

CODE OF CONDUCT

I. OBJECTIVE / PURPOSE

This Code of Conduct (Code) is promulgated as a guide in promoting and enforcing discipline and order and ensure that employees adhere to the ethical and work standards and corporate values of the Company.

The purpose of the Code is to:

- a. Uphold the good name of BPI/MS and to maintain public confidence in BPI/MS and in the security and integrity of the insurance industry;
- b. Maintain an impartial and unbiased relationship between BPI/MS and its customers;
- c. Uphold the high standards of personal integrity and professionalism of BPI/MS Employees;
- d. Maintain independence of judgment and action by consciously disclosing and avoiding any possible conflict of interest.

II. POLICY

BPI/MS adopts a policy to promote the highest standards of integrity and the highest degree of diligence and responsibility among its Employees. The employees must be seen to conduct their business with utmost honesty, integrity and fairness and according to the highest moral principles, consciously and consistently pursued. The Company has thus set standards of discipline and work ethics for its employees and shall, when circumstances so warrant, impose appropriate disciplinary action against employees who, by their acts or omissions, commit infractions and breach the work standards, policies and procedures, and rules and regulations of the Company.

III. RESPONSIBILITY & AUTHORITY

Every employee shall observe the highest degree of integrity in his professional conduct, exercise extraordinary diligence in the performance of his work and know, understand and comply with the Code, including applicable business, operational and regulatory policies and procedures, and cooperate with the Company in the enforcement thereof. BPI/MS Officers and Line Managers shall be responsible for ensuring compliance with the provision of the Code.

As a general rule, failure to abide by Company policies and procedure shall be deemed as an offense and the Company has the sole discretion to take appropriate disciplinary action. The supervisor who fails to ensure the strict compliance with the Company policies and procedures shall be liable under the principle of Command Responsibility as provided in these Rules.

Certain clauses will continue to apply to the employees even after they have ceased to be employed by BPI/MS. Employees are bound to observe all legislation which may have a more comprehensive coverage of the subject matters contained in this Code.

The provisions of this Code are deemed incorporated to the terms and conditions of the service contract of all employees.

IV. CLASSIFICATION OF CONDUCT AND BEHAVIOR

- a. Conduct or behavior relating to PERSON;
- b. Conduct or behavior relating to PRODUCTIVITY;
- c. Conduct or behavior relating to COMPANY & OTHER PERSON'S PROPERTY;
- d. Conduct or behavior relating to HEALTH, SAFETY and SECURITY;
- e. Conduct or behavior relating to COMPANY INTEREST and BUSINESS ETHICS

V. CLASSIFICATION OF OFFENSES AND SANCTIONS

A. Serious Offense

An offense is classified as "serious" when characterized by any of the following:

1. Fraud or acts committed with bad faith, malice, criminal intent or intent to gain;
2. Negligence or operational lapse resulting in significant financial loss, damage or prejudice to the Company, or results in or exposes the Company to legal, compliance. And/or reputational risks, where actual or potential exposure is greater or equal to Php 100,000.00
3. Serious misconduct or willful disobedience by the Employee of the lawful orders of the Company in connection with his work.
4. Gross and habitual neglect or disregard by the employee of his duties;

5. Willful breach of the trust and confidence reposed upon the employees by the Company; and
6. Acts that are defined as serious offenses by special policies of the Company, such as but not limited to, Anti-Sexual Harassment Policy and Whistle Blowing Policy.
7. Other causes similar or analogous to the above.

B. Less Serious Offense

An offense is classified as “less serious” when characterized by any of the following:

1. Negligence or operational lapse resulting in financial loss, damage Negligence or operational lapse resulting in significant financial loss, damage or prejudice to the company, or results in or exposes the Company to legal, compliance. And/or reputational risks, where actual or potential exposure is less than Php 100,000.00.
2. Misconduct or disobedience by the Employee of the lawful orders of the Company in connection with his work; and
3. Other causes similar or analogous to the above.

C. Minor Offense

Any other breach of the Code which is not covered by V.A and V B.

Refer to ANNEX A for the LIST OF OFFENSES which are considered Serious, Less Serious or Minor Offenses.

VI. PENALTIES AND DISCIPLINARY ACTIONS

In penalizing an employee, the Company may impose primary disciplinary action alone or concurrently or successively with one or more secondary disciplinary action/s, and/or any other disciplinary action.

