountabilities and other obligations with the company. The procedure for this is as follows:

1. The employee secures the "Clearance Form" and the "Turnover and Endorsement Report" from the Human Resources Department. The Clearance Form must be personally brought by the resigning employee to the various department heads.
2. The various department heads will examine closely any accountability which the employee may have and will only issue clearance once this accountability has been settled. Note that this is NOT limited to monetary accountabilities only.
3. Once the Clearance Form is completed, the employee then forwards the form to the Human

Resources Department together with the Turnover and Endorsement Report, which will forward this to Payroll for processing. Any monetary obligation of the employee with the company may be deducted from the employee's final pay.

4. After clearance, the employee will undergo an exit interview with the Human Resources Department Head or his/her designee.
5. Simultaneous with the release of the resigning employee's final pay, the employee shall execute a Release, Waiver and Quitclaim in favor of the Roxas Group.

Any employee who shall resign from the Company shall be entitled to whatever benefits due him/her pro-rated up to the time when the notice of resignation is given. In cases where the company initiated the termination of employment for cause, all benefits other than those mandated by law shall be forfeited.

On or before the last day of employment, all property of the Company including, but not limited to: keys, records, notes, data, computer software, memorandum, models, etc., in the employee's possession or under the employee's control shall be delivered to the employee's supervisor.

17. Non-Competition

The employee agrees that for a period of two (2) years after termination of his/her employment with the company in any manner, whether with or without cause,

employee will not directly or indirectly engage in the business of the company or in any business in competition with it, within the Philippines or within territories in which the company operates its business, for a period of two (2) years from such termination of employment.

Directly or indirectly engaging in business of the company or in any competitive business shall include, but not be limited to, engaging in business as owner, partner, or agent, or as employee of any person, firm, corporation, or other entity engaged in such business, or in being interested directly or indirectly in any such business conducted by any person, firm, corporation, or other entity.

18. Inducing other employees to leave the Roxas Group

The employee will not, in any way, directly or indirectly through the agency of any other person or entity, (i) induce or attempt to induce any employees of the company or parties with whom the company has contracted for services, to quit his/her employment or terminate his/her contractual relationship with the company, (ii) otherwise interfere with or disrupt employees; or (iii) solicit, entice, take away or employ any person employed with the company.

D. OTHER POLICIES

1. Whistle-blowing Policy

The Roxas Group's Whistle-Blowing Policy is attached hereto as Annex "A" and shall be deemed incorporated herein by way of reference.

2. **Policy on Conflicts of Interest**

The policy on Conflicts of Interest is attached hereto as Annex "B" and shall be deemed incorporated herein by way of reference.

3. **Other Policies, Rules and Regulations**

Any other policies, rules and regulations that may be published or promulgated by Management from time to time, including any amendments/revisions/supplements thereto shall be deemed to form part of this Code and is incorporated herein by way of reference.

E. THE DISCIPLINARY PROCESS

1. The administration of discipline is a line function and all Supervisors and Managers are primarily responsible for the behavior of their respective subordinates. Therefore, it is their duty to decide and impose appropriate disciplinary action whenever necessary within the limits of their authority as follows:

1.1. Offenses punishable by a penalty of **less than one (1) month suspension** shall be decided by the

Supervisor or Manager concerned in consultation with Senior Vice President.

1.2. Offenses punishable by a penalty of **more than one (1) month suspension** shall, upon the recommendation of the Supervisor or Manager, be with the assent of the Senior Vice President.

1.3. Offenses punishable by **discharge** for cause shall be with the approval of the Senior Vice President or in his absence, any other officer of higher rank.

1.4. The Human Resources Department must always be informed in writing of the disciplinary action taken for record purposes.

2. Upon receipt of a written complaint or report of an alleged violation, the Supervisor or Manager concerned shall investigate and review the facts of the case and shall endorse a copy of the complaint to the Human Resources Department. The Supervisor or the Manager shall ensure that the respondent employee is given an opportunity to be heard.

2.1. The respondent must be served with a Notice to Explain in writing within two (2) working days upon receipt of the same. The Notice to Explain shall identify the alleged violations in detail.

2.2. A duplicate of the Notice to Explain must be signed by the respondent to signify that he or she received the same. This letter shall form part of his/her 201 File.

