

## **INTRODUCTION**

This handbook is intended to guide and assist an employee on matters that will arise during his/her employment with the Company. The policies it contains will also provide an understanding of the management philosophy of SOCResources, Inc. Officers are expected to explain relevant policies to new employees upon hiring as part of induction activities.

Understanding these policies is important. Please take time to read and study them.

Amendments may be made, and new policies may be written when considered necessary and shall take effect upon communication to all employees.

We welcome you to SOCResources, Inc. and wish you a rewarding career with us.

**Mr. Edgardo P. Reyes**  
Chairman

## **SOC VALUES**

SOC adheres to a core set of values in all its operations. We expect all employees to understand these values and make them central to everything we do on behalf of the Company and in our personal conduct when dealing with SOC constituents. These values may be described as:

- Delivering Excellence in every engagement we undertake as a matter of habit. We aim to meet and indeed, exceed our Stockholders' expectations every time.
- Earning Trust by delivering what we promise and by maintaining an honest relationship with our Stockholders that reflects our integrity.
- Promoting Teamwork by partnering with Stockholders to achieve their business goals and enable continued success by unselfishly sharing our knowledge and expertise.
- Striving for a Win-Win Balance which respects the needs and interests of our Stockholders as well as the professional development, growth, and satisfaction of our employees.
- Careful Stewardship of our Stockholder relationships, knowledge capital, and company resources at all times.

## **GENERAL PRINCIPLES**

It is the policy of SOC that all employees adhere at all times to a code of ethics and conduct which is founded on the following general principles:

### **Adherence to the law**

An employee will never knowingly violate or disregard any law of the Philippines or any other country in which the Company may operate. Whenever any law or regulation seems unclear or ambiguous, an employee shall refer to their superior, who will, if necessary, seek appropriate advice from authorities.

### **Our word is our bond**

Because it is vital that our word is our bond, an employee will not make any actual or apparent verbal commitment without prior authorization in accordance with existing policies and procedures. All commitments, especially those concerning Stockholder requirements, must be documented and confirmed promptly.

### **Confidentiality of Stockholder relationships**

The details of any relationship between a Stockholder and the Company **MUST NOT** be disclosed to any third party, except in specially authorized situations. Discussions with fellow employees of the Company are not restricted except to those issues that dwell on confidential and sensitive matter or when the Stockholder specifically requests confidentiality.

### **Avoidance of inducements**

Employees and their families **MUST NEVER**:

- Solicit or accept any gifts, entertainment, or other benefits that may influence, is perceived to influence, or is intended to influence Company business. All offered gratuities must be immediately reported to their immediate supervisor; or
- Solicit or accept personal fees, commissions, or other forms of remuneration related to any transactions involving the Company.

### **Avoidance of conflict of interest**

Whenever an employee and/or immediate family member would benefit personally from an investment or purchasing decision of the Company and he would normally make, or be a party to such decisions, the employee **MUST**:

- Declare the interest; and
- Play no part in the decision-making process.

### **Registration of business interest**

All employees are required to notify the Company, in writing, of all personal business interests and/or any business interests of their immediate family that relate to the interests of the Company.

### **Non-disclosure of inside information**

Employees, during their engagement with the Company, might obtain or receive information during the course of their work which, if disclosed, may affect, either adversely or favorably, the business interests or market valuation of an individual, company, or other entity. Whenever an employee receives such information, they **MUST NEVER**:

- Disclose such information to any third party; or
- Use this information for personal gain.

### **Adherence to company rules and regulations**

All employees must adhere both to the letter and to the spirit of all Company rules and regulations. In particular they **MUST NEVER**:

- Violate or fail to comply with accounting rules and regulations;
- Make a false statement or claim in seeking employment or in claiming expenses or allowances; or
- Be negligent in their care and safeguarding of Company and Stockholder property or documents.

### **Personal appearance**

Personal appearance and hygiene are important manifestations of our conduct. Employees must always seek to project their best image whenever they are in contact with our Stockholders and partners. Therefore, they **MUST** maintain a neat, clean, and business-like appearance at times when they could be perceived to be representing the Company.