A. Primary Disciplinary Actions

1. **Verbal Warning.** Is a verbal reminder and admonition to the erring employee of the infraction or offense of the employee and a warning that the repetition of the same or commission of similar offense in the future would give rise to grave penalties or disciplinary action.
2. **Written Reprimand.** Is a formal written notice which contains a summary of the acts and omissions of the employee in violation of the Code and other Company policies, procedures, rules and regulations and a warning to the employee that repetition of the same or commission of a similar offense in the future would give rise to grave penalties or disciplinary action.
3. **Suspension.** This disciplinary action refers to the temporary removal of an employee from performing his work or duties and serves as a warning that a repetition of the same or commission of a similar may warrant dismissal. During the period of suspension, the employee shall not receive any salary(ies) or benefit(s) but will continue to be liable for obligations to or paid through the company such as but not limited to payment of SSS Loan, salary loan, car loan, housing loan, etc.
4. **Termination.** This refers to the cessation of employee’s service with the Company for just or authorized cause. An employee whose employment is terminated shall forfeit all his employment benefits and privileges except those to which he is entitled under the law. A terminated employee shall not be issued a clearance but is entitled to a Certificate of Employment.
5. Table below summarizes the disciplinary action/s that corresponds to each class of offense committed:

Occurrence	Penalty
Serious Offense	
1st Offense	Suspension or dismissal (depending on the attending circumstances)
2nd Offense	Dismissal
Less Serious Offense	
1st Offense	Written reprimand to suspension of 3 working days depending on the circumstances
2nd Offense	Suspension of 5 working days or dismissal depending on the gravity of the offense and the attending circumstances

3rd Offense	Suspension of 10 working days or dismissal depending on the gravity of the offense and the attending circumstances
4th Offense	Dismissal
Minor Offense	
1st Offense	Verbal reprimand
2nd Offense	Written reprimand
3rd Offense	Written reprimand to suspension of 3 working days depending on the circumstances
4th Offense	Suspension of 5 working days or dismissal depending on the attending circumstances
5th Offense	Suspension of 10 working days or dismissal depending on the attending circumstances
6th Offense	Suspension of 15 working days or dismissal depending on the attending circumstances
7th Offense	Dismissal

B. Secondary Disciplinary Actions

1. **Disqualification** from Salary Increases or their equivalent.
2. **Disqualification** from Promotion for a given period.
3. **Forfeiture.** The Company may, at its sole option and discretion, forfeit all other forms of compensation, like program-based monetary and non-monetary incentive schemes and awards.
4. **Restitution.** The employee shall be required to repay or give back the equivalent amount of the loss or damage sustained by the Company, its employees, clients or other parties doing business with the Company, as a result of an act or omission of the employee.

C. Other Disciplinary Actions

The Company may adopt such reasonable forms of disciplinary actions as may be deemed appropriate for the offense(s) committed.

D. Guidelines in the Application of Penalties

1. Only one (1) penalty shall be imposed for each case. "Each Case" means one (1) administrative charge which may involve one or more charges or counts.
2. The Management shall determine the appropriate penalties to be imposed taking into consideration mitigating and aggravating circumstances and all other circumstances. If the responded is found guilty of two or more charges or counts, the penalty imposed should be that corresponding to the most serious charge or count and the rest may be considered as aggravating circumstances.
 - a) Mitigating circumstances are circumstances which may either decrease the nature of the offense committed and the applicable penalty or off-set the aggravating circumstances, if any. Examples of mitigating circumstances are:
 1. First Offense
 2. Good faith
 3. Due diligence and no intention to commit so grave a wrong.
 4. Sufficient Provocation, threat, coercion, Inducement from the other part
 5. Voluntary admission.
 6. Such other circumstances which, in the judgment of Management, will justify the imposition of a lesser or minimum penalty.

Lack of knowledge of Policies/ Rules/ Regulations is not considered as a mitigating circumstance.

- b) The following are aggravating circumstances which merit the imposition of the maximum period of the penalty or increase the offense from a lower classification to a higher classification depending on the circumstances appertaining.
 - 1. Frequency
 - 2. Deceit or Fraud
 - 3. Abuse of confidence or authority
 - 4. Evident Premeditation
 - 5. Malice or criminal intent
 - 6. Disregard for authority
 - 7. Such other circumstances which, in the judgment of Management, will justify the imposition of a graver or the maximum penalty provided in the Code.
- 3. Repetition of Infractions – subsequent or repeated commission of an infraction / offense by an employee who was previously meted administrative sanction for another infraction of the same nature immediately preceding twelve (12) months period shall aggravate the infraction and increase the corresponding sanction of the second or subsequent infraction to the next higher sanction or penalty.