2.3. If the respondent refuses to receive the same, the Supervisor or Manager shall leave a copy with the

respondent in the presence of two witnesses who shall attest to the fact that the respondent refuses to acknowledge receipt of the same. Such fact must be annotated in the receiving copy by the witnesses. In case an employee has gone AWOL, a copy of the Notice shall be sent by registered mail to respondent's address of record in the 201 file. The letter shall be deemed received after three (3) working days from sending.

- 2.4. Failure of the employee to answer in writing within the prescribed period shall be construed as a waiver of his/her right to submit his/her answer/explanation.
3. Thereafter, the Supervisor or Manager concerned shall evaluate the facts of the case.
4. The Supervisor or Manager concerned shall then prepare a written report on the alleged infraction, his/her findings and the appropriate penalty to be imposed, if any. A copy of the said report together with the other copies of the documentary evidence and written testimonies, if applicable, shall be forwarded to the Human Resources Department for proper disposition.
5. If the recommended course of action is suspension for more than a month or termination, the Human Resources Department together with the Legal Department shall evaluate the written report of the Supervisor or Manager and supporting documents therefor. In the course of review, parties involved may be called in to shed light on the matter. After evaluation, the Senior Manager for HR and Legal shall either confirm or amend the imposable penalty based on their independent review of the case. In case of conflict, the matter may be elevated to the Senior

Vice President or any other officer of higher rank, who shall have the final decision regarding this matter. The Department Head shall then serve the written penalty to the respondent employee.

6. The respondent employee shall be notified in writing of the findings of the Disciplinary Committee and the corresponding penalty therefor, if any. In the event that the respondent employee refuses to acknowledge the receipt of the decision/written memorandum regarding the case, the same shall be read before said employee by the Department Head or the employee's immediate supervisor serving the memo. A copy shall be left at his/her desk. The remark "refused to sign" as well as any relevant facts will be written down and countersigned by a witness. Refusal to receive management memos regarding disciplinary action will be punished accordingly. In case an employee has gone AWOL, a copy of the written memorandum/decision shall be sent by registered mail to respondent's address of record in the 201 file. The letter shall be deemed received after three (3) working days from sending.
7. If a terminated employee has existing monetary obligations with the company, any amounts owing to the company shall be deducted from the employee's final pay. If the employee's final pay is not sufficient to cover his/her monetary obligations, the employee shall come to an agreement with the company on the terms of repayment thereof.
8. The Department Head of Human Resources and/or Legal may be consulted at any time by the investigating Supervisor or Manager.

Note: The above procedures shall not in any manner be construed as a limitation on the exercise of Management prerogative to create an Investigating Committee should the circumstances warrant its creation.

F. TYPES OF DISCIPLINARY ACTION/PENALTIES

1. Any employee who commits any of the offenses defined under these Rules and Regulations may be disciplined in accordance with the following table of penalties:

- I. Verbal Reprimand/Written Reprimand.** A verbal reprimand will normally be given to first time offenders for violation of petty offenses while a Written Reprimand will normally given to offenders who have previously been verbally reprimanded for violation of a petty offense/s.
- II. Suspension for up to three (3) days.** This places an employee under suspension for up to three (3) days for committing light offenses.
- III. Suspension for up to one (1) week.** This places an employee under suspension for up to one (1) week for committing minor offenses.

- IV. Suspension for more than one (1) week but less than one (1) month.** This places an employee under suspension for more than one (1) week but less than one (1) month for committing less serious offenses.
- V. Suspension for one (1) to three (3) months.** This places an employee under suspension for one (1) to three (3) months for committing serious offenses.
- VI. Discharge.** This is the termination of an employee for commission of an extremely serious violation, including repeated infraction of the offenses defined under the rules.

2. If the Employee commits at least three (3) different infractions (regardless of gravity) within a period of twelve (12) months from the first offense, the penalty next higher in degree than that prescribed shall be imposed on the fourth and subsequent offenses.
3. Suspension carries with it loss of all fringe benefits and privileges. Such loss of benefits and privileges, however, shall be limited to the entire duration of the suspension period only.
4. Discharge for cause carries with it the forfeiture of all fringe benefits and privileges.
5. Notwithstanding the penalties enumerated above, depending on the gravity and the nature of the offense committed, the maximum penalty of discharge may be imposed even on the first offense.