## **Dress Code**

Dress code will be normal business attire. Normal business attire should be interpreted as decent and befitting the image of the Company.

## **Restriction on working elsewhere**

While employed by the Company, no employee should work for or extend service for money or otherwise to any other company, entity, or individual, unless prior written authorization is obtained from the Executive Management.

## **Dealing with the media**

Employees are restricted in their communications with and through the media (radio, television, newspapers, and other forms of publication). Without specific or general authorization by the Executive Management, employees **MUST NOT** pass to the media any statement, comment or opinion, article or any documents, or any other information which is attributable directly or indirectly to the Company or which relates to its business. This restriction applies even if the Company is disassociated expressly from the communication.

The writing of professional articles is encouraged, provided adequate confidentiality is maintained. All such articles, however, require explicit approval of the Executive Management prior to submission to any publication.

## **Software control**

The Company is expected to maintain a high level of integrity and virus-free software. Employees **MUST** take all possible steps to ensure that the:

- Software in use is properly licensed;
- Software, source code, and data is only copied when authorized and strictly controlled; and
- Software (whether free downloads or otherwise) loaded on our equipment is fully authorized.

## **Integrity in inter-personal relationships**

In their dealings with other employees, all employees should always act in accordance with the principle of treating others as they themselves would wish to be treated. In particular, they **MUST NEVER**:

- Impugn or comment on the integrity or character of colleagues; or

- Make any statement about other staff that they know to be untrue.

## **Personal conduct**

Employees must always bear in mind that their personal conduct will affect the standing of the Company, or the way in which the public perceives the Company. Therefore, employees MUST:

- Conduct themselves, both on and off-duty, in a professional manner which reflects no discredit on the Company and which is appropriate to their position in the Company; and
- Use common courtesy and good manners when in contact, either in personal or on the telephone, with the public, fellow employees, and most importantly, to the Stockholders of the Company.

## **Housekeeping**

Good housekeeping contributes to personal safety, minimizes the risk of fire and, like personal appearance, reflects professionalism as perceived by the public. Employees MUST keep their work areas neat and clean at all times. At the end of the working day, all materials, implements, tools, supplies, etc. must be returned to their proper place. Documents should be properly filed and secured.

## **Office equipment and supplies**

The Company has invested a good deal of effort and money to install the best and most modern machines, equipment, and supplies to assist employees in their work. Employees, therefore, MUST use the equipment responsibly and develop efficient habits for the use of office equipment, tools, and supplies. Abuse or misuse, e.g. for personal business, must be avoided. All personal and excessive use of resources including cellphone plans, transportation allowance, etc. shall not be tolerated and charged to the account of the employee.

## **Safety**

The welfare of each employee is of prime importance to the Company. To ensure the safety of all employees, each one is responsible for learning all safety regulations and procedures, i.e. where fire extinguishers are located and how to use them, the location and use of the first-aid kit, how to evacuate the building during emergencies, etc. Employees should actively participate in fire, earthquake, and other drills and procedures that are designed to enhance their safety.

## **Environment**

Pollution, in any form, is detrimental to everyone's health and well-being. The Company, therefore, encourages all employees to resist the defilement of our surroundings and to help, in any way possible, make our environment clean and safe for future generations. Employees are encouraged to take responsibility over their personal utensils and the areas where they take their meals to prevent accumulation of litter and the proliferation of harmful insects and rodents in Company premises. All company premises are designated smoke free.