After more than one year from the finality of the decision on any administrative case, the previous infraction may not aggravate any subsequent infraction unless the infractions committed arise from the moral attributes of the employee and manifest a pattern behavior inconsistent with the Code of Conduct.
- 4. Administrative Proceedings Not a Bar – Implementation of administrative sanctions on the staff concerned shall be without prejudice to the filing of civil or criminal charges in accordance with the pertinent laws for the same infraction.
- 5. Pecuniary Liability – Every officer or staff liable for an offense is also pecuniary liable. Pecuniary liability includes restitution/indemnity
- 6. Measures not considered Penalties – The following shall not be considered as penalties:
 - a) Preventive suspension from employment or office for a period not exceeding thirty (30) days during the administrative investigation.
 - b) Transfer to another office or position prior or during the investigation proceedings.
 - c) Withholding of the payment of salaries, bonuses, emoluments, and other fringe benefit during the period of suspension and/ or pendency of investigation.

VII. PROCEDURE ON ADMINISTRATIVE INVESTIGATION

The Company shall observe procedural due process at all times. The employee must be informed of the charges against him, given the opportunity to be heard and informed of the penalties or sanctions imposed or to be imposed to him.

Any employee who commits any of the offenses defined in this Code or who does any act not explicitly defined herein as an offense but which is clearly prejudicial to the welfare/interest of the Company shall be reported to his immediate supervisor. The Company may, if circumstances warrant, also act on complaints from third parties, including but not limited to Company clients and service providers. These complaints from third parties shall be treated as incident reports and shall undergo the same procedure for administrative proceedings. The concerned Unit shall, when circumstances so warrant, reply to the third parties raising or submitting the complaint.

In all cases, the erring employee's line manager shall consult with HR and assess whether or not the incident report or complaints calls for disciplinary action of the Employee/s and/or administrative investigation and proceedings.

The Incident report should contain the following information:

- a. The specific acts or omissions of the employee and the date/s thereof;
- b. The nature of work or function of the employee;
- c. Clients or service providers affected, if any;
- d. Damage to the Company, its business and operations and its officers and employees, if any; e. Financial loss, if any; and
- f. Other relevant circumstances.

A. Administrative Investigation

- 1) In all instances, the Line Manager should upon discovery, immediately conduct its own investigation with regards to any incident report affecting their area and submit the results of its investigation to HR. If the case involves fraud or breach of internal control, the Line shall copy HR of the results of the investigation.
- 2) The Line Manager shall prepare a preliminary investigation report that includes, but is not limited to the following:
 1. Narration of the facts and circumstances regarding the fraud/anomalous transactions;
 2. The acts, omission and violations of the employee/s of the internal control procedures and other Company policies and procedures;
 3. Potential damage to the Company, its business and operations, its officers and employees;
 4. Company clients, service providers or business partners affected by the acts and omissions of the employee;
 5. Potential financial losses of the Company
 6. The person/s involved other than the employee/s 7. Any action/s taken by the unit/s concerned; and
 8. Supporting documents.
 9. If there is a need to place the employee under preventive suspension, a statement to that effect with the justification why the employee should be placed on preventive suspension.

B. Procedural Due Process

- 1) If an employee is reported to have committed an offense or found, through audit or other forms of examination, to have committed an offense under this Code or other company policy/ies, the Line Manager shall immediately conduct an investigation or fact-finding inquiry.
- 2) Based on the initial investigation or fact-finding inquiry, the Line Manager shall then ascertain the classification of the offense committed.
 - a. If it is a Minor or Less Serious Offense, the Line Manager in coordination with HR, shall observe the following procedure:
 - i. Issue a Show Cause Memo by personal delivery or through registered mail and shall require the responded to answer the same in writing within 5 calendar days.
 - ii. Assess the violations, the employee's explanation and the circumstances attendant to the case and decide on the applicable penalties;
 - iii. Submit the copy of the Show Cause memo, the Reply and the investigation report for review and approval of HR Manager / HR Head.
 - iv. HR Manager in consultation with Legal and Compliance shall review the facts of the case and the recommendation of the Line Manager to ensure consistency and appropriateness of the disciplinary action. If necessary, HR may call for a separate or further investigation to substantiate the facts of the case.
 - v. HR to forward the decision to the Line Manager for implementation.
 - vi. Upon receipt of the decision, Line Manager shall issue the Sanction Notice / Notice of Decision.

