

CODE OF CONDUCT AND DISCIPLINE

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INTRODUCTION

“It is impossible to break the law. We can only break ourselves against the law...”

Cecil B. de Mille from
The Ten Commandments

THIS CODE OF CONDUCT AND DISCIPLINE IS ESSENTIALLY A CODE OF HONOR WHICH EVERY **EMPLOYEE** IS EXPECTED TO LIVE BY. IT EMBODIES NORMS OF CONDUCT WHICH ARE BASED ON TIMELESS AND UNIVERSAL PRINCIPLES THAT GOVERN HUMAN GROWTH AND HAPPINESS – NATURAL LAWS THAT ARE WOVEN INTO THE FABRIC OF EVERY CIVILIZED SOCIETY THROUGHOUT HISTORY AND COMPRISE THE ROOTS OF EVERY FAMILY AND INSTITUTION THAT HAS ENDURED AND PROSPERED.

THE CODE DEFINES BEHAVIORS WHICH ARE INCONSISTENT WITH **VANTAGE EQUITIES, INC.** STANDARD FOR EXCELLENCE, HONESTY, INTEGRITY, DEDICATION, PRUDENCE, DILIGENCE, DECENCY, PROPRIETY, AND DECORUM. INFRACTIONS AGAINST THE NORMS OF CONDUCT REPRESENT VIOLATIONS OF FUNDAMENTAL PRINCIPLES WHICH DESTROY THE BASIC CORE AND ESSENCE OF WHY WE EXIST AND WHO WE ARE.

WHILE THIS CODE FURTHER OUTLINES THE PROCESSES AND GUIDELINES FOR THE FAIR, UNIFORM, IMPARTIAL, OPEN-MINDED AND PRUDENT HANDLING OF INFRACTIONS, IT IS HOPED THAT THESE PROCESSES WILL NOT BE RESORTED TO. IT NEED NOT BE RESORTED TO IF EACH AND EVERY **EMPLOYEE** LIVES UP TO **THE COMPANY'S** VISION, MISSION AND VALUES.

ARTICLE I: PHILOSOPHY AND SPIRIT OF THE CODE

SECTION 1. OBJECTIVES

This Code aims to provide all officers and staff with clear policies and guidelines, definitions, norms of conduct, classification of infractions and processes and proceedings on the imposition of sanctions.

It is envisioned that through this Code, each and every *Employee* will be enabled to make decisions and take actions that are aligned with principles and norms that are fundamental to personal growth and happiness, and Vantage's vision, mission and values.

SECTION 2. SPIRIT OF IMPLEMENTATION

Positive motivation rather than punitive control should characterize the implementation of disciplinary measures. Hence, sanctions should be resorted to only when necessary and only to the extent necessary. Sanctions should be imposed only to correct unacceptable behavior or to restore the integrity of order and discipline. They must never be imposed for purposes of reprisal or display of power. Towards this end, the right of every *Employee* to due process must be safeguard at all times. Action must be timely, but considerate. Prudence must always accompany administrative action. Impartiality and open-mindedness should characterize the investigation and consideration of cases. In the application of sanctions, uniformity and fairness should be observed, regardless of the rank of the *Employee* concerned.

ARTICLE II: COVERAGE

SECTION 1. PERSONS COVERED

All officers and *Employees* of the *Company*, irrespective of rank, position, status or classification, as well as those who have resigned but have not been issued a clearance by the *Company* of his accountabilities for infractions committed before his resignation, are covered by this Code.

ARTICLE III: POLICIES AND GUIDELINES

SECTION 1. COMMAND RESPONSIBILITY

The doctrine of command responsibility shall apply to the immediate supervisor of the *Employee* charged with committing an infraction. The immediate supervisor shall be charged before the Committee on Values, Ethics and Discipline for violation of the norms on dedication, prudence and diligence and may be ordered to contribute in the restitution of the thing lost, damaged or destroyed, if warranted, under the following circumstances:

- A. If there is sufficient evidence against the immediate supervisor; or
- B. If the facts established in the proceeding against his subordinate shows that he was negligent and his negligence contributed to and/or facilitated the commission of the infraction.

SECTION 2. ACTS OR OMISSIONS CONSTITUTING INFRACTIONS

Acts or omissions contrary to or in violation of the norms of conduct and operating standards embodied in this Code and in the Company policies, procedures, rules and regulations shall be considered infractions and shall subject the *Employee* concerned to administrative sanction in accordance with the provisions of this Code.

