



Board of Directors Handbook

INTRODUCTION

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Welcome to RAROCO INSURANCE BROKERS, INC.!

This Handbook shall explain to you the company's background. More importantly, this handbook incorporates the company's Code of Conduct which is envisioned to provide within the organization a working relationship that is healthy and harmonious between the employee and the company.

This handbook shall guide you in your day-to-day activities as a member of the RAROCO INSURANCE BROKERS family. We believe that it will lead you in your professional growth and strengthen your professional ethics foundation. Please give it serious attention, due respect, and handle it with utmost care.

I. COMPANY PROFILE

Ramon A. Roco had humble beginnings as an Insurance Agent in 1980 with a vision of helping the Filipino people secure their health and future. After graduating from Ateneo de Manila, Monchito landed the Top 10 passers from the Insurance Commission test and in 1982, he was an Awardee of the Ten Most Outstanding Philippine Salesmen. Monchito dedicated himself to learn the ins and outs of the industry and prepared for something much bigger. He then established a company that will allow him to cater to more clients, that said company is now RAROCO Insurance Brokers, Inc.

Come 1983, Monchito had a concrete desire to broaden the company's offerings by including non-life insurance products such as fire, motorcar, marine and the likes. The desire to reach more clients are off the charts that the company also created a US Dollar-Denominated policies which include life, medical and travel insurance.

Given the technology the world is offering us, RAROCO Insurance Broker, Inc. has been handling the needs of its' clients electronically to keep the promise of convenience and promptness. The company is now targeting to have a platform which allows clients to purchase insurance products directly from its' website.

Given our formidable synergy with our principal insurance partners, Monchito keeps himself and his team abreast with the new trends in the insurance industry to stay ahead of the fast-growing needs of the Filipino people. In many ways, he has created a niche in insurance marketing by carefully matching and positioning various products to the ever changing needs of our clients. "Excellent service at a reasonable price," the trademark of RAROCO Insurance Brokers, Inc.

II. COMPANY VMO

VISION

RAROCO Insurance Brokers, Inc. envisions to be “THE” top of the mind insurance broker of choice for all life and non-life insurance needs of every individual, family and company in the Philippines.

MISSION

RAROCO Insurance Brokers, Inc. aims to provide swift service and easy access to all our clients’ insurance needs both life and non-life. We accomplish this by employing the industry’s best and finest in order to offer high-quality insurance products for each individual, family and corporation

OBJECTIVE

RAROCO Insurance Brokers, Inc. looks forward to growing as a competitive yet family-oriented company that continues to succeed as a multi-awarded top-ranking brokerage for the next 100 years onward.

III. CORE VALUES

- **Accountable** – takes responsibility for actions or inaction on all levels, understands and has ownership of his/her roles, duties and functions
- **Competent** – is fully aware of his/her roles, duties and functions and has the necessary skill set to fulfill all tasks, is knowledgeable on all subject matters related to his/her role, duties and functions
- **Time Efficient** – maximizes time by having an orderly and organized system of carrying out day-to-day tasks, knows how to multi-task and is punctual in reporting to work and in work submissions
- **Exceeds Expectation** – fulfills the required task, but also provides more than what is asked for, has the foresight to act on forthcoming requirements and has the ability to take pertinent actions ahead of time that gives client satisfaction
- **Commitment to Excellence** – strives to do the best that he/she can in every aspect of his/her capacity
- **Proactive and Innovative Mindset** – has the initiative to improve circumstances and situations at hand and is also concerned with finding solutions to foreseeable problems even before problems arise
- **Cultivates Harmonious Culture** – knows how to mingle and socialize with people from all walks of life, not only clients but especially fellow co-workers in order to foster deeper connections and develop better more supportive relationships
- **Service with a Smile** – regardless of his/her personal predicament, he/she aims to please through service with a heart
- **Firm and Fair, yet Compassionate Management** – superiors and company management treat all subordinates reasonably while taking into consideration other factors that make an employee valuable

IV. CODE OF BUSINESS CONDUCT & ETHICS

Build Trust and Credibility

The success of our business is dependent on the trust and confidence we earn from our employees, customers and shareholders. We gain credibility by adhering to our commitments, displaying honesty and integrity and reaching company goals solely through honorable conduct. It is easy to *say* what we must do, but the proof is in our *actions*. Ultimately, we will be judged on what we do.

When considering any action, it is wise to ask: Will this build trust and credibility for RAROCO Insurance Brokers, Inc. Will it help create a working environment in which RAROCO Insurance Brokers, Inc. can succeed over the long term? Is the commitment I am making one I can follow through with? The only way we will maximize trust and credibility is by answering “yes” to those questions and by working every day to build our trust and credibility.

Respect for the Individual

We all deserve to work in an environment where we are treated with dignity and respect. RAROCO Insurance Brokers, Inc. is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our business success. We cannot afford to let anyone’s talents go to waste.

RAROCO Insurance Brokers, Inc. is an equal employment/affirmative action employer and is committed to providing a workplace that is free of discrimination of all types and from abusive, offensive or harassing behavior. Any employee who feels harassed or discriminated against should report the incident to his or her manager or to human resources.

All RAROCO Insurance Brokers, Inc. employees are also expected to support an inclusive workplace by adhering to the following conduct standards:

- Treat others with dignity and respect at all times.
- Address and report inappropriate behavior and comments that are discriminatory, harassing, abusive, offensive or unwelcome.
- Foster teamwork and employee participation, encouraging the representation of different employee perspectives.
- Seek out insights from employees with different experiences, perspectives and backgrounds.
- Avoid slang or idioms that might not translate across cultures.
- Support flexible work arrangements for co-workers with different needs, abilities and/or obligations.
- Confront the decisions or behaviors of others that are based on conscious or unconscious biases.
- Be open-minded and listen when given constructive feedback regarding others' perception of your conduct.

RAROCO Insurance Brokers, Inc. will not tolerate discrimination, harassment or any behavior or language that is abusive, offensive or unwelcome.

Create a Culture of Open and Honest Communication

At RAROCO Insurance Brokers, Inc. everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns. Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.

RAROCO Insurance Brokers, Inc. will investigate all reported instances of questionable or unethical behavior. In every instance where improper behavior is found to have occurred, the company will take appropriate action. We will not tolerate retaliation against employees who raise genuine ethics concerns in good faith.

For your information, 's whistleblower policy is as follows:

Employees are encouraged, in the first instance, to address such issues with their managers or the HR manager, as most problems can be resolved swiftly. If for any reason that is not possible or if an employee is not comfortable raising the issue with his or her manager or HR, 's, the President does operate with an open-door policy.