G. MITIGATING AND AGGRAVATING CIRCUMSTANCES

1. If on account of some mitigating circumstances attending a particular case, it appears that the penalty to be imposed will be so severe, the penalty next lower in degree may be imposed.
2. A penalty may be raised to a higher degree/level when the penalty to be imposed appears to be so light on account of the presence of aggravating circumstances.

H. CONDONATION OR COMMUTATION OF PENALTIES

All recommendation for a reduction on penalty/ies imposed shall be approved by the Manager or the Vice President, and noted by the Human Resources Department.

I. PRIVATE DISAGREEMENTS, CONTROVERSIES, CIVIL OR CRIMINAL CASES BETWEEN EMPLOYEES

Management will not intervene in any disagreements, controversies or court cases (civil or criminal) between employees that are personal or private in nature. However, in case such private disagreement, controversy or court action causes any animosity between the employees, thereby affecting the peace and order within the company premises or affecting the efficiency of work or which may prejudice the Roxas Group, Management will adopt and put in effect such measures

as may be necessary to remedy the situation, including suspension of the erring employees as circumstances or the nature of the case may require.

J. ADMINISTRATION AND AMENDMENT

1. Management shall periodically review these Rules and thus, reserves its right to amend, alter, modify or change these Rules as the exigencies of the time or circumstances may warrant.
2. Every employee shall, upon employment, be furnished with a copy of these Rules and any of its amendments and must acknowledge receipt of the same writing.

K. EFFECTIVITY

1. These Rules shall supersede all other Rules and Regulations previously promulgated for ROXACO employees.
2. These Rules shall take effect after it has been widely circulated to all employees.

L. OTHER OFFENSES NOT COVERED IN THE TABLE OF OFFENSES

All other offenses not listed in these Rules and Regulations and the Table of Offenses shall likewise be penalized in a manner and to the extent that the Company shall deem to be just and appropriate according to the circumstances of each case. Supervisors and Managers who willfully condone offenses committed by their subordinates will be subject to the same penalties as the offender would deserve.

M. TABLE OF OFFENSES:

Legend:

- I - Warning (Verbal or Written Reprimand)
- II - Suspension for up to three (3) days
- III - Suspension for up to one (1) week
- IV - Suspension for more than one (1) week but less than one (1) month
- V - Suspension for one (1) to six (6) months
- VI - Discharge

A. OFFENSES AGAINST PERSONS	1ST	2ND	3RD	4TH
1. Provoking or instigating a quarrel, or fighting in Company premises causing light physical injuries which incapacitates a person to work for or shall require medical attendance for: a. one to three days b. four to six days c. seven to less than ten days	II III IV	III IV V	IV V VI	VI VI
2. Threatening, intimidating, coercing or harassing a fellow employee or anybody on the jobsite or on Company property at anytime. When the offense is committed against a superior, the penalty provided for insubordination shall be imposed.	IV	V	VI	
3. Inflicting less serious physical injuries (which incapacitates a person to work for ten days to thirty days or which shall require medical attendance for the same period).	IV	V	VI	
4. Inflicting serious physical injuries (which incapacitates a person to work for more than thirty days or which will require medical attendance for the same period)	V	VI		
5. Taking the life of a Company official, employee or any person willfully or thru gross negligence on company	VI			

premises or jobsite. The offenses in item 1-5 under this rule shall apply even if committed outside of company premises or during non-company time if the cause of action is work related or one that arises from a “subordinate-superior” relationship.				
6. Endangering the safety of other employees through negligence.	III	IV	V	VI
7. Causing physical injuries to co-workers on account of carelessness or negligence.	III	IV	V	VI
B. OFFENSES AGAINST PROPERTY	1ST	2ND	3RD	4TH
1. Malversation of Company funds.	VI			
2. Any form of theft, actual or frustrated, of Company property or property of co-employees, visitors or clients, or third parties committed within Company premises	VI			
3. Attempting to steal from Company, co-employees, visitor, clients or third parties committed within company premises; removing Company property from premises without approval from authorized personnel.	V	VI		
4. Willful destruction of Company property.	VI			
5. Damaging Company property thru negligence or reckless, negligent or improper use of company tools and equipment.	III	IV	V	VI
6. Unauthorized use of Company tools, equipment.	I	VI		
7. Driving or operating Company vehicles without valid license.	V	V	VI	
8. Vandalism/Graffiti (such as destroying office equipment / furniture; writing/ painting on the walls, restrooms, etc.)	IV	V	VI	
9. Possession of Company tools or property without	IV			