SECTION 3. UNIFORMITY OF SANCTION

The sanction indicated for each infraction in this Code shall be the sanction imposed. This is to ensure uniformity in the application of sanctions and to ensure that disciplinary actions taken neither too lax nor too severe. However, when circumstances exist which would serve to mitigate or aggravate the offense, these circumstances must be taken into consideration in imposing a lighter or more severe penalty than that provided for in this Code. Sanctions for successive violations of the same work rule shall be progressively more severe than penalty for a first violation.

SECTION 4. NON-EXCLUSIVITY OF THE CODE

This Code is not intended to be restrictive nor all encompassing. Infractions enumerated in this Code shall also cover analogous situations. Other necessary policies, procedures, supplemental rules and regulations relative to employee conduct may also be promulgated by the *Company* from time to time which shall form an integral part of this Code. Similarly, the specific infractions against established policies, systems and procedures may be amended or supplemented from time to time as the need arises upon the written order of the President.

SECTION 5. IGNORANCE IS NOT AN EXCUSE

Ignorance of the policies, procedures, rules and regulations stated in this Code as well as in circulars, memoranda and other Company promulgations duly disseminated shall excuse no one from compliance therewith nor exempt them from administrative sanctions imposed for violations thereof.

This principle shall also apply to policies and procedures which have not yet been included in the manual of policies and procedures of the Company and/or covered by any written circular memoranda but are being practiced as part of standard procedure of the *Company*.

SECTION 6. PRESCRIPTION OF ACTION

The initiation of administrative proceedings for light, less grave and grave infractions shall be barred if not done within a prescriptive periods of thirty (30) days from the time the infraction was brought to the attention of the *Immediate Superior* of the *Employee* concerned or to the committee on Values, Ethics, and Discipline, as the case may be. The service of the notice to explain to the *Employee* concerned shall stop the running of the thirty (30) day prescriptive period.

ARTICLE IV: INFRACTIONS AND SANCTIONS

SECTION 1. CLASSIFICATION OF INFRACTIONS

Infractions are classified in accordance with their gravity and seriousness taking into account the subject matter, the degree of malice involved and the actual or potential harm resulting therefrom:

- A. GRAVE INFRACTION – An infraction is considered grave if it is characterized by wantonness or gross negligence; or if it involves gross abuse of authority or can be a cause for public scandal and consequent erosion of confidence or is maliciously intended or deliberately planned or results in an actual or potentially serious loss, administrative or operational difficulty, or corporate embarrassment for the Company or seriously undermines duly constituted authority.

- B. LESS GRAVE INFRACTION – An infraction is considered a Less Grave Infraction if it implies a habitual disregard for established criteria of conduct for the protection of the interests Company and involves either repeated violations within a relatively short period of time of what otherwise would be minor infractions, or the culpable commission or omission of an act which results in serious embarrassment or inconvenience to another person, whether a Company employee, a Company client or otherwise.

- C. LIGHT INFRACTION – An infraction is considered a light infraction if it involves a violation of a rule of procedure rather than of a moral precept, or represents more of an omission or an oversight than a positive wrongdoing; or represents an act of negligence.

SECTION 2. KINDS OF SANCTIONS

- A. WARNING – is a verbal notice calling the attention of the person committing an infraction and warning him from further committing the same.

- B. REPRIMAND – a reprimand is a written notice calling attention to the commission of an infraction, and warning the person committing the same against repetition of such infraction in the future.

- C. SUSPENSION – a suspension is a physical detachment from service for a designated period of time without salary and benefits.

- D. DISMISSAL – a dismissal is a dishonorable separation from employment. A dismissed employee automatically forfeits all benefits which would normally accrue to him on retirement or separation for reasons other than for cause.
- E. RESTITUTION – restitution is an order requiring the offender to restore a thing lost, destroyed or damaged to its original state or to pay its value. It may be imposed along with other sanctions or as an independent sanction.

SECTION 3. ACTS NOT CONSIDERED SANCTIONS

- A. EMPLOYEE TRANSFER – The transfer, assignment or cross-posting of an employee from one position to another or from one Department to another, without reduction in rank or salary when made in the interest of the service shall not be considered as an administrative sanction.
- B. PREVENTIVE SUSPENSION – The preventive suspension of an employee for a period not exceeding thirty (30) days during the pendency of the proceedings of the administrative charge against him when his presence in the work place can be considered a risk to the life or property of the Company or his co-employees shall not be considered a sanction. The salaries and benefits withheld during the said period shall accrue to the employee concerned at the termination of the administrative proceedings, if exonerated.