Set Tone at the Top

Management has the added responsibility for demonstrating, through their actions, the importance of this Code. In any business, ethical behavior does not simply happen; it is the product of clear and direct communication of behavioral expectations, modeled from the top and demonstrated by example. Again, ultimately, our actions are what matters.

To make our Code work, managers must be responsible for promptly addressing ethical questions or concerns raised by employees and for taking the appropriate steps to deal with such issues. Managers should not consider employees' ethics concerns as threats or challenges to their authority, but rather as another encouraged form of business communication. At RAROCO Insurance Brokers, Inc., we want the ethics dialogue to become a natural part of daily work.

Uphold the Law

RAROCO Insurance Brokers, Inc.'s commitment to integrity begins with complying with laws, rules and regulations where we do business. Further, each of us must have an understanding of the company policies, laws, rules and regulations that apply to our specific roles. If we are unsure of whether a contemplated action is permitted by law or RAROCO Insurance Brokers, Inc. policy, we should seek the advice from the resource expert. We are responsible for preventing violations of law and for speaking up if we see possible violations.

Competition

We are dedicated to ethical, fair and vigorous competition. We will sell RAROCO Insurance Brokers, Inc. products and services based on their merit, superior quality, functionality and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for RAROCO Insurance Brokers, Inc. or the sales of its products or services, nor will we engage or assist in unlawful boycotts of particular customers.

Proprietary Information

It is important that we respect the property rights of others. We will not acquire or seek to acquire improper means of a competitor's trade secrets or other proprietary or confidential information. We will not engage in unauthorized use, copying, distribution or alteration of software or other intellectual property.

Selective Disclosure

We will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations, proposals or otherwise) any material nonpublic information with respect to RAROCO Insurance Brokers, Inc., its securities, business operations, plans, financial condition, results of operations or any development plan. We should be particularly vigilant when making presentations or proposals to customers to ensure that our presentations do not contain material nonpublic information.

Health and Safety

RAROCO Insurance Brokers, Inc. is dedicated to maintaining a healthy environment. A safety manual has been designed to educate you on safety in the workplace. If you do not have a copy of this manual, please see the HR department.

Avoid Conflicts of Interest***Conflicts of Interest***

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. At times, we may be faced with situations where the business actions we take on behalf of RAROCO Insurance Brokers, Inc. may conflict with our own personal or family interests. We owe a duty to RAROCO Insurance Brokers, Inc. to advance its legitimate interests when the opportunity to do so arises. We must never use RAROCO Insurance Brokers, Inc. property or information for

personal gain or personally take for ourselves any opportunity that is discovered through our position with RAROCO Insurance Brokers, Inc.

Here are some other ways in which conflicts of interest could arise:

1. Being employed (you or a close family member) by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while you are employed with RAROCO Insurance Brokers, Inc..
2. Hiring or supervising family members or closely related persons.
3. Serving as a board member for an outside commercial company or organization.
4. Owning or having a substantial interest in a competitor, supplier or contractor.
5. Having a personal interest, financial interest or potential gain in any RAROCO Insurance Brokers, Inc. transaction.
6. Placing company business with a firm owned or controlled by a RAROCO Insurance Brokers, Inc. employee or his or her family.
7. Accepting gifts, discounts, favors or services from a customer/potential customer, competitor or supplier, unless equally available to all RAROCO Insurance Brokers, Inc. employees.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department.

Gifts, Gratuities and Business Courtesies

RAROCO Insurance Brokers, Inc. is committed to competing solely on the merit of our products and services. We should avoid any actions that create a perception that favorable treatment of outside entities by RAROCO Insurance Brokers, Inc. was sought, received or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment or other benefits from persons or companies with whom RAROCO Insurance Brokers, Inc. does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation or policies of RAROCO Insurance Brokers, Inc. or customers, or would cause embarrassment or reflect negatively on RAROCO Insurance Brokers, Inc.'s reputation.

Accepting Business Courtesies

Most business courtesies offered to us in the course of our employment are offered because of our positions at RAROCO Insurance Brokers, Inc.. We should not feel any entitlement to accept and keep a business courtesy. Although we may not use our position at RAROCO Insurance Brokers, Inc. to obtain business courtesies, and we must never ask for them, we may accept unsolicited business courtesies that promote successful working relationships and good will with the firms that RAROCO Insurance Brokers, Inc. maintains or may establish a business relationship with.

Employees who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business or who participate in negotiation of contracts must be particularly careful to avoid actions that create the appearance of favoritism or that may adversely affect the company's reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a supplier when RAROCO Insurance Brokers, Inc. is involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesies is the way to obtain RAROCO Insurance Brokers, Inc. business.

Meals, Refreshments and Entertainment

We may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that:

- They are not inappropriately lavish or excessive.
- The courtesies are not frequent and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.
- The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.
- The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesies known by the public.

Gifts

Employees may accept unsolicited gifts, other than money, that conform to the reasonable ethical practices of the marketplace, including:

- Flowers, fruit baskets, food, drinks and other modest presents that commemorate a special occasion.
- Gifts of nominal value, such as calendars, pens, mugs, caps and t-shirts (or other novelty, advertising or promotional items).

Generally, employees may not accept compensation, honoraria or money of any amount from entities with whom RAROCO Insurance Brokers, Inc. does or may do business.

Employees with questions about accepting business courtesies should talk to their managers or the HR department.

Set Metrics and Report Results Accurately

Accurate Public Disclosures

We will make certain that all disclosures made in financial reports and public documents are full, fair, accurate, timely and understandable. This obligation applies to all employees, including all financial executives, with any responsibility for the preparation for such reports, including drafting, reviewing and signing or certifying the information contained therein. No business goal of any kind is ever an excuse for misrepresenting facts or falsifying records.

Employees should inform Executive Management and the HR department if they learn that information in any filing or public communication was untrue or misleading at the time it was made or if subsequent information would affect a similar future filing or public communication.

Corporate Recordkeeping

We create, retain and dispose of our company records as part of our normal course of business in compliance with all RAROCO Insurance Brokers, Inc. policies and guidelines, as well as all regulatory and legal requirements.

All corporate records must be true, accurate and complete, and company data must be promptly and accurately entered in our books in accordance with 's and other applicable accounting principles.

We must not improperly influence, manipulate or mislead any unauthorized audit, nor interfere with any auditor engaged to perform an internal independent audit of RAROCO Insurance Brokers, Inc. books, records, processes or internal controls.