authority or valid reason for processing the same.				
C. FRAUDULENT ACTS	1ST	2ND	3RD	4TH
1. Falsifying Company records, reports, receipts, papers or other document; Forgery or attempted forgery	VI			
2. Falsifying daily time records.	V	VI		
3. Falsifying signatures, using another's name, or acting in the name of the Company without express authority.	V	VI		
4. Falsifying employment records, giving or submitting false statement in applying for employment.	V	VI		
5. Obtaining or attempting to obtain materials in a fraudulent manner.	V	VI		
6. Substituting Company material or equipment with other property; Altering or tampering, in any form or manner, any information, or content of e-mail, messages, or postings either with intent to mislead or destroy, or commit fraud or deception;	V	VI		
7. Unauthorized disclosure of information, trade secrets, and unauthorized access to information/data.	IV	V	VI	
8. Unauthorized solicitation in any form such as requests for assistance, contributions and donations either in the form of cash or otherwise.	V	VI		
9. Breach or abuse of trust reposed by the Company or duly authorized representative that may result in personal gain or possible damage or loss to the Company	V	VI		
10. Willful failure to report a clear violation of the policies, standard operating procedures or processes established by the Company	Same penalty as the offense not reported			
11. Covering up a clear violation of the policies, standard operating procedures or processes established by the	Same penalty as the offense covered up			

Company or the client				
12. Destruction/Concealment of any evidence to prevent the discovery of an offense whether or not there is a pending investigation	Same penalty as the offense covered up			
13. Planting or tampering in any form or manner any evidence involving himself/herself or another associate for the purpose of: (i) exonerating himself/herself or another; (ii) implicating the latter in the commission of an offense; or (iii) evading responsibility for the commission of the crime or offense	V	VI		
D. OFFENSES AGAINST PUBLIC MORALS	1 ST	2 ND	3 RD	4 TH
1. Using indecent, abusive, derogatory and/or indecorous words whether verbally or used in letters or communications addressed to the Company or to any of its officers, or in any written communication with clients, suppliers, third parties, or co-employees.	IV	V	VI	
2. Circulating false or malicious information tending to malign or besmirch the good name of the Company or any of its officers or employees; Making false or malicious statements, spreading or disseminating misleading information against any member of Management, the Directors, co-employees, clients or visitors that may harm the reputation and authority of those concerned or that of the Company, whether such statements are done orally, in print, electronically, online or in other digital formats.	IV	V	VI	
3. Taking part in or promoting any gambling or any other game of chance or unauthorized lottery on Company jobsite or company premises.	IV	VI		
4. Committing immoral, indecent acts, or willful indecent exposure inside company premises, property or job sites or during company-sponsored	I	II	IV	VI

activities.				
5. Using profane or obscene language in addressing another person on Company premises, property or job sites.	I	II	IV	VI
6. Exhibition or distribution of pornographic materials including possession of the same in Company premises or jobsites.	I	II	III	IV
7. Engaging in illicit relationship with co-employee under scandalous circumstances, which may affect work performance; Scandalous acts or acts of immorality committed with a co-employee within Company premises or during Company-sponsored or organized activities, whether or not done within Company premises.	V	VI		
E. OFFENSES AGAINST SECURITY	1ST	2ND	3RD	4TH
1. Neglect use of ID or any other system of identification provided or required by the Company; or giving ID to any other person not entitled to it.	I	II	III	IV
2. Unauthorized possession of ice-picks, clubs, other deadly articles or bladed instruments such as hunting knife, balisong knife, “tres cantos”, dagger etc., inside the premises of the company.	V	VI		
3. Illegal possession of explosives within the premises of the company.	VI			
4. Refusing to submit to Company authorized security personnel in the performance of their duties.	I	III	VI	
5. Refusal to submit to or disobedience or failure to meet or observe security requirements or regulations of the Company.	I	III	VI	