SECTION 4. INFRACTIONS AND APPLICABLE SANCTIONS

- A. GRAVE INFRACTIONS – The sanctions for grave infractions shall range from sixteen (16) days suspension to dismissal and an order to retribute the value of the thing lost, damaged or destroyed, in proper cases.
- B. LESS GRAVE INFRACTIONS – The sanctions for less grave infractions shall range from three (3) days suspension to fifteen (15) days suspension and an order to retribute the value of the thing lost, damaged or destroyed, if warranted.
- C. LIGHT INFRACTIONS – The sanctions for light infractions shall range from a warning to two (2) days suspension or fine or both and an order to retribute the value of the thing lost, damaged or destroyed, if warranted.

ARTICLE V: NORMS OF CONDUCT

SECTION 1. HONESTY & INTEGRITY

- A. Every *Employee* of the *Company* must exercise honesty in handling/ using funds and assets belonging to the *Company*, entrusted to the *Company* by clients, or belonging to any third party doing business with the *Company*.
- B. Every *Employee* of the *Company* must at all times furnish the correct information required on the documentation and other papers as are deemed necessary and to the extent allowed by the *Company*.
- C. All *Employees* must display unquestionable integrity in the performance of their duties and functions. They must not at all times abuse their positions to advance their own interest.

- D. Every *Employee* of the Company is expected to protect the interest of the *Company* at all times. Part of his responsibility is to avoid situations which would make it difficult for him to make decisions with full confidence; and to act in such a way that his actions do not in any way conflict with the interests of the *Company*.

SECTION 2. DEDICATION, PRUDENCE AND DILIGENCE

- A. *Employees* of the *Company* must comply with all the established operating procedures of the *Company*, perform their assigned tasks during their scheduled hours of work and at their work place or other assigned area with reasonable dedication, efficiency and degree of care.
- B. All *Employees* of the *Company* must exercise due care in the handling and use of the properties belonging to the *Company* or entrusted to the *Company*.

SECTION 3. HIGH MORAL STANDARDS

- A. *Employees* of the *Company* should always maintain high moral standards of behavior and must refrain from indecent, lewd and immoral acts which will give occasion for scandal or, loss of confidence in the *Company*.
- B. Every *Employee* of the *Company* must conduct himself in a manner befitting a gentleman or a lady and conducive to inspiring confidence in and respect for the *Company*.

SECTION 4. WORK DAYS, WORK SCHEDULE AND DECORUM

- A. *Employees* of the *Company* must refrain from activities that may produce disturbance within the *Company* premises.
- B. Every *Employee* must comply with perform all reasonable directives and instructions of duly authorized superiors.
- C. *Employees* of the *Company* must promote safety and preserve security within the *Company* premises. They are expected at all times to abide by the safety rules and regulations of the *Company*.
- D. All *Employees* must wear the uniform / code of dressing prescribed by the *Company* during the official work hours/days.

ARTICLE VI: INFRACTIONS AGAINST THE NORMS OF CONDUCT

CHAPTER A: INFRACTIONS AGAINST NORMS ON HONESTY AND INTEGRITY

SECTION 1. GRAVE INFRACTIONS

- 1. Knowingly giving false or misleading information in applications for employment as a result of which employment is secured, or, if already employed, giving false or misleading information to seek or qualify for any benefit from the *Company*.

2. Falsification of company records or documents and tampering with Company equipment or facilities for the purpose of defrauding the *Company* or to commit a dishonest act.
3. Stealing or helping anyone to steal whether the victim be the *Company*, other employees or clients of the *Company*.
4. Falsification of Individual Attendance Sheets, or influencing another to falsify his or her individual attendance sheets, time cards, vouchers, receipts and the like for the purpose of drawing salary or allowances.
5. Giving false testimony during an investigation.
6. Exercising any act of authority under false pretense.
7. Planting evidence against another employee for the purpose of unduly imputing a crime or the commission of an infraction under this Code against another employee or for the purpose of evading responsibility for the commission of an infraction under this Code.
8. Using fraudulent means such as tampering of receipts for appliances purchased, receipts for representation expenses, fabrication of certification of hospitalization expenses incurred and the like, in order to qualify for and/or secure loans under any of the *Company's* loan or reimbursement programs which would otherwise not be covered/qualified under the said loan program or properly due to the employee.
9. Unauthorized use of confidential information and *Company* records in order to give undue advantage to his spouse or any of his relatives and friends in any matter pending with the *Company*.
10. Fraud, soliciting money, gifts, shares, benefits or favors, including the borrowing of money or chattels from any person or through the mediation of another as a condition for the performance of one's duty.
11. Offering, soliciting or receiving anything of value to perform any act/ activity prejudicial to the interest of the *Company*.
12. Concealment of defective work which directly results in actual or potentially serious loss or prejudice to the *Company*.
13. Willful concealment or cover up of a violation or encouraging others to do the same.
14. Vandalism in any form, acts of sabotage, intentional destruction of company property.
15. Repeated commission of an act classified as a less grave infraction under this Chapter within a 12-month period.