All written communication to be served on an employee under investigation shall be cleared beforehand with Human Resources and when necessary, with Legal and Compliance.

- b. If an employee has committed Serious Offense, the Line Manager shall, after conduction a fact-finding inquiry, prepare and submit to HR an incident report on the acts committed including previous commission of similar offense and the sanctions imposed earlier. HR shall then
 - i. Issue a Show Cause Memo through the employee's Line Manager by personal delivery or through registered mail and shall require the responded to answer the same in writing within 5 calendar days; If the respondent fails to submit an answer within the prescribed period, the case may be decided based on the available documents / evidence on record.
 - ii. The respondent may be placed under Preventive Suspension pending formal hearing or investigation if his continued employment poses a

serious and imminent threat to the life or property of the Company. The Order of Preventive Suspension may be served on the respondent simultaneously with the service of the specification of charges.

- iii. A hearing shall be conducted when, from the allegations of the complaint and respondent's answer, including supporting documents, the merits of the case cannot be decided judiciously without conduction such hearing, or if the respondent through his written reply requested for a hearing. In which case, HR may call for a formal hearing of the case.
- iv. If the respondent has a position / rank of Senior Manager or above, the hearing shall be conducted by the Committee of Peers composed of the President or his appointed representative, the HR Head and 2 Officers of the Company to be designated by the President / HR Head, provided that the members of such Committee shall in all cases be equal to or higher in position / rank than the respondent with the highest position/rank in the Committee to act as Chairman.
- v. If the respondent of the case has a position / rank lower than a Manager or a rank-and- file employee, the hearing shall be conducted by the Peer Committee composed of the HR Head and 2 Officers of the Company provided that the members of such Committee shall in all cases be equal to or higher in position / rank than the respondent with the highest position/rank in the Committee to act as Chairman.
- vi. Assess the violations, the employee's explanation and the circumstances attendant to the case and deliberate on the applicable penalties'
- vii. Issue the Notice of Decision / Resolution upon finding or conclusion that the employee violated the Code and whose acts or omissions, among others, warrant the penalty of termination.
- viii. If the employee has a position / rank of Senior Manager or above, the decision shall be prepared by HR and issued by the Division/Department Head under the signature of the President or his duly authorized representative.
- ix. If the employee has a position / rank lower than a Manager or a rank-and file employee, the decision shall be prepared and issued by the HR Head under the signature of its Division/Department.
- x. The Matrix below summarizes the Authorized signatory and Committee members based in the rank of the respondent:

Rank / Position of the Respondent	Committee of Peers (Investigation Committee)	Authorized Signatory of Notice of Decision / Resolution
Staff to Manager	Division/Department Head, HR Head and 2 Officers of the company whose position/rank is equal or higher than the respondent	Division/Department and HR Head
Senior Manager and up	President or his appointed representative, HR Head and 2 officers of the company whose position/rank is equal or higher than the respondent	President, Division/Department and HR Head

C. Preventive Suspension

- 1. Under Section 8 Rule XXIII of the Implementing Rules of the Labor Code, an employee may be placed under the preventive suspension if his continued employment poses a serious and imminent threat to the life or property of the employer or his co-workers.
- 2. The order of preventive suspension shall be issued by HR under the signature of the employee's Division/Department Head or his duly authorized representative during his absence, if the respondent has a position / rank lower than the Manager or a rank-andfile employee and under the signature of the President or his duly authorized representative, if the employee has a position / rank of Senior Manager and above.
- 3. The maximum period for preventive suspension without pay is thirty (30) calendar days. Thereafter, the employee shall be reinstated to his former position, or reassigned to other

units of the company, or continued to be placed under (extended) preventive suspension, in which case however, the employee shall be paid the salaries due to him.

4. Should at the end of the investigation, an employee placed on preventive suspension without pay be fully vindicated from the administrative charges imputed to him, he shall be paid in salary equivalent to the days he was placed on preventive suspension.