Promote Substance Over Form

At times, we are all faced with decisions we would rather not have to make and issues we would prefer to avoid. Sometimes, we hope that if we avoid confronting a problem, it will simply go away.

At RAROCO Insurance Brokers, Inc., we must have the courage to tackle the tough decisions and make difficult choices, secure in the knowledge that RAROCO Insurance Brokers, Inc. is committed to doing the right thing. At times this will mean doing more than simply what the law requires. Merely because we can pursue a course of action does not mean we *should* do so.

Although RAROCO Insurance Brokers, Inc.'s guiding principles cannot address every issue or provide answers to every dilemma, they can define the spirit in which we intend to do business and should guide us in our daily conduct.

Accountability

Each of us is responsible for knowing and adhering to the values and standards set forth in this Code and for raising questions if we are uncertain about company policy. If we are concerned whether the standards are being met or are aware of violations of the Code, we must contact the HR department.

RAROCO Insurance Brokers, Inc. takes seriously the standards set forth in the Code, and violations are cause for disciplinary action up to and including termination of employment.

Be Loyal

Confidential and Proprietary Information

Integral to RAROCO Insurance Brokers, Inc.'s business success is our protection of confidential company information, as well as nonpublic information entrusted to us by employees, customers and other business partners. Confidential and proprietary information includes such

things as pricing and financial data, customer names/addresses or nonpublic information about other companies, including current or potential supplier and vendors. We will not disclose confidential and nonpublic information without a valid business purpose and proper authorization.

Use of Company Resources

Company resources, including time, material, equipment and information, are provided for company business use. Nonetheless, occasional personal use is permissible as long as it does not affect job performance or cause a disruption to the workplace.

Employees and those who represent RAROCO Insurance Brokers, Inc. are trusted to behave responsibly and use good judgment to conserve company resources. Managers are responsible for the resources assigned to their departments and are empowered to resolve issues concerning their proper use.

Generally, we will not use company equipment such as computers, copiers and fax machines in the conduct of an outside business or in support of any religious, political or other outside daily activity, except for company-requested support to nonprofit organizations.

In order to protect the interests of the RAROCO Insurance Brokers, Inc. network and our fellow employees, RAROCO Insurance Brokers, Inc. reserves the right to monitor or review all data and information contained on an employee's company-issued computer or electronic device, the use of the Internet or 's intranet. We will not tolerate the use of company resources to create, access, store, print, solicit or send any materials that are harassing, threatening, abusive, sexually explicit or otherwise offensive or inappropriate.

Questions about the proper use of company resources should be directed to your superior.

For more information, refer to the RAROCO Insurance Brokers, Inc. Employee handbook

V. Retirement Benefit

Aside from the Labor Code mandated RA NO. 7641, the company's retirement program is a work in progress dependent on the company's financial condition. Currently, the company is providing company-purchased vehicles as a benefit for years of service.

- One vehicle per decade of service (20% shouldered by employee / 80% by the company) for Vice President & Vice President Admin, HR & Sales – vehicle amount is maximum of 2M total
- One vehicle per 5 years of service (20% shouldered by employee / 80% by the company) for Chairman & President Sales – vehicle amount is maximum of 2.2M total
- Eligibility to claim should be an incumbent key officer and has no pending disciplinary case within the company, and is non-transferable.

- The incumbent key officer can only purchase one vehicle at a time.
- Transfer will be completed once all liabilities of the key officer are settled.
- Retirement benefits in the form of travel insurance and HMO insurance will be given to directors and non-executive directors based on their performance and management's/ board's discretion.

VI. Succession Plan

1. The primary goal for this succession plan is to facilitate peaceful and efficient leadership transitions in the events of retirement, resignation or unexpected tragedy. This plan reflects RAROCO Insurance Brokers Inc.'s values by ensuring that the continued success of the company remains a high priority. Another important aspect of this succession plan is to ensure that *RAROCO Insurance Brokers Inc.* recognizes the valuable contribution of its directors and key officers to the company's growth through their quality performance and years of service and to maintain a proper balance of the Board with new talents despite losing the benefit of the wisdom, expertise and experience of the retiring director. Moreover, this is also to lay down an effective succession plan within the Company and to have a smooth transition that will avoid disruption of business and allow the sustained growth of the Corporation. This will also assist the key officers and directors in planning for their retirement. This succession plan will be reviewed by the board on an annual basis.

- identify critical positions (exec levels)
- manage positions that have critical impact
- who are high potentials?
- what is the job profile required?
- create comprehensive job profile
- review people for the position
- finalization is a competence-based assessment process
- other things to consider is minimum qualification standard
- KSA (knowledge, skills and abilities)

2. *The positions under consideration are as follows:*

- *Chairman – Ramon A. Roco*
 - *At the time of Mr. Roco's retirement, the Chairman's responsibilities will be merged with the President.*
- *President – Denise Roco De Leon*

- *At the moment, a suitable candidate is found within the management, and that is Ms. Erna Santiago who is currently Vice President of Admin, HR and Sales*
- *Ideally, before such time of her ascent to the position she should have completed adequate training in sales and marketing to bolster her set of skills and knowledge*
- *Vice President HR, Admin & Sales – Erna Santiago*
 - *position will be vacant, and the responsibilities will be divided until her successor is found, an Admin & HR manager must be hired immediately as well as Sales Supervisor, unless a person of such caliber and capability is found to take her position*

- *Vice President – Ramon Hidalgo*
 - *At the time of Mr. Hidalgo’s retirement, we will hopefully have a potential candidate to take over from within given that his son, and our current Senior Sales Officer, Mr. Gabe Hidalgo, will progress and successfully get promoted first into the position of Assistant Vice President for Corporate Sales, where he will further have immersive experience in corporate sales*

a. Directors - The Board of Directors (the “Board”) shall take into consideration the health and the willingness of directors to serve even in their advanced years. The continuing service of directors shall be determined on the basis of each director’s ability to perform his/her duties effectively and willingness to serve regardless of age with due regard to mental acuity, physical fitness, and the fortitude to actively engage and make a positive contribution in the pursuit of shared goals of the Corporation. The Board shall determine the continuing fitness of directors to serve but will accede to his or her wish to retire. At any case, the Board shall determine the retirement pay of said director.

b. Key Officers - A key officer (President, Vice President, Vice President HR, Admin & Sales) upon reaching the age of sixty (60) years or more, but not beyond sixty-five (65) years which is hereby declared the compulsory retirement age, who has served at least 5 (five) years in the Company, may retire.