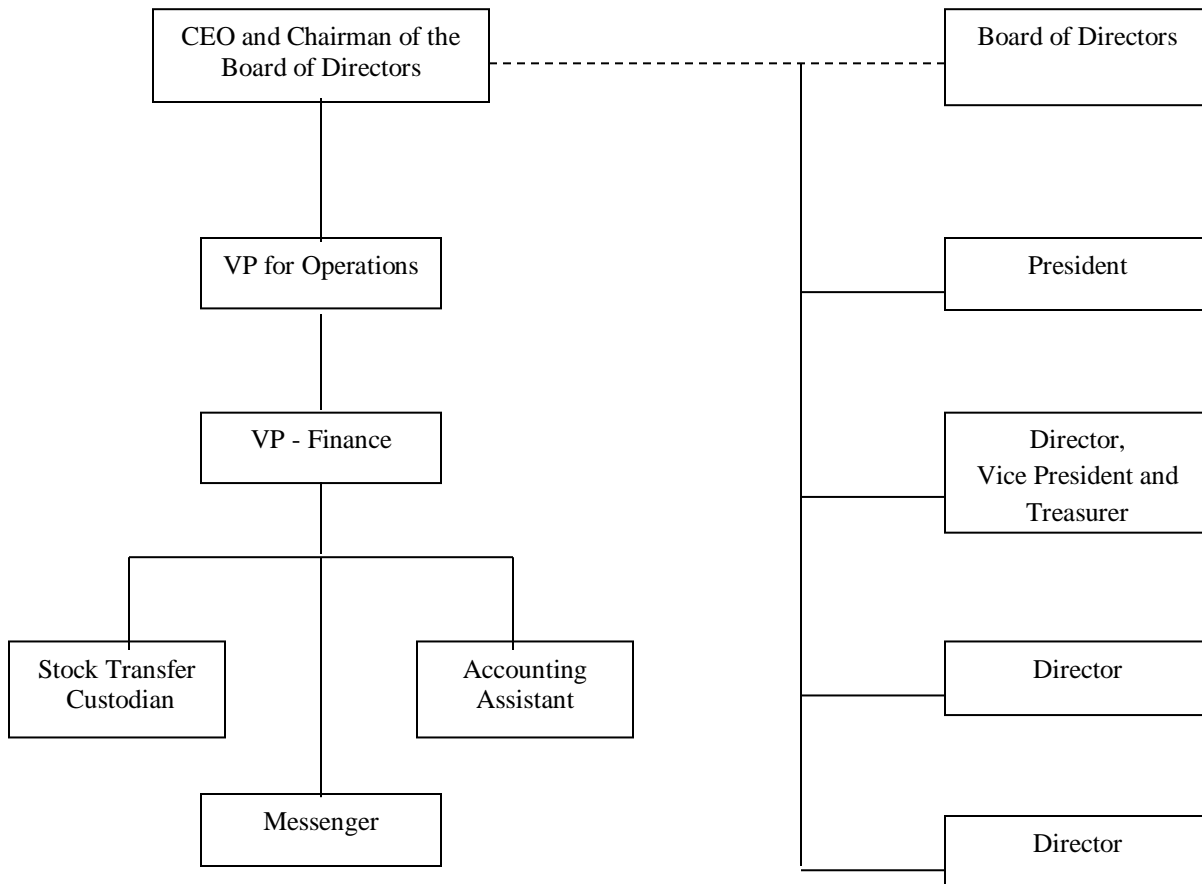
## **Security**

Company ID must be worn at all times while inside Company premises. All employees are expected to abide by all security instructions.

## **Visitors**

The Company's premises are to be used exclusively for conducting business related to the Company. Visitors on business **MUST**, at all times, be escorted by an employee. Personal visitors, i.e. family or friends, are strongly discouraged beyond reception area.

## ORGANIZATIONAL STRUCTURE





## **DUTIES AND RESPONSIBILITIES**

### **Officers**

#### **A. Chairman of the Board**

The Chairman of the Board of Directors shall preside at the meetings of the directors and the stockholders. He shall also exercise such powers and perform such duties as the Board of Directors may assign to him.

#### **B. President**

The President, who shall be a director, shall exercise the following functions, among others:

- a) To preside at the meetings of the Board of Directors and of the stockholders in the absence of the Chairman of the Board of Directors;
- b) To have general supervision and management of the business affairs and property of the corporation;
- c) To ensure that the administrative and operational policies of the corporation are carried out under his supervision and control;
- d) To oversee the preparation of the budgets and the statements of accounts of the corporation;
- e) To prepare such statements and reports of the corporation as may be required of him by law.
- f) To sign certificates of stock;
- g) To perform such other duties as are incidents to his office or are entrusted to him by the Board of Directors.

The President may assign the exercise or performance of any of the foregoing powers, duties and functions to any other officer(s), subject always to his supervision and control.