VIII. OTHER MATTERS A. Resignation

1. The Line Manager receiving the resignation of an employee who tenders his resignation while he is under investigation shall acknowledge receipt of the resignation letter and shall advise the employee:
 - a. That there is an administrative investigation going on and that the Company will proceed to conduct the administrative proceedings, investigation and/or hearing/s to determine among other, the employee's accountability
 - b. Of the 30-day notice requirement for resignations
 - c. That the company may serve a Show cause memo to the employee
 - d. Despite the resignation, the Company's action on the resignation will depend or be based on the outcome of the investigation. The Line Manager shall also note in the resignation letter that acceptance thereof is dependent on the outcome of the investigation.
2. If the employee's resignation has been accepted prior to the discovery of an offense or infraction but clearance has not been issued. The resigned employee shall be informed of the discovery and advices that issuance of clearance shall be dependent on the outcome of the investigation conducted on the discovered infraction or offense. The employee shall be required to submit a written explanation on the infraction or offense and it would be to the best interest of the former employee to coordinate with the investigation. If clearance has been issued but the liability of the resigned employee for any financial loss or any damage incurred by the company is established, demand for the payment or restitution thereof shall be made.

2. Request for Appeals or Reconsideration

The employee sanctioned may within five (5) working days from receipt of the decision, ask for a reconsideration of the said decision. If the decision is rendered by the Line Manager, then the employee may submit his written appeal to the Division/Department Head. If the decision is rendered by the Committee, then the employee may submit his written appeal to the CEO. If there is no action from the Division/Department Head or CEO within ten (10) calendar days from receipt of the appeal or reconsideration, then the decision of the Line Manager or Committee shall be deemed final and executory.

3. Record of Administrative Cases

HR shall be the repository of all the records relative to all administrative proceedings. Including those of the Line functions. There records include but are not limited to investigation and incident reports, documentary evidence, show cause memo, replies of the employees, minutes of the administrative hearings, notices of decisions, and the like.

Records of administrative cases are confidential in nature. Any information as to the charges or accusation or facts adduced may not be released and such records may not be available, except to the proper authorities or upon written request to the interested parties and only after approval of the President. No decision shall be publicized except with the express permission of the President.

4. Appointment of Special Committee

The President may appoint Special Committees to perform assigned tasks, such as but not limited to special investigations and/or administrative hearings.

5. Civil and/or Criminal Liability of the Employee

The company reserves the right to initiate civil and/or criminal charges against the employee, as circumstances may warrant.

IX. EFFECTIVITY

This Code of Conduct shall take effect upon approval of the _____ and supersedes any and all of the Company’s previous codes of conduct. All other rules and regulations inconsistent with this Code are hereby superseded. All existing policies and rules consistent herewith shall supplement this Code.

ACKNOWLEDGEMENT RECEIPT

It is important that all employees have read and understood the policies and guidelines in the “Code of Conduct”

Please read the COD carefully and fill out the perforated form and return to Human Resource Department. This shall serve as acknowledgement that you have received and fully understood the contents thereof. Should you have questions, please do not hesitate to discuss with your Line Manager /Department Head / Division Head / HR.

Human Resource

.....
I hereby acknowledge that I have received, read and fully understood the policies and guidelines in the “Code of Conduct”, and agree to comply with all its provisions.

I understand that should I violate any provisions of this policy, I will be subject to disciplinary action in accordance with the penalties and processes there in.

I further acknowledge the prerogative of Management to discipline employees in accordance with the due process requirements of the Labor Code of the Philippines.

Conforme: (Please print and sign. Kindly submit this to HR)

Name : _____
Signature : _____
Position : _____
Department : _____
Date : _____

Annex A

This list of Offenses is not exclusive and it does not preclude the Company from imposing penalties for acts or omissions committed by its employees not enumerated herein but which may affect the Company’s operation or be inimical to the Company’s interests. BPI/MS reserves its right to impose a more severe penalty than those prescribed herein depending on the circumstances of each case and the adverse effect of the offenses committed on the company’s operation.

MINOR OFFENSES

PART I. CONDUCT OR BEHAVIOR RELATING TO PERSON

1. Failure to serve the immediate supervisor notice of absence within the first two (2) hours of employee’s scheduled work day/shift.

PART II: CONDUCT OR BEHAVIOR RELATING TO PRODUCTIVITY

1. Habitual Tardiness. When an employee incurs five or more unexcused tardiness in a month; or when an employee incurs less than five unexcused tardiness in a month but aggregates 10 or more tardiness within a period of three months.
2. Attending to personal matters at excessive periods during working hours, exceeding break periods, playing parlor games, collecting debts, soliciting contribution or bets, and the like.
3. Peddling of or soliciting orders for any merchandise within the Company's premises.
4. Absence from working place during working hours including loitering or wandering about.
5. Using the company telephone and other electronic facilities for prolonged periods of time for personal reasons before, during and after office hours.

PART III: CONDUCT OR BEHAVIOR RELATING TO COMPANY AND OTHER PERSON'S PROPERTY

1. Bringing to the premises of the company friend, relatives, or other people with no official business with the Company.