SECTION 2. LESS GRAVE INFRACTION

1. Falsification of individual Attendance Sheets, or influencing another to falsify his or her individual attendance sheets, time cards and the like for purposes other than to draw salary or allowances.
2. Engaging in activities that will require the employee's personal time, attention and direct personal involvement which can adversely affect the performance of their jobs.

3. Unauthorized use of the Company's name or property.
4. Failure to inform or advise higher authority or superior of any inducement, instructions or order from a superior or other high ranking officer to commit any violation of the Company's rules, procedures or policies.
5. Repeated commission of an infraction, classified as a light infraction under this Chapter within 12-month period.

SECTION 3. LIGHT INFRACTION

1. Failure to disclose interest in a firm as an officer, director, stockholder or partner if subject firm has a credit and/or business dealings with the Company.

CHAPTER B: INFRACTIONS AGAINST NORMS ON DEDICATION, PRUDENCE & DILIGENCE

SECTION 1. GRAVE INFRACTIONS

1. Acts or omissions contrary to the policies of the Company as well as its rules and regulations when as a consequence thereof, the Company suffers actual or potential damages of at least Fifty Thousand (P 50,000.00) Pesos.
2. Unexplained loss of money or property entrusted to one's custody.
3. Outside employment competing or conflicting with the *Company's* interest.
4. Repeated commission of an infraction classified as a less grave infraction under this Chapter within 12-month period.

SECTION 2. LESS GRAVE INFRACTIONS

1. Furnishing of incorrect or misleading data to employees or persons duly authorized to ask, receive or secure such information as a consequence of the employee's neglect or failure to conduct the proper research, investigation or verification of facts resulting in an actual, potential or opportunity loss.
2. Losing/misplacing *Company* records which cause prejudice to the *Company*.
3. Failure to report loss or damage of company property.
4. Allowing oneself to be relieved by another known to be under the influence of liquor or narcotics.
5. Acts or omissions contrary to the policies of the Company as well as its regulations when as a consequence thereof the Company suffer actual or potential damages of at least five thousand (P5,000.00) but not more than forty nine thousand nine hundred ninety nine (P49,999.00) pesos.
6. Repeated commission of an infraction classified as a light infraction under this Chapter within a 12-month period.

SECTION 3. LIGHT INFRACTION

1. Acts or omissions contrary to the policies of the Company as well as its rules and regulations when as a consequence thereof the Company suffers no damages; or actual or potential damages up to four thousand nine hundred ninety nine (P4,999.00) pesos.

CHAPTER C: INFRACTIONS ON NORMS ON MORAL STANDARDS

SECTION 1. GRAVE INFRACTION

1. Having/carrying on an illegitimate affair with a co-employee when the same results in scandal within the Company premises, disruption of operations and/or embarrassment to the Company.
2. Using one's position in order to demand or request for sexual favors from a subordinate or from one over whom the requesting party has or exerts some form of moral ascendance or authority.
3. Commission of a lewd or indecent act upon any person or engaging in scandalous or malicious acts within the Company premises.
4. Uttering threats or commission of a future wrong upon the person, honor or property of the Company or any of its employees or clients.
5. Conviction of a crime involving imprisonment of at least one (1) month.
6. Repeated commission of an infraction classified as a less grave infraction under this Chapter within a 12-month period.

SECTION 2. LESS GRAVE INFRACTION

1. Distribution of pornographic materials within the Company premises.
2. Insults, discourtesy, rudeness to a Company officer, co-employee, or the Company's clients within the Company's premises or while discharging official functions.
3. Use of improper, vulgar or abusive language against co-employees, officers or Company clients.
4. Repeated commission of an infraction classified as a light infraction under this Chapter within a 12-month period.

SECTION 3. LIGHT INFRACTION

1. Spreading false rumors/gossips against co-employees, superiors and subordinates.

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