#### **C. Vice President**

If one or more Vice-Presidents are appointed, he/they shall have such powers and shall perform such duties as may from time to time be assigned to him/them by the Board of Directors.

## **D. Corporate Secretary**

The Secretary shall be the custodian of and shall maintain the corporate books and record and shall be the recorder of the corporation's formal actions and transactions. He shall have the following specific powers and duties:

- a) To record or to see to the proper recording of the minutes and transactions of all meetings of the directors and the stockholders and to maintain minute books of such meetings in the form and manner required by law;
- b) To keep or cause to be kept record books showing the details required by law with respect to the stock certificates of the corporation, including ledgers and transfer books showing all shares of the corporation subscribed, issued and transferred;
- c) To keep the corporate seal and affix it to all papers and documents requiring a seal, and to attest by his signature all corporate documents requiring the same;
- d) To attend to the giving and serving of all notices of the corporation required by law or these by-laws to be given;
- e) To certify to such corporate acts, countersign corporate documents or certificates, and make reports of statements as may be required of him by law or by government rules and regulations;
- f) To act as the inspector at the election of directors and, as such, to determine the number of shares of stock outstanding and entitled to vote, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and to receive votes, ballots or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots or consents, determine the result, and do such acts as are proper to conduct the election or vote. The Secretary may assign the exercise or performance of any or all of the foregoing duties, powers and functions to any other person or persons, subject always to his supervision and control.
- g) To perform such other duties as are incident to his office or as may be assigned to him by the Board of Directors or the President.

## **Employees**

### **A. Accounting Manager**

- Prepares quarterly financial statements for the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (SEC) in compliance with requirements of publicly listed companies.

- Prepares quarterly financial statements analysis to provide information with respect to liquidity, capital resources, financial condition and results of operation for management evaluation and understanding of common users.
- Prepares quarterly/annually SEC report forms for business and general information, financial information, control and compensation information.
- Maintains lapsing schedule on stock investments, current and non-current marketable securities (for transfer to accounting staff)
- Formulates necessary adjusting entries for the financial statements.
- Prepares quarterly entries on stock investments with Premiere Development Bank (Premiere Bank) and Bell Telecommunication Phils., Inc. (Bell Tel) for the share of SOC in the equity earnings.
- Coordinates with the banks for short term investments re: rates canvassing and terms of placements.
- Coordinates with the Department of Energy (DOE)-compliance for the existing exploration projects subject for annual audit.
- Prepares audit requirements for the annual audit of the external auditor and DOE-compliance.
- Checks and certifies correct disbursement vouchers, journal vouchers entries, SSS/Philhealth, HDMF collection lists, BIR forms on withholding taxes-expanded and compensation.
- Coordinates with the Chief Accountants of Premiere Bank & Bell Tel for the submission of their quarterly financial statements to SOC for PSE and SEC reporting.
- Prepares quarterly schedule of money market and interest on short term investments, peso and dollar account.
- Adjust quarterly the stock investment account on current/non-current marketable securities based on market quotation at the end of the quarter.
- Prepares semi-monthly payroll for SOC
- Prepares annual requirements for renewal of municipal license, BIR registration
- Checks and certifies correct quarterly corporate income tax

## **B. Accounting Assistant**

- Prepares petty cash voucher and cash vouchers for issuance of checks
- Records daily transaction to the following books of account:
  - a. cash disbursement book
  - b. cash register book
  - c. subsidiary payables
  - d. subsidiary general and administrative book
- Records and prepares deposit slips for cash collections
- Prepares entries/schedule for monthly depreciation and amortization
- Prepares monthly remittances of premiums for Pag-ibig, SSS, Philhealth and withholding tax (compensation and expanded)
- Prepares telegraphic transfer for various remittances
- Maintains and files documents related to the above function
- Prepares monthly bank reconciliation
- Maintains subsidiary ledger for deferred exploration costs stated both on peso and dollar accounts for DOE audit
- Post monthly to the general ledger accounts from the books of the original entries for financial statements preparation
- Prepares cash position report for monitoring of cash flow, ensuring that no excessive funds are maintained in the savings account that do not produce profitable interest (for transfer to accounting staff)
- Performs other functions that may be assigned by superiors from time to time