PART IV: CONDUCT OR BEHAVIOR RELATING TO HEALTH, SAFETY AND SECURITY

1. Refusal to receive treatment / medication prescribed by or to follow appropriate care or advice from the company physician or health care entity for an illness or disease which is inimical to the best interest of the employee, his co-employees or operations of the company.
2. Entering company premises during off-hours without the necessary authorization or permission.
3. Engaging in horseplay or malicious mischief, running, scuffling or throwing things within Company premises.
4. Failure to observe personal cleanliness both in clothing or in person
5. Poor housekeeping and Littering inside the Company premises and other unsanitary practices like spitting, etc.

PART V: CONDUCT OR BEHAVIOR RELATING TO BUSINESS ETHICS AND COMPANY INTEREST

1. Violation of the Company's policy/ies or office order (s) or guidelines on hours of work or break period or attendance monitoring.
2. Failure to wear the company ID and the prescribed uniform or proper attire.
3. Failure to readily and promptly respond to customers' inquiries.

LESS SERIOUS OFFENSES

PART I: CONDUCT OR BEHAVIOR RELATING TO PERSON

1. Acts of discourtesy towards company visitors or clients, officers, fellow employees and/or regulators which are brought to the attention of management either in person, by phone or in writing.
2. Acts of threat, intimidation, coercion, harassment, or using profane language on co-employees orally or in writing.
3. Quarrelling with co-employees, exchanging strong and violent words, or challenging to fights.
4. Committing acts of threats, intimidation, coercion, harassment, etc. on the superior or officer.
5. Disrespectful, discourteous, insulting, unbecoming, slanderous / libelous language towards superior or officer.

PART II: CONDUCT OR BEHAVIOR RELATING TO PRODUCTIVITY

1. Absence without Leave (AWOL)
2. Improper use of Leave Credit (leave without notification, unexcused leave with notification but disapproved, excessive absences without pay, excessive absences without pay, with notification but disapproved)
3. Malingering or calling in sick or pretending to be sick.
4. Leaving work assignments and/or company premises during working hours without prior permission from the Department Head or Supervisor.

5. Delay and inadvertence in the performance of assigned tasks without loss to the Company or exposure to risk of loss.
6. Failure to comply with reportorial requirements of the Company with government agencies involving payment of penalty not exceeding Php 5,000.00.

PART III: CONDUCT OR BEHAVIOR RELATING TO COMPANY AND OTHER PERSON'S PROPERTY

1. Using company vehicle for a purpose other than that for which it is intended or assigned authorization. This covers the use of the vehicle at any time of day. Any damage or injury caused to the Company property or to any employee or any third party by reason of such use for a purpose which is not in line with the business of the company shall not bind the Company and any costs incurred shall be for the account of the erring employee.
2. Driving company vehicles under the influence of liquor or other prohibited substances.
3. Removing or relocating documents or records of the customers from one division or department to another without proper authorization.

PART IV: CONDUCT OR BEHAVIOR RELATING TO HEALTH, SAFETY AND SECURITY

1. Entering restricted areas without permission or authority.
2. Tampering with, taking down, or removal from location fire extinguishers or any firefighting equipment or sounding false fire alarm.
3. Physically obstructing or preventing any officer or employee from performing his official duties and responsibilities.
4. Knowingly failing to report the fact of being afflicted with a contagious disease.

PART V: CONDUCT OR BEHAVIOR RELATING TO BUSINESS ETHICS AND COMPANY INTEREST

1. Violating a circular, regulation, memorandum or executive order resulting in loss or damage to the Company but without dishonest or fraudulent intent.
2. Accepting gifts, costly entertainment or any form of benefit under a will or trust from customers, except for the following: a) token gifts of no commercial value given during festive seasons; b) normal business entertainment; and c) personal benefit arising from kinship/marriage.
3. Being in a state of pecuniary embarrassment or the state of one's indebtedness.
4. Showing or exhibiting pornographic materials, pictures or literature during office hours and within Company premises and/or using company-issued equipment or gadget.