Ideally, management, directors and key officers retire by or prior to the age of 75. The rationale for this is to grant the management and key officers of the company ample time to enjoy the remainder of his/ her life enjoying the fruits of his/her labor by spending quality time doing other meaningful activities beyond work.

3. *Current employees who are within age of retirement or approaching age of retirement in the next 5 years:*

- *Ramon A. Roco – retired employee but hired as consultant*
- *Ramon Hidalgo – no plans of retiring, for as long as health permitting*

4. Qualifications for key roles include:

- *President*
 - *Competence & Organizational skills*
 - *8+ years of managerial experience – handling and managing company operations, managing finance department, overseeing several subordinates, closing various lines of insurance sales*
 - *Business experience (good if not excellent track record)*
 - *Scholastic background*
 - *Other extra-curricular achievements*
 - *At least age 35 and above*
- *Vice President*
 - *Competence & Organizational skills*
 - *5+ years of managerial experience – handling and managing several subordinates, closing various lines of corporate insurance sales*
 - *Business experience (good if not excellent track record)*
 - *Scholastic background*
 - *Other extra-curricular achievements*
 - *At least age 33 and above*
- *Vice President Admin, HR and Sales*
 - *Competence & Organizational skills*
 - *5+ years of managerial experience – handling company operations, capable of managing finance department, overseeing several subordinates, closing various lines of insurance sales, has training and extensive experience in HR & Admin functions*
 - *Business experience (good if not excellent track record)*
 - *Scholastic background*
 - *Other extra-curricular achievements*
 - *At least age 33 and above*

4. Current candidates for the key roles in order of readiness are:

- *Chairman*
 - *Ms. Denise Roco De Leon*
 - *Ms. De Leon currently holds the position of President. And is very familiar with the duties and responsibilities of the Chairman. It would make a smooth and quicker transition for this to be the natural succession given that the Chairman and Founder is her father, and because she has worked closely with her father for many years.*

- *President*
 - Ms. Erna Rovera – Santiago
 - Ms. Santiago currently holds the position of Vice President Admin, HR & Sales. And is familiar with the duties and responsibilities of the President. It would make a smooth and quicker transition for this to be the natural succession given that the Vice President Admin, HR & Sales works closely with the President on a daily basis for many years.
- *Vice President*
 - Mr. Gabe Hidalgo
 - Mr. Hidalgo currently holds the position of Senior Sales Officer. He is at the moment beginning to wet his feet in the realm of corporate sales by fulfilling his quota of closing at least 1 corporate account per month. It would make a smooth and quicker transition for him to be the natural successor given that the incumbent Vice President is his father.

VII. The Data Privacy Act of 2012

Is a 21st century law to address 21st century crimes and concerns. It (1) protects the privacy of individuals while ensuring free flow of information to promote innovation and growth; (2) regulates the collection, recording, organization, storage, updating or modification, retrieval, consultation, use, consolidation, blocking, erasure or destruction of personal data; and (3) ensures that the Philippines complies with international standards set for data protection through National Privacy Commission (NPC). The company, through its DPO, strives to be fully compliant with RA No. 10173.

VIII. Anti-Money Laundering and Counter-Terrorism Financing

The Anti-Money Laundering Council (AMLC) Philippines is the government agency tasked to implement the provisions of Republic Act No. 9160, also known as the “Anti-Money Laundering Act of 2001” (AMLA), and Republic Act No. 10168, also known as the “Terrorism Financing Prevention and Suppression Act of 2012” (TFPSA). The company adheres to following all its related resolutions and amendments. The company has a manual prevention program, orientation and protocol with regards to these matters.

It is the Philippines' central anti-money laundering/counter-terrorism financing (AML/CTF) authority, and financial intelligence unit (FIU).

IX. Anti-Corruption Policy

All Company employees are made aware of their responsibility to know and understand the laws applicable to their respective job responsibilities and are directed to comply with both the letter and the spirit of these laws. All employees are expected to behave properly within the bounds of law and are also cautioned to avoid any appearance of impropriety. The Company ensures that all stakeholders are

aware of these various laws operating within its own environment, and adopts policies to encourage participation and prevent any violation of these laws.

One such policy is the non-acceptance of gifts from persons who have a beneficial relationship with the Company. The Company makes it a point that employees know that gifts and special favors may create an inappropriate expectation or feeling of obligation. It is a policy of the Company that business gifts to, and entertainment of, non-government employees in connection with business discussions or the development of business relationships are only appropriate if they are in the ordinary course of business and their value is modest. (See Code of Ethics and Business Conduct).

In dealings with suppliers and other business partners, the Company likewise ensures that they are compliant with the laws, for example, requiring appropriate registration from the Bureau of Internal Revenue, SEC and other regulatory bodies. Another example is the withdrawal of the members of the Board, management and employees from transactions with potential conflict of interests as mandated. All directors are prohibited from participating in any Board discussion or decision affecting their personal, business or professional interests. All employees, officers and directors have an obligation to act in the best interests of the Company.

The Company's Code of Ethics and Business Conduct, as well as internal policies not only require a disclosure of conflict of interest but also require a behavior to refrain from entering into transactions of the Company. At the Board level, directors are encouraged to disclose and refrain from participating or voting matters that affect their personal, business or professional interests that are likely to give rise to conflicts of interest situation. All employees, officers and directors have an obligation to act in the best interests of the Company.

X. WHISTLE BLOWING POLICY

Purpose

The purpose of formulating the Policy is to increase the awareness of maintaining internal justice and regard this as a kind of internal control mechanism. To provide proper reporting channels and guidance on whistleblowing. It is also critical to maintain a good corporate image and raise the standard of corporate governance of the company.

A whistleblower is one who exposes information or activities deemed to be illegal, unethical, or improper within an organization. He provides the crucial details that enable the authorities and the public to know that an illegality or illegalities had taken place; how they perpetrated; and the potentially responsible parties.

Policy Statement

RAROCO is committed to carry out its functions with the highest degree of professionalism, effectiveness and transparency. All officers, employees and members of the Board of Directors are expected to conduct its affairs, operation and business in compliance with all applicable laws, rules and regulations.