## **C. Stock Transfer Custodian**

- In-charge for the issuance of official receipts upon payments of subscription agreement and other kinds of payment
- Prepares original issue order (OIO) for the issuance of stock certificates
- Prepares the following reportorial requirements for submission to PSE and SEC:

- a. Monthly report of Statement of Beneficial Ownership
  - b. Quarterly report
  - c. Preliminary Information Statement for Annual Meeting
  - d. Definitive Information Statement for Annual Meeting
  - e. Annual Report
  - f. Corporate Disclosures
- Encodes/updates stockholder records
- Responsible for checking of stock certificates against its journal received from the Stock Transfer Agent
- In-charge of preparation for Annual Meetings and other special events
- In-charge of sending/mailling notices of special meetings and other documents
- Maintains and files documents related to the above functions
- Secures daily stock quotations of the company from PSE
- Other duties:
  - a. Responsible for all files and correspondence of the VP-Operations
  - b. In-charge for the purchase of office supplies
  - c. Performs other functions that may be assigned by superiors from time to time

#### **D. Messenger**

- Depositing of checks or cash to various banks
- Brings checks and other documents for signatures to official signatories of the Company
- Delivery of various documents to other offices
- Responsible for payments of all monthly remittances and bills
- Picks up all monthly bank statements and confirmations as per auditors' yearly requirements
- Filing of monthly and quarterly reportorial requirements to SEC and PSE
- Responsible for yearly renewal of Municipal Permit and/or license

- Assists other departments and its staff when required
- In-charge of mailing of various documents
- Other duties:
  - a. Responsible for daily dishwashing and disposal of garbage
  - b. Cleans and maintains office furniture, equipment and electrical supplies
  - c. General cleaning of office premises
  - d. Performs other functions that may be assigned by superiors from time to time

## **EMPLOYMENT**

1. The Company aims to constantly ensure that positions at all levels are filled by trained and experienced employees of the highest quality and have potential to assume greater responsibilities.
2. It is the policy of the Company to:
  - Encourage employee development and make available a wide range of job opportunities;
  - Assist the career planning efforts of its employees; and
  - Strengthen and emphasize the policy of promoting from within.
3. Recruitment for managerial positions and any additional/new positions shall be approved by the CEO; recruitment for rank-and-file up to supervisory positions shall be approved by the HR Head in lieu of the Finance/Accounting Head.

## **Administration**

1. When a position falls vacant, either through resignation, termination, transfer, or promotion, the concerned Immediate Supervisor informs the HR Head of the vacancy and submits full details concerning the skills and experiences required for the vacant position.
2. Immediate Supervisors should strive at all times to ensure that their departments are as efficient and streamlined as possible and staffing is always at an optimal level.
3. After discussion with the Immediate Supervisor, it will be decided:
  - To recruit within the same Department, without an addition to staff numbers;
  - To recruit within the Company; or
  - To recruit externally.
4. When recruiting externally and locally, candidates will be:
  - Selected from current lists of applicants responding to advertisements in the local press will undergo Basic IQ exams;
  - Applicants who pass the exam will undergo an initial interview by the

Immediate Superior and the Division Head (only if necessary).

5. After the selection of interviewed applicants, the HR Head is in-charge for the negotiation with the successful candidate and will be offered the salary and benefits that go with the job.
6. Employment status shall be categorized as Probationary, Regular, Casual/Contractual, Consultant/Retainer, and Trainee/Apprentice. Probationary period should not exceed six months.
7. Any false claims or representations in an employee's application form or resume will be dealt with seriously and may result in termination for just cause.
8. Hiring of relatives shall be discouraged and may be allowed only with written approval from the Executive Management.
9. Re-hiring of former employees may only be allowed if they were not dismissed for cause and if they have an overall positive performance rating during their previous employment with the Company.
10. The Immediate Supervisor of the employee will provide the new employee with a clear description of the job, performance expectations, and a list of written objectives. The employee will acknowledge receipt.
11. Arrangements will be made for the issue of an Access Card (serving also as an ID) to enable the employee to gain access to the premises.
12. An orientation will be scheduled for the new employee and shall include:
  - HR and Admin policies and procedures;
  - Products and services;
  - Company background;
  - Table of Organization;
  - Quality policies and procedures; and
  - Operational policies and procedures.