SERIOUS OFFENSES

PART I: CONDUCT OR BEHAVIOR RELATING TO PERSON

1. Insubordination or disobedience to lawful orders / instructions of an officer or superior.
2. Refusal to follow instructions regarding transfer or reassignment. Imposition of penalty does not excuse the employee from complying with the order of transfer or reassignment.
3. Disrespectful, discourteous, insulting, unbecoming language or behavior towards clients or customers.
4. Making or spreading malicious, derogatory or false statements about any employee or officer. Rumormongering
5. Committing physical force or violence or inflicting bodily harm to superior or officer.
6. Knowingly assigning a subordinate in a situation where conflict of interest may arise.
7. Persuading, including or influencing another officer or employee to perform an act constituting serious violation of rules and regulations, or an offense in connection with the official duties of the latter or allowing himself to commit such serious violations of offense.
8. Swindling or other deceits

PART II: CONDUCT OR BEHAVIOR RELATING TO PRODUCTIVITY

1. Negligence or inefficiency including delayed completion of work assignments, failure to meet deadline, improper discharge of instructions, inaccurate reports, and the like.

2. Gross negligence causing damage or loss to the Company.
3. Failure or willful disregard in attending required training and other similar or related activities.
4. Unreasonably prolonged Absences Without Official Leave (AWOL) or abandonment of work which cause disruption or delay in the company's normal operations or which may result in damages
5. Failure to comply with reportorial requirements of the Company with government agencies involving payment of penalty in excess of Php 5,000.00
6. Failure to comply with the required control measures in relation to one's scope of duties and responsibilities.
7. Gross delay and inadvertence in the performance of assigned tasks with loss to the Company or exposure to risk of loss in an amount in excess of Php 5,000.00.
8. Conducting or transacting business or work other than the Company's business during working hours.

PART III: CONDUCT OR BEHAVIOR RELATING TO COMPANY AND OTHER PERSON'S PROPERTY

1. Damage to property willful or negligently.
2. Arson and other offenses involving destruction of property of the company.
3. Unauthorized, improper, or wasteful use of materials, supplies or equipment of the company.
4. Substituting company material or equipment with another of inferior quality or of a lesser value.
5. Stealing or attempting to steal company property, misappropriating company property or stealing or attempting to steal from others while inside the company premises or during company authorized functions.
6. Retrieving or obtaining records or information from another division, department or branch without proper authorization.
7. Tampering of company property and documents for fraudulent purposes.

PART IV: CONDUCT OR BEHAVIOR RELATING TO HEALTH, SAFETY AND SECURITY

1. Unauthorized carrying of firearms and other deadly weapons inside the Company premises.
2. Reporting for work under the influence of liquor or drugs.
3. Gambling or taking part in any game of chance including solicitation and/or collection of bets within the Company premises.
4. Commission of a crime or offense against a co-employee within the Company's premises.
5. Inflicting physical injury against another officer or employee.
6. Breach of all Computer Security
7. Installation of Illegal Software
8. Allowing Company's records to be copied by unauthorized persons, including computer vendors.
9. Accessing and using record, files and/or programs of the company for purposes other than those approved by Management.

PART V: CONDUCT OR BEHAVIOR RELATING TO BUSINESS ETHICS AND COMPANY INTEREST

1. Practice of profession or engagement in business or other personal endeavors without prior disclosure and/or approval.
2. Soliciting or receiving fees, commissions, or kickbacks from clients, suppliers, collectors, etc. in consideration of patronizing their products/services or for services rendered in connection with any BPI/MS transaction.
3. Revelation of confidential matters, data or other information relative to company transactions or communications or secrets of trade.
4. Making misrepresentations or falsifying data when applying for employment, when such information misrepresented is considered material to the acceptance of the employee.
5. Divulging valuable information of a confidential character to unauthorized persons or releasing such information in advance of its release date.
6. Making or spreading malicious, derogatory or false statements regarding the good name of the Company or its services/operations.
7. Using information obtained in the course of employment for financial gain.
8. Using the Company's uniform under scandalous circumstances or as a means of deception.
9. Causing the publication of any news which endangers or causes damage to the interest, credit, goodwill or business reputation of the Company.
10. Sharing of IDs and passwords which cause or prejudice to the Company.