<p>6. Engaging in sabotage; Sabotage or attempt to sabotage (Willful acts which adversely affect the operations of the Company) such as but not limited to:</p> <ul style="list-style-type: none"> a. Spying or obtaining information from the organization confidential records or inducing others to spy or obtain information for the purpose of discrediting the organization and/or transmitting the same to others to the prejudice of the Company; b. Making false or malicious statements concerning the Company; c. Revealing or issuing, without authority, confidential information, data reports or similar documents, such as training manuals, concerning operations or trade secrets of the organizations with third parties; d. Committing any act that compromises the availability, integrity and security of Company or client systems or resources. 	VI			
<p>7. Entering restricted areas without specific permission.</p>	I	III	VI	
<p>8. Conviction of a crime or felony involving moral turpitude.</p>	VI			
<p>9. Unauthorized disclosure or giving away without authorization restricted Company information or other data of confidential nature to any person not authorized to acquire or possess such information or data.</p>	V	VI		
<p>10. Reporting for work obviously under the influence of liquor or dangerous drugs as listed under the Dangerous Drugs Act of 2002.</p>	V	VI		
<p>11. Bringing in or attempting to bring inside Company premises, property or jobsites, alcoholic beverages or any dangerous drugs.</p>	V	VI		
<p>12. Drinking any alcoholic beverage or use of dangerous drugs on Company premises.</p>	V	VI		

F. OFFENSES RELATED TO ATTENDANCE OR WORK PERFORMANCE	1ST	2ND	3RD	4TH
1. Leaving work assignment during work hours without previous permission and without reasonable cause; Leaving or abandoning work assignment during official working hours or going on undertime without prior approval from the Immediate Supervisor/Manager;	II	III	IV	VI
2. Failure to render overtime work without a valid reason after signifying willingness to perform authorized overtime work	I	II	III	IV
3. Engaging in horse-play; officiousness and noisy conduct disturbing the work of other employees.	I	II	III	IV
4. Wasting time or loitering on Company time.	II	III	IV	VI
5. Stopping work before indicated time-out.	II	III	IV	VI
6. Leaving Company premises or jobsite during working time without previous permission of supervisor.	II	III	IV	VI
7. Tardiness without reasonable cause in excess of sixty (60) minutes in any one month or five (5) times in one month.	I	II	III	IV
8. Absence without permission or without reasonable cause.	I	II	III	IV
9. Being absent for two consecutive days to one (1) week without permission or without officially filling leave of absence.	III	IV	V	VI
10. Same as above if unauthorized absences exceed seven (7) consecutive days but not more than one (1) month <i>Failure to return to work promptly upon expiration of vacation or sick leave shall be considered absence without leave. So that the reason justifying the absence may be considered in excusing the personnel concerned, the same must be received by</i>	V	VI		

<i>or communicated to the proper authority within 24 hours from the first day of absence.</i>				
11. Same as above if unauthorized absences exceed thirty (30) consecutive days. <i>Note: The penalties for violation of Paragraph F, Item #7-10 shall be applied on a yearly basis reckoned on the immediately preceding 12 month period so that every year shall start with the penalty for the first offense.</i>	VI			
12. Doing private work during working hours without permission; Selling any kind of articles or lottery tickets, within the premises, without authorization of management.	II	III	IV	VI
13. Sleeping while on duty, in non-guarding or non-attending assignment.	III	IV	V	VI
14. Sleeping while on duty causing damage to property or physical injuries.	V	VI		
15. Failure to wear the prescribed dress code	I	II	III	IV
16. Willful or negligent disregard for standard operating procedures or processes (including circulars, memoranda, etc.) established by the Company	II	III	IV	V
G. OFFENSES RELATED TO HEALTH AND SAFETY	1ST	2ND	3RD	4TH
1. Creating, causing or contributing to unsanitary or disorderly conditions within Company premises	I	II	III	IV
2. Failure to participate in required emergency drills without justifiable reason	I	II	III	IV
3. Willful violation of safety/warning signs posted in the Company premises	I	II	III	IV
4. Smoking and use of electronic cigarettes inside Company premises	I	II	III	IV
5. Blocking emergency exits	I	II	III	IV
6. Submitting false reports and information related to the	II	IV	VI	