Policy

This Policy is intended to assist individual employees to disclose information relevant to suspected misconduct, malpractice or irregularity through a confidential reporting channel. It is not designed to further any personal disputes, question financial or business decisions taken by the company nor should it be used to reconsider any staff matters which have been addressed under the grievance procedure already in place. Whistleblowing matters may include but are not confined to:

1. Malpractice, impropriety or fraud relating to internal controls, accounting, auditing and financial matters.
2. Violation of the rules and regulations of the Corporation or the Code of Business Conduct and Ethics of the company.
3. Improper conduct or unethical behavior likely to prejudice the standing of the company.
4. Breach of legal or regulatory requirements.
5. Criminal offenses, breach of civil law and miscarriage of justice.
6. Endangerment of the health and safety of an individual.
7. Damage caused to the environment.
8. Deliberate concealment of any of the above.

Procedure

1. Reporting Channel

Complains may be report through the following channels:

1. Email: whistleblowing@rarocoinsurance.ph
2. Mail: c/o Audit Committee
3. Face to face meeting with Audit Committee member or any trusted officer of the company

2. Details of the complaint – use the standard format attached to this Policy. While it is not expected of the complainant to have absolute proof or evidence of the misconducts, malpractices or irregularities reported, the report should show reasons for the concerns and full disclosure of any relevant details and supporting documentation.

3. Investigation - The format and length of an investigation will vary depending upon the nature and particular circumstances of each complaint made. The matters raised may:

- be investigated internally;
- be referred to the External Auditor; and/or
- form the subject of an independent inquiry

The Audit Committee or the person designated to investigate the complaint will write to the complainant whenever reasonably practicable of the concern being received:

- acknowledging that the concern has been received;
- advising whether or not the matter is to be investigated further and if so what the nature of the investigation will be;
- giving an estimate of how long the investigation will take to provide a final response telling the complainant whether any initial inquiries have been made, and whether further investigation will take place, and if not, why not.

4. Final Action/Closure

Protection and Confidentiality

The company shall ensure integrity of received information pertaining to the reported case and shall treat all data and evidence gathered with utmost confidentiality and are protected from unauthorized dissemination, disclosure and/or release, unless required by law. Further, management shall guarantee protection of the whistleblower/reporting employee from retaliatory acts or disciplinary action provided the report was made in good faith, with merit and/or supporting evidences and does not merely intend to falsely accuse or destroy a person's reputation.

Anonymous Reporting

If the Whistleblower does not want his/her identity disclosed, he/she may still choose to report the case through any of the above- mentioned channels provided that the details and relevant information pertaining to the case is divulged and complete. The company shall accept anonymous reporting and shall ensure non-disclosure of the identity of the whistleblower at all times.

False Reports

If an employee makes a false report maliciously, with an ulterior motive, or for personal gain, the company reserves the right to take appropriate action/s against the employee to recover any loss or damage as a result of the false report. In particular, the employee may face disciplinary action, including dismissal, where appropriate.

Record Retention

Records shall be kept for all reported misconducts, malpractices, and irregularities by the relevant parties in the company. In the event a reported irregularity leads to an investigation, the party responsible for leading/conducting the investigation shall ensure that all relevant information relating to the case is retained, including details of corrective action taken for a period not exceeding five years (or whatever other period may be specified by any relevant legislation).

Approval, Implementation and Review of Policy

This policy has been approved and adopted by the Board of the Directors. The Audit Committee has the overall responsibility for implementation, monitoring and periodic review of this Policy. In addition, the Audit Committee has delegated the day-to-day responsibility for administration of the Policy to the Chairman of the committee.

To: The Audit Committee
RAROCO Insurance Brokers, Inc.
Makati City

Name:	
Address:	
Tel No:	
Email:	

Date:	
The names of those involved (if known):	
Details of concerns:	

(Please provide full details of your concerns: Names, dates and places and the reasons for the concerns (continue on separate sheet if necessary) together with any supporting evidence/documents.)

Concerns expressed anonymously are much less powerful but they will be considered as far as practicable.

XI. Non-Competition Clause

Absolutely and without qualification or reservation whatsoever agrees and binds himself, his successors, and/or assigns, not to, directly or indirectly, organize, put up, consult for, give advice to, constitute, compose, compete with, or be employed by, hired by, involved in or associated with, in any capacity, any organization, corporation, body, person, partnership, institution or legal entity, involved or associated with activities that compete with the COMPANY.

XII. THE SAFE SPACES ACT (BAWAL BASTOS LAW) REPUBLIC ACT 11313

An act defining gender-based sexual harassment in streets, public spaces, online workplaces, and educational or training institutions, providing protective measures and prescribing penalties therefor. It is the policy of the State to value the dignity of every human person and guarantee full respect for human rights. It is likewise the policy of the State to recognize the role of women in nation-building and ensure the fundamental equality before the law of women and men. The State also recognizes that both men and women must have equality, security and safety not only in private, but also on the streets, public spaces, online, workplaces and educational and training institutions.

Gender-Based Sexual Harassment in the Workplace (Article III, SSA)

Employer refers to a person who exercises control over an employee: Provided that for the purpose of the law and these rules, the status of conditions of the latter's employment or engagement shall be disregarded.

In the public sector, the term employer refers to the head of government agencies, divisions, subdivisions or instrumentalities including government-owned and controlled corporations with or without an original charter, or state universities or colleges with a regional charter which exercises control over an employee.

GBSH in the Workplace

Offender and victim

1. Superior officer to a Subordinate
2. Subordinate to a Superior Officer
3. Peer to Peer

Workplace – All sites, locations, spaces, where work is being undertaken by an employee within or outside the premises of the usual place of the business of the employer

Gender-Based Sexual Harassment in the Workplace

- An act or series of acts involving any unwelcome sexual advances, requests or demand for sexual favors or any act of sexual nature, whether done verbally, physically or through the use of technology such as text messaging or electronic mail or through any other forms of information and communication systems, that has or could have a detrimental effect on the conditions of an individual's employment or education, job performance or opportunities;
- A conduct of sexual nature and any other conduct-based on sex affecting the dignity of a person, which is unwelcome, unreasonable, and offensive to the recipient, whether done verbally, physically or through the use of technology such as text messaging or electronic mail or through any other forms of information and communication systems;
- A conduct that is unwelcome and pervasive and creates an intimidating, hostile or humiliating environment for the recipient

Committee on Decorum and Investigation (CODI)

- investigates and addresses complaints of GBSH.
- Develops and disseminates, in consultation with all persons in the workplace, including employees or their representatives and union, if any, a code of conduct or workplace policy. (Code of Conduct should include procedures and administrative penalties.)