11. Concealing reporting anomalous or irregular transactions and/or other irregularities to the proper Company authorities.
12. Using the Company's name or facilities for personal advantage in political, investment or retail purchasing transaction or in similar types of activities.
13. Using Company's name or facilities for personal gain, to borrow money from customers or prospective customers, or to obtain preferential treatment.
14. Embezzlement or misappropriation of Company's funds and/or property in whole or in part including those held in trust or absconding with the same, or causing their loss either thru fault or negligence or both.
15. Removing, destroying, concealing evidence or losing documents or papers for an officer's or employee's personal benefit or advantage, or to the disadvantage of the Company or as a means to commit a wrong, conceal its detection and discovery.
16. Using records, computer files or programs of the Company on purposes not approved by management.
17. Processing an account for a customer whom the employee knows to be involved in illegal activities.
18. Entering in behalf of the Company into any contract or transaction manifestly and grossly disadvantageous to the Company whether or not the officer or employee profited or will profit thereby.
19. Willful non-observance of standard operating procedures in the handling of any transaction or work assignment for purposes of personal gain, profit, or advantage of another person.
20. Acts of immorality, e.g carrying of Illicit relationship, engaging in indecent behavior or other analogous acts.
21. Favoring suppliers, clients, media or other entities which have official transaction with the Company for consideration in the form of kickbacks or personal rebates,
22. Performing work for a competitor whether or not it resulted in prejudice to the Company.
23. Accepting allowable gifts or business entertainment, which unduly places the officer/ employee in a compromising position.
24. Soliciting corporate directorship or serving as a director in another corporation without securing prior approval of Management.
25. Using of position to obtain preferential treatment.
26. Commission of a crime involving dishonesty or breach of trust such as but not limited to estafa, embezzlement, extortion, forgery, malversation, swindling, theft, robbery, falsification, bribery, violation of B.P Blg 22., violation of Anti-Graft and Practices Act and violation of banking and insurance laws, rules and regulations or those sentenced to serve imprisonment or any crimes involving moral turpitude (e.g., murder, homicide, physical injuries, kidnapping, arson, damage to property, etc.) whether or not committed within Company premises.
27. Conviction of trial court of any crime involving moral turpitude or any crime that nature of which renders the employee unfit for the position he holds.
28. Fraudulently recording one's attendance at work or conniving with someone to cause such fraudulent recording. Employees are strictly forbidden to punch in timecards or log attendance other than their own.
29. Discourteous and slanderous behavior.
30. Making immoral or indecent advances to a subordinate, or a party interested in matters pending decision by the Company.
31. Offenses against decency, purity, rectitude, good morals or good customs under scandalous circumstances.
32. Gambling prohibited by Law
33. Using prohibited / regulated drugs.
34. Refusing to testify in any case or to be utilized as witness for the Company without justifiable reason or refusal to extend cooperation in the administration of justice upon demand of competent authority or comply with lawful court orders processes if such failure shall result in loss or damage to the Company.
35. Sexual Harassment as defined under Republic Act 7877.
36. Acquiring a business interest or participating in any business activity, which effectively impairs or prejudices the work performance of an officer/ employee with the Company.
37. Counterfeiting or imitating any handwriting or signature on Company documents/negotiable instruments.
38. Falsification of employee records, traveling expenses, statement, medical and hospitalization and such other bills or claims against the Company.
39. Unauthorized employment or embarking on other business activities in another establishment or firm without prior approval of the President or other designated official (moonlighting).
40. Borrowing or exacting money or other property from persons with whom he has official business relation.
41. Deliberately restricting work outputs or engaging in illegal work shutdown, stoppage or boycott.
42. Fraud or willful breach by the employee of the trust reposed to him by the Company.
43. Kiting of checks whether directly or indirectly or allowing or consenting to kiting checks with or without actual loss to the Company.
44. Concealing of failing to report attempts to use the Company for illegal purposes, such as money laundering.

45. Conniving with employees, superiors, customers, competitors or anybody to defraud the company or its customers.
46. Committing other act or offense which constitutes just cause for termination from employment under the Labor Code or pertinent regulations.
47. Any other act of dishonesty or similar fraudulent manipulation or analogous to the acts of dishonesty as enumerated above.

ALL OTHER ACTS NOT ENUMERATED ABOVE BUT ARE ANALOGOUS THERETO MAY BE CLASSIFIED AS OFFENSES DEPENDING ON THE NATURE OF THE OFFENSE.

Annex B

Sample of Show Cause Memo

Date : _____

Memo to : (Employee Name)

Subject : Violation of Code of Conduct

This refers to the following incident (or matter) which reached our attention: (Please relate the incident or matters that constitute the offense).

As you are aware, the said incident constitutes a violation of the Code of Conduct, particularly these provisions:

(List down all the offenses under the Code of Conduct)

In this regard, you are hereby required to explain in writing within 5 working days from receipt of this memo why no disciplinary action should be taken against you on such violation(s). Your failure to submit a written explanation will be construed as a waiver of your right to provide us with your reasons or justifications. Nevertheless, please make yourself available for any investigation that may be conducted in this regard.

Name & Signature of Manager