security and safety of the Company and/or its employees				
7. Activating directly or indirectly the emergency alarm when there is no real emergency or tampering in any way with fire protection equipment or alarm system	II	III	IV	VI
8. Reporting to work knowing that he/she has a contagious disease (e.g. chickenpox, TB, sore eyes, Hepatitis) that could endanger the health of other associates or affect the operations of the department	I	II	III	VI
9. Forcing entry or gaining access or attempting to enter or gain access to an area in the Company premises in violation of instructions or rules restricting such access	III	IV	V	
10. Refusal to submit Annual Physical Examination result	I	V	VI	
11. Refusal to submit to medical evaluation or get clearance/fit to work permit from the clinic despite the advice of the manager	I	II	IV	
12. Being under the influence, or failure to pass the random drug test, or in possession of prohibited drugs or the selling thereof while in the Company premises or during Company-sponsored activities	VI			
H. OFFENSES RELATING TO MISBEHAVIOR/MISCONDUCT	1ST	2ND	3RD	4TH
1. Gross disobedience or deliberate refusal to obey reasonable and/or official instructions of superiors	III	IV	VI	
2. Abuse of position and/or authority for personal gain or using position or authority to take advantage of, intimidate or harass co-employees	III	IV	V	VI
3. Engaging in business or professional activity during working hours, or in any activity that goes against the interest of the Company regardless of whether the same is done during working hours or not.	II	IV	V	VI
4. Writing for an outside publication, delivering outside lectures and attending speaking engagements without the prior consent of the Company.	II	IV	V	VI

5. Participating in civic, political, religious, charitable, educational, cultural, recreational or other similar activities during Company time.	II	IV	V	VI
6. Acceptance of gifts, favors, loans or other material benefits by the employee and/or member of his family from third persons (such as suppliers, and contractors) doing business or desiring to do business with the Company.	II	IV	V	VI
7. Financial involvement in any transaction between the Company and third persons which affects or influences the official judgment of the employee.	II	IV	V	VI
8. Engaging in the business of habitually lending money to employees. (Presuppose that the lending of money is with interest).	II	IV	V	VI
9. Unjustified refusal to submit to an official investigation.	IV	V	VI	
10. Offering, asking or accepting any thing of value in exchange for a job, work assignment, work location, or favorable conditions of employment	V	VI		
11. Insubordination, refusing or neglecting to obey or to perform assigned work.	V	VI		
12. Coercing, bribing, inducing or condoning others to violate company policies, rules and regulations.	V	VI		
13. Failure to observe reasonable care and/or due diligence in the undertaking of a particular task in the course of the performance of duties which may result in serious customer dissatisfaction that may lead to loss to the Company in any form (e.g. imposition by the client of penalties/rebates, suspension of project, etc.), extensive delay in operations.	IV	V	VI	
14. Gross or habitual neglect by the employee of his/her duties; gross inefficiency or negligence in the performance of assigned tasks or duties	IV	VI		

15. Discrimination against race, gender, religion, sexual orientation, physical disability, etc. in the form of verbal jokes or comments and written material, or in printed, digital or online formats	V	VI		
16. Bullying an Associate, client, contractor, or supplier by whatever means as the term bullying is defined under this Code of Conduct.	IV	V	VI	
17. Sexual harassment; engaging in acts of lasciviousness or any act which has sexual or lustful overtones, or those that can be characterized as prurient, done within Company premises or outside Company premises but during or in the course of Company-sponsored activities; an act in any form, verbal or otherwise, online or printed, is said to be prurient when it is marked by or arousing an immoderate, unwelcome or unwholesome interest or desire in or about sex	VI			
18. Final conviction of a crime or criminal offense under the laws of the Philippines	VI			
19. Provoking or instigating a fight within company premises or in the course of company-sponsored or organized events	IV	V	VI	
I. OFFENSES RELATING TO LEADERSHIP AND MANAGEMENT DECORUM	1ST	2ND	3RD	4TH
1. Neglect of a responsibility related to a leadership function	IV	V	VI	
2. Abuse of authority related to a leadership function or in the course of performance of his/her duties; THIS OFFENSE MAY INCLUDE OBTAINING PERSONAL FAVORS OR LOANS FROM SUBORDINATES, OR EXERTING UNDUE INFLUENCE OVER, OR COERCING, A SUBORDINATE IN DOING AN ACT WHICH IS ILLEGAL, IMPROPER OR VIOLATIVE OF ANY COMPANY POLICY OR RULE	IV	V	VI	