Duties of the Employee / Co-Worker

- Refrain from committing acts of GBSH;
- Discourage the conduct of GBSH in the workplace;
- Provide emotional or social support to fellow employees, co-workers, colleagues or peers who are victims of GBSH; and
- Report acts of GBSH witnessed in the workplace.
- A report maybe made by any person to the employer.
- A report maybe anonymous and shall constitute sufficient notice to the employer who shall refer the matter to the CODI.
- Employee may report directly to the CODI

Liability of Employers

- In addition to liabilities for committing acts of GBSH, employers may also be held responsible for:
 - a. Non-implementation of their duties under Section 17 of the law, as provided in the penal provision
 - Penalty of a fine of not less than Five thousand pesos (5,000.00) or more than Ten thousand pesos (10,000.00)
 - b. Not taking action on reported acts of GBSH committed in the workplace.
 - Penalty: fine of not less than Ten thousand pesos (10,000.00) nor more than Fifteen thousand pesos (15,000.00)

Prescriptive Period

Any action arising from the violation of any of the provisions of R.A No. 11313 shall prescribe as follows:

- a) Offenses committed under Section 11
 - (a) (Streets and Public Spaces first degree offenses) shall prescribe in one (1) year
- b) Offenses committed under Section 11
 - (b) (Streets and Public Spaces second degree offenses) shall prescribe in three (3) years

Procedures and administrative penalties for GBSH offenses are found in Article V Offenses Against Decency, Good Custom, Honor and Moral Section 6 to 7.

XIII. CODE OF CONDUCT

RAROCO INSURANCE BROKERS, INC. aims to instill the value of trust, respect and discipline among its employees. It is the mission of RA ROCO to ingrain these basic human values among its employees by instituting a common Code of Conduct.

This Code of Conduct provides specific guidelines for the employees in their day-to-day activities with their internal and external customers. Through this Code of Conduct, management expects the creation of a harmonious and healthy working relationship within the organization. The penalties herein are intended as a deterrent to any actuation against the attainment of our common mission.

In the event that there be any violation, no corresponding penalties shall be meted out except on grounds of sufficient cause and with due process of hearing and investigation. No punishment shall be meted out to any employee unless it is deserved.

Management hopes that each member of the organization will embrace and abide with these guidelines to his/her fullest ability and that no occasion will arise to warrant any imposition of a penalty

BASIC PRINCIPLES OF DISCIPLINARY ACTION

- Disciplinary action should not be taken unless there is an obvious need for it.
- The reason for the disciplinary action should be made clear. In case of negative action, the statement of the reasons should be accompanied by an explanation of the manner in which the disciplinary action can be avoided in the future.
- Reproof or reprimand should be given as soon as possible after the occurrence of the act. Right timing is important.
- Never discipline anyone in the presence of others.
- When disciplinary action has been given, the superior should resume a normal attitude with her/his subordinate.
- Discipline should be considered constructive, it should show the offender how to correct her/his errors and leave him willing to change for the better.
- Document all disciplinary actions taken on employees

Article I - Offenses Against Person

Section 1. Commission of a crime or offense by the employee against the person of his employer or any immediate member of his family or his duly authorized representative. [Type D]

Section 2. Inflicting physical injury on any employee or person, or having in fact inflicted physical injury while within or outside company property or premises or job sites where such outside incident has relation to work or company activities [Type C]

Otherwise, if the act merely constitutes an attempt to inflict such physical injury, the offense may be reduced to Type C depending on the nature or gravity of the attempted offense.

Section 3. Any act constituting threat, intimidation or coercion against any person, or in any manner unduly interfering with or obstructing office operations, or other employees, from performing their work while within company property or premises or job sites. [Type C]

Section 4. Fighting or actually engaging another in a fight while within or outside company property or premises provided such outside incident has relation to work or has arisen while inside company premises [Type C].

Section 5. Inciting or provoking a fight under the circumstances described in Section 4 above, but where a fight does not actually occur. [Type B]

Section 6. Persistently telling smutty jokes offensive to others within office premises. [Type B]

Section 7. Any immoral act or acts of moral turpitude committed by the

Article II Offenses against Property

Section 1. Theft, robbery, swindling, malversation or appropriation of any property of the company or of a fellow employee or a client or customer of the company, regardless of the amount involved. [Type E]

Section 2. Unauthorized possession of master key or duplicate key which can open cabinets, drawers or any other given locks. [Type B]

Section 3. Obtaining supplies or materials on fraudulent orders [Type D]

Section 4. Unauthorized substitution of company material or equipment with another of poorer quality, or of lesser value. [Type D]

Section 5. Alteration or removal, without authorization, of any property of the company, or of other employees resulting in irreparable damage thereto. [Type D]. If damage is repairable, the penalty is mitigated to [Type C].

Section 6. Using company time and/or material and/or equipment to do unauthorized work within or outside the office premises, for personal gain which includes using company time and facilities in personal dealership, selling and other non-work related activities. [Type C]

Section 7. Neglecting or refusing, after due demand or notice, or as provided by existing policies without justifiable reason, to remit, pay, reimburse, or liquidate any money, collection, or cash advance, or return and/or deliver goods, stocks or other properties, entrusted to him by the company, or received by him from customer or client or business associate or affiliate or their representative for his administration, or under any other obligation to make delivery of, or return the same. [Type D]

employee himself or with another person; including but not limited to sexual harassment committed within company premises during company activities. [Type E]

Section 9. Vandalism or malicious defacing of company property. [Type B]

Article III – Offenses against Safety, Health, Security and Public Order

Section 1. Possession or carrying of firearms, explosives or other deadly weapon while on company premises. [Type C] If it has resulted to incident or injuries within company premises [Type D]

Section 2. Forced or unauthorized entry into an office or premises of the company during off-hours. [Type D]

Section 3. Conviction by trial court of any crime where penalty is imprisonment of more than thirty (30) days. [Type E]

Section 4. Entering restricted areas during office hours without permission. [Type D]

Section 5. Unauthorized posting, removing, mutilating or deforming any matter on the company bulletin board. [Type B]

Section 6. Violation or failure to follow a general safety rule and/or practice. [Type A]

Section 7. Unauthorized and/or unjustified use of fire protection equipment. [Type B]

Section 8. Operating and/or tampering switches, controls, installations, machines or equipment without authorization. [Type B] if with intent to sabotage [Type E]

Section 8. Malicious or willful destruction or misuse of company property or that of any employee, any client or customer of the company.[Type D] If the destruction, damage or misuse is committed through recklessness or imprudence, the same shall be classified as [Type E] offense.

Section 10. Allowing and/or failing to report unauthorized persons entering or loitering within one’s work area. [Type A]

Section 11. Loafing, loitering in comfort rooms, pantry, co-employees work place or in any place inside the company premises. [Type A]

Article IV – Offenses against Health and Safety

Section 1. Failure to report immediately a personal injury occurring on company time or property. [Type B]

Section 2. Willful disregard of office directive relating to sanitary conditions, cleanliness and orderliness of the office, security of office supplies and equipment or performing any act contributing to unsanitary condition or practice on company premises or job sites. [Type A]

Section 3. Reporting for work while having a serious contagious disease which may endanger the health of other employees, knowing about it, yet failing to report or willfully withholding information thereof to company authorities. [Type C] If contagious disease is not of a serious nature, [Type B].

Section 4. Failure to undergo Annual Physical Examination as scheduled by the company and failure to obey Doctor’s order or advice as directed or ordered by the company. [Type A] Suspension on escalating approach may be applied if continued failure to comply.

Section 9. Refusal to submit to or failure to meet security requirements, or being in the management's opinion to be a security risk. [Type D]

Article V Offenses Against Decency, Good Custom, Honor and Moral

Section 1. Reporting for work while under the influence of liquor and/or intoxicating drink [Type C] and / or prohibited drugs or substance [Type E]

Section 2. Bringing in any liquor or intoxicating or alcoholic drink inside company premises [Type C]. If such is drunk inside company premises [Type E]. Use of or possession or bringing in an illegal or prohibited drug on company premises or on company sponsored activities. [Type E] Use of or possession or bringing in an illegal or prohibited drug on company premises or on company sponsored activities. [Type E]

Section 3. Having a serious and communicable disease which may endanger other employees, knowing about it and not reporting it to the management. [Type D]

Section 4. Any act constituting offense against honor [libel, defamation, slander] committed while in company premises or in relation to work. [Type C]

Section 5. Conduct of grossly scandalous or indecent nature or using profane or indecent language in addressing another person on company time or in company premises. [Type D]

Section 6. Any and all acts constituting sexual harassment and/or any motives committed against co-employees regardless of position, rank or gender. [Type D]

6.1 Persistently telling smutty jokes to a co-employee who has indicated that he/she finds them offensive

6.2 Taunting a co-employee with constant talk of sex or sexual innuendos

6.3 Displaying offensive pictures or publications in the work place.

6.4 Asking co-employee intimate questions on his/her sexual activities.

6.5 Making offensive hand or body gestures at a co-employee

6.6 Making obscene phone calls to a co-employee during and outside work hours.

6.7 Pinching, unnecessarily brushing up against a co-employee's body

6.8 Requesting for dates or favors in exchange for a job, favorable working conditions or assignments, etc.

6.9 Touching a co-employee in sensitive parts of his/her body and actual sexual assault

6.10 Directing or inducing another to commit any act of sexual harassment as herein defined, or who cooperates in the commission thereof by another without which it would not have been committed shall also be liable under these rules in accordance with the penalty imposed. [Type D]

The following, although not limited to, are considered acts of sexual harassment:

Section 8. Taking part or promoting any gambling, unauthorized lottery, or any other game of chance during company time or while within the company premises [Type B]

Section 9. Promoting or practicing usury [Type C]

Section 10. Conviction of any crime punishable under the revised Penalty Code of the Philippines and other existing laws of the country. [Type D]

Section 11. Discourtesy and disorderly conduct during office hours or within company premises. [Type A]

Section 12. Creating or contributing to unsanitary conditions in the company premises. [Type A]

Article VI Offenses Against Company Interest and Policy

Section 1. Falsifying official record, expense account vouchers, including receipts to support thereof, with intent to defraud the company. [Type E]

Section 2. Favoring suppliers in consideration of kickbacks or personal rebates. [Type E]

Section 3. Falsification of time records, employment application forms, medical certificates, etc. [Type E]

Section 4. Offering or accepting anything of value in exchange for a

Section 7. Indecent or lascivious acts or engaging in any practice which violates common decency or morality like voyeurism, excessive display of affection, intentional and malicious sexual advances, harassment or similar acts towards co-employee, clients or visitors within company premises. [Type D]

Section 6. Malingering or feigning illness to avoid doing assigned work. [Type C]

Section 7. Wasting time, loitering or loafing on company time. [Type A]

Section 8. Disclosing any personal information regarding one's salary to anyone, most especially those employed in the same company. [Type A]

Section 9. Unauthorized withdrawals of records, equipment, tools or other assets from company premises without authority. [Type D]

Section 10. Unauthorized removing, copying or reproducing, taking or destroying official records or files that contain classified information. [Type E]

Section 11. Using or attempting to use somebody else's computer and/or network account, ID's and password without authorization. [Type D]

Section 12. Directly or indirectly having financial or pecuniary interest in any business, contract or transaction in connection with which he intervenes or takes part in his official capacity. [Type D]

Section 13. Failure to report loss or damage of Company property. [Type B]

Section 14. Failure to wear Company ID and uniform for the prescribed schedule. [Type A]

job, work assignment or favorable condition of employment. [Type E]

Section 5. Giving false testimony [Type E] and/or non-cooperation in any investigation conducted in relation to occurrences within the company. [Type D]

responsibility, where the interest of the company is prejudiced. [Type B].

Section 16. Giving a company ID or identification material/information to any person not entitled to it, or assisting non-employees to enter the company premises and restricted areas without company's permission. [Type E]

Section 17. Giving away or unauthorized disclosure of company trade secrets and/or trade practices or trade processes or any valuable information acquired by his office, or by him on account of his position, to unauthorized persons, or making available such information in advance of its authorized release date and where in the process, the interest of the company is prejudiced. [Type D]

Section 18. Loitering, wasting time, leaving place of work during working hours without permission from the supervisor, or department head or leaving the office without permission at any time before the end of the employee's work shift. [Type A]

Section 19. Failure to follow written or oral instructions made by Company superiors, as well as Company memorandum and circulars, or failure to perform assigned work due to simple negligence. [Type A]

Section 20. Persuading, inducing or influencing another employee to perform an act constituting a violation of this Code or other existing rules and regulations or policies on an office in connection with the duty or function of the late, or allowing himself to be persuaded, induced, or influenced to commit such violation or offense. [Type D]

Section 15. Unauthorized actions clearly in excess of one's authority such as but not limited to, acts of disbursing, releasing or authorizing disbursement of company funds without written authority by one's superior or similar acts that go beyond or outside his authority or