3. Making a decision that outs the Company in a compromising situation	IV	V	VI	
J. OTHER OFFENSES	1ST	2ND	3RD	4TH
1. Any other acts analogous to any of the foregoing offenses	The imposable penalty will depend on the gravity of the offense and the analogous offense			
2. Any acts constituting any of the just causes enumerated under Article 282 of the Labor Code of the Philippines	VI			

ACKNOWLEDGMENT

I, _____ (Name), holding the position of _____, hereby confirm the following:

1. I acknowledge that I have been given the opportunity to read this Handbook and Code of Conduct.
2. I fully understand the foregoing conditions and provisions set forth in this Handbook and Code of Conduct.
3. I also acknowledge that I have been given a copy of this Handbook and Code of Conduct for my personal file.
4. I understand that:
 - a. This Handbook and Code of Conduct shall be governed by and construed under Philippine laws.
 - b. In case any one or more of the provisions or part of a provision contained in this Handbook and Code of Conduct shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this document, but the handbook and Code of Conduct shall be construed as if such invalid or illegal or unenforceable provision or part of a provision had never been contained herein.
 - c. The waiver of the breach of any term or condition of this Handbook and Code of Conduct shall not be deemed to constitute the waiver of any other or subsequent breach of the same or any other terms or conditions hereof.
5. I undertake to adhere to and comply with the contents of this document and any amendments/revisions/supplements thereto that may be published from time to time.

IN WITNESS WHEREOF, this _____ day of _____, 20____, in Makati City.

(Name of Employee)

Annex A – Whistle-Blowing Policy

Annex B – Policy on Conflicts of Interest

ANNEX A

Whistleblowing Policy and Form

1.0 Objectives

- 1.1 To encourage employees and other stakeholders to raise serious and sensitive concerns that could have adverse impact on operations and performance of the business which due to its nature cannot be reported through the normal reporting line
- 1.2 To provide the policies and procedures to ensure such concerns are treated seriously in an appropriate and confidential process
- 1.3 To reassure that any person raising a serious concern in good faith will be protected from reprisals or retaliation

2.0 Scope

- 2.1 The policy covers situations that deal with fraudulent activity, malpractice or wrongdoing that materially affects the Company, its employees, its clients, its suppliers, its contractors/sub-contractors, its business partners or public interest.
- 2.2 The policy does not include complaints or personal grievances which should be pursued through the line managers (e.g., breach of individual employment rights, bullying or seeking justice for themselves).
- 2.3 This policy applies to everyone who carries work within the Company, including:
 - Board of Directors;
 - Executive Officers;
 - All employees (managerial and rank-and-file);
 - Contractors and sub-contractors;
 - Agency staff;
 - Consultants; and
 - Trainees

3.0 Definition of Terms

- 3.1 Whistleblowing – the confidential disclosure by an employee of a concern encountered in the workplace relating to a perceived risk, fraud, malpractice or wrongdoing
- 3.2 Whistleblower – the individual who raises concern about a perceived risk, fraud, malpractice or wrongdoing within the workplace

4.0 General Policies

- 4.1 The company considers wrongdoing to include:
 - General malpractice, such as immoral, illegal or unethical conduct;
 - Failure to comply to the Company’s existing policies;
 - Health and safety risks, including risks to the public as well as other employees; or
 - Actions which are unprofessional, inappropriate or in conflict with a general understanding of what is right and wrong.

- 4.2 Whistleblower is encouraged to present supporting evidence for the allegations. Concerns shall be raised at the earliest opportunity.
- 4.3 The identity of the whistleblower as well as his/her statement shall be treated as confidential to ensure that the whistleblower will be protected at all stages. However, concerns raised by individuals who refuse to reveal their identity or wish to remain as anonymous shall be considered unfounded and will not be processed, if the testimony of the whistleblower is the only evidence of the perceived risk, fraud, malpractice or wrongdoing.
- 4.4 Whistleblower shall be protected from victimization and harassment. If determined that the whistleblower is an accessory to the incident, disciplinary actions would still be applied, but such whistleblowing act may be considered as a mitigating factor, on a case to case basis.