Section 22. Disseminating verbally or in writing or distributing any written or printed matter derogatory to the company. [Type E]

Section 23. Unauthorized posting, removing, mutilating or deforming any matter on the company bulletin board. [Type A]

Section 24. Consistently poor performance evaluation **Type E**

Article VII Breach in Information Technology

Section 1. Failure to observe Password provision [Type A]

Section 2. Illegal use of another employee's username and password [Type D]

Section 3. Allowing another employee to use his or her username and password. [Type B]

Section 4. Use of computer peripherals [i.e. external drive, USB etc.] in the absence of authorization from IT. [Type A]

Section 5. Unauthorized downloading or installation of software and other programs [Type A]. [Type B] can be applied if there are proprietary violations. Proprietary violation with significant injury to company whether financial or to reputation. [Type D]

Section 6. Access to internet sites prohibited by IT or company policy [Type A]

Section 21. engaging in conflict of interest activities, especially stealing company clients and putting them into employee's personal agent account [Type E]

Section 9. Willful deletion, revision of company information. [Type D].

Article VIII Offenses against Administration

Section 1. Over break. Taking coffee or snack breaks of more than 15 minutes at a time, for five or more instances or a total loss of thirty [30] minutes or more in one calendar month. [Type A]

Section 2. Absence without leave [AWOL]. Each day of absence without official leave is a separate clause. [Type A]

Note: For an employee not to be considered AWOL, the following procedures must be strictly followed:

A. An employee who wishes to be absent on a certain date or dates not falling within the scheduled leave for the year must file an application for leave of absence for approval of his/her immediate superior and Department Head.

B. If because of extraordinary or emergency circumstances, like sudden serious illness of the employee or an immediate member of his/her family, preventing him or her to secure prior leave of absence, the employee or his/her representative MUST CALL his/her immediate head or HR within the office hours of his/her work schedule.

Section 3. Failure to return to work on the working day immediately following the expiration of leave of absence, unless such leave is extended with proper approval. [Type A]

Section 7. Circulation of downloaded illicit materials through the system [Type B].

Section 8. Unauthorized downloading of confidential information. [Type E]

Section 5. Failure to LOG IN and LOG OUT using current attendance and security procedure or device. [Type A]

Section 6. Willfully absenting, holding back, slowing down, hindering or limiting work output, or otherwise "feather bedding", or giving instructions or inducing a fellow employee to absent, hold back, slow down, hinder or limit output. [Type D]

Section 7. Making false, vicious or malicious statement concerning the company or its products. [Type D]

Section 8. Selling, soliciting, collecting contributions for any purposes whatsoever or conducting private business during office hours on company premises. [Type A]

Section 9. Holding any position or employment with or without compensation in any other business firm which is engaged in a similar line of business with the company. [Type D]

Article IX Offenses Against Authority [Insubordination]

Section 1. Refusing to accept job assignments without justifiable reason. [Type C]

Section 2. Willful disobedience of the lawful order of the company or any of its officers [Type D]

Section 3. Any act constituting disrespect, discourtesy, use of disrespectful language and disregard of authority of company superior

Section 4. Failure to report for overtime work after having been duly advised and scheduled to work according to overtime policy, or doing overtime work, in lesser time than sought to be charged, without justifiable reason. [Type A]

Section 5. Willfully failing to carry out verbal or written job instructions, policies and procedures issued by the immediate superior or management. [Type C]

Section 6. Holding of unauthorized meetings for the purpose of staging or planning actions against the company or its customers within working hours or within Company premises. [Type D]

Section 7. Disregarding of corrective measures or sanctions imposed by the superior or any management. [Type C]

Section 8. Any other act constituting insubordination not included in the preceding sections. [Type C]

Article X - Negligence of Duty

Section 1. Absence without Official Leave (AWOL) for more one (1) day. [Type E]

Section 2. Accumulated tardiness of thirty (30) times within a year. [Type B]

Section 3. Leaving the office during working hours without permission from the immediate superior. [Type B]

Section 4. Absence without Official Leave. [Type A]

Section 5. Tardiness in excess of three (3) times in any one month. [Type A]

or officer. [Type C]

Section 4. Any act which constitutes resistance, threat, intimidation or assault against a person of authority in the company or any of his agent. [Type E]

Section 7. Having successive customer complaint regarding service and not managing customer concerns properly and accordingly. [Type D]

Section 8. Failing to carry Standard Operating Procedures and/or negligence in the performance of work causing damage to materials, company property, loss of lives, endangering the efficiency of equipment. [Type D]

Section 9. Failing to submit employment requirements when due. [Type A]

Section 10. Failure to attain satisfactory Performance Appraisal Rating within the first six (6) months/probationary of employment. [Type E]

Article XI Others

Section 1. Disciplinary actions for offenses or infractions made by an employee not covered or prescribed in the above rules shall be determined by HR and the division head concerned.

Article XII Application of Penalty

Section 1. Management has the prerogative of imposing the highest degree in any type of penalty imposable depending upon the severity of the offense, or the number of violations committed, even if they are classified under different categories

Section 6. Failure to comply with prescribed procedures, rules and regulations governing leaves of absence, attendance and time-keeping procedures. [Type A]

Section 2. Management may suspend the immediate imposition of a penalty in business operations would otherwise be disrupted.

Section 3. Management has the option of not imposing the most severe penalty when the facts and circumstances at its appreciation may so warrant.

Section 4. The imposition of the penalty of suspension may be deferred at the discretion of management.

Section 5. The penalty of suspension may be imposed in consecutive days or staggered at the prerogative of management. Notwithstanding the same, management may recall an imposed date of suspension, move it to another date, and require the employee concerned to report for work.

Table of Offenses and Disciplinary Action

Type A – Minor Offenses

First Infraction – Reprimand

Second Infraction – Suspension – one (1) day to three (3) days without pay

Third Infraction – Suspension – one (1) day to thirty (30) days without pay to Dismissal

Fourth Infraction – Dismissal

Type B – Less Serious Offenses

First Infraction – Suspension – one (1) day to three (3) days without pay

Second Infraction – Suspension – one (1) day to two (2) weeks without pay to Dismissal

Third Infraction – Dismissal

Type C – Serious Offenses

First Infraction – Suspension – one (1) day to two (2) weeks without pay

Second Infraction – Suspension one month without pay to Dismissal

Third Infraction – Dismissal

Type D – Very Serious Offenses

First Infraction – Suspension one (1) month to Dismissal

Type E – Extremely Serious Offenses

First Infraction – Dismissal