5.0 Procedures

5.1 Raising the Concern

Concerns may be raised through the Compliance Officer, except when the Compliance Officer is involved, in which case the matter shall be elevated to the Governance Committee.

The whistleblower may send their concern thru a **drop box**, where letters are sealed, located at the employee entrance, to be checked regularly by the Compliance Officer.

If the whistleblower has reported to the Compliance Officer but no feedback given within one (1) week, he/she may ask assistance thru the Legal Department.

5.2 Handling the Concern

The Compliance Officer will be the one responsible in handling issues arising from whistleblowing and be guided by the disciplinary procedures as stated in employees' handbook.

Disclosures made by whistleblower shall be investigated fully (including interviews with witnesses) to carefully consider all relevant matters. The Compliance Officer may consult the senior management or engage the services of the Internal Auditor/s or Legal Department in the investigation and analysis of the complaint or concerns raised.

5.3 Progress of the Investigation

The whistleblower will be kept informed of progress and the outcome of the investigation, within the constraints of maintaining confidentiality and/or observing legal restrictions.

5.4 Disciplinary Actions

The following actions may be taken after investigation of the concern:

- Disciplinary action in accordance with the employees' handbook against the wrongdoer depending on the results of the investigation; or
- Disciplinary action in accordance with the employees' handbook against the whistleblower if the claim is found to be malicious or otherwise in bad faith; or
- No action if the allegation proves unfounded.

WHISTLEBLOWING FORM

Name/Whistleblower (*Pangalan*): _____

Designation/Department (*Posisyon/Departamento*): _____

Contact numbers (*Numero ng Telepono*): _____

E-mail address: _____

I. Nature of Perceived Risk, Fraud, Malpractice or Wrongdoing (*Uri ng Pagkakamaling Ginawa*)

II. Name of the Person Suspected of the Perceived Risk, Fraud, Malpractice or Wrongdoing (*Pangalan ng Pinaghihinalang Gumawa ng Kamalian*)

III. Statement of Facts (*Paglalahad ng mga Pangyayari*)

(List the events in chronological order / *Isulat ang mga pangyayari ayon sa pagkakasunud-sunod*)

- 1.
- 2.
- 3.
- 4.
- 5.

IV. Recommendation/s (*Mungkahi*)

(Optional / *Opsyonal*)

V. Sworn Statement (*Sinumpaang Salaysay*)

I hereby declare that the above statements are true and correct to the best of my knowledge and belief, and do not include personal grievances or complaints against the person suspected.

(Ako ay sumusumpa na ang aking mga salaysay ay totoo at tama sa abot ng aking mga nalalaman at paniniwala, at walang halong pansariling hinanakit o reklamo laban sa taong pinaghihinalaan).

Signature over Printed Name
(*Pangalan at Lagda*)

Date
(*Petsa*)

Enclosures: Supporting Documents
(*Nakapaloob: Mga mahahalagang dokumento o katunayan*)

ANNEX B

CONFLICT OF INTEREST

The Roxas Group requires and expects that business affairs are conducted in a manner that does not cloud our judgement when we deal with third parties or make decisions on behalf of the Company. Business transactions must be undertaken solely in the best interest of the Company.

A conflict of interest arises when an employee engages in business or professional activities exclusively for his own benefit and when the Company's interests are compromised.

The following, while not encompassing, illustrate the guidelines on activities, which violate the Company's conduct on Conflict of Interest:

A. Gift Acceptance

1. An employee must not receive gifts, favors, entertainment, trips, personal loans or other benefits of any amount, from third parties doing business with the Company, *except*:
 - Unsolicited advertising or promotional items of nominal value, such as notepads, t-shirt, pens, umbrella, etc., or
 - Gifts in a form of meals or beverage on infrequent occasions in the ordinary course of business, where attendance by the employee is related to the performance of official duties.
2. An employee must exercise efforts to return to the donor any gift received, other than what is enumerated above. If not possible, the gift received must be turned-over to Human Resource Department for eventual distribution (*e.g., raffle prizes during anniversary or gifts during Christmas party*).

B. Business Dealings

An employee of the Company must not:

1. Involve his personal interest in any transaction between the Company and third parties which can influence or affect the official judgement of the employee, or
2. Engage habitually in the business of lending money to fellow workers, employees or business partners.

C. Other acts or activities analogous to the foregoing.