## **INTELLECTUAL PROPERTY RIGHTS**

1. The Company requires all employees to recognize and acknowledge that the interpretation and enforcement of all intellectual property rights (IPRs), including any designs, drawings, inventions, know-how, records, and software shall be determined and enforced in accordance with the laws of the Philippines and international treaties.
2. All employees will be required to sign a con-compete/non-disclosure agreement immediately following the acceptance of the Company's offer and prior to the employment start date.

### **IPR Prior to Employment**

Prior to employment, all employees shall:

1. Acknowledge that any Invention and any Know-how which is made, obtained, acquired, produced, or found by the employees while employed by the Company shall belong exclusively to the Company and upon making, obtaining, acquiring, producing, or finding any such Invention or Know-how, forthwith disclose the same to the Company or as it may direct; and
2. Acknowledge that all Designs, Drawings, Records, and Software which are made by the employees while employed by the Company, shall belong exclusively to the Company, together with the copyright, registered or unregistered, design right, and all other rights of a like nature.

### **IPR During and After Employment**

During and after termination of employment, all employees shall:

1. At the request and cost of the Company, but for no further consideration, do all such things as may be necessary to vest in the Company, or its nominee, the full benefit of the rights referred to above, and to enable the Company, or any person it may direct, to obtain patent, register patent, copyright, or any other kind of intellectual property protection in respect thereof;
2. Forthwith, upon request by the Company and at any time, deliver up to the Company all Designs, Drawings, Records, and Software which are made by the employees concerned; and
3. At no time, except in the proper course of employment or unless required by law, disclose to any person or use for any purpose any Invention or Know-how referred to above, any information contained in any Designs, Drawings, Records, or Software referred to or otherwise obtained, acquired, produced, or found by the employees concerned, or any information concerning the

business affairs, finances, transaction, or trade secrets of the Company or its Stockholders.

## **WORKING HOURS**

1. The normal work hours is forty (40) hours per week.
2. The standard work schedule is 8:30am to 17:30pm with a one-hour break for lunch. Any approved changes in work schedules need to be documented and submitted to the HR before implementation.
3. Attendance in seminars, training sessions, meetings, and other professional and personal enhancement activities (outside the standard work hours) shall be counted as hours worked.
4. Any work rendered or meeting/training attended outside Company premises shall be with prior authorization from the Immediate Supervisor.
5. Any public holiday falling on a normal business day and each day of sick leave, vacation leave, or emergency leave will count as an eight-hour working day.

### **Monitoring and control**

All employees (below Division Heads) are required to log in the Daily Time Record (DTR)

### **Overtime**

1. All compensated overtime must have prior approval of the Immediate Supervisor and Department Manager prior to being expended or claimed from the Company.
2. As a general policy, compensated overtime work is to be avoided. Not only it is costly in terms of added salary expense, but excessive overtime can also affect the efficiency and morale of the employees. Therefore, it is a major responsibility of Immediate Supervisors to keep compensated overtimes to an absolute minimum.
3. There are, however, occasions when, due to time-critical operational requirements, regular overtime is necessary to complete a task on time or to provide a service. The Company views this requires overtime as a very serious matter and employees must act accordingly.
4. Compensated overtime is not a right, nor should its cessation be considered a loss of earnings.
5. All overtime must be authorized, in advance, by the appropriate Immediate Supervisor, and the Department Head.

6. To qualify for overtime, an employee must work at least one hour over and above the normal working hours of the day. After the initial hour, additional overtime pay will be accumulated in completed half-hour increments.

### **Overtime rates**

Overtime rates (as a percentage of basic pay) are as follows:

	Normal Hours	Overtime (up to 2200)	Late Night (2200 to 0600)
Weekday	N/A	25% of BHR	Plus 10% of BHR
Rest Day or Special Day *		30% of BHR	Plus 10% of BHR
Regular Holiday *	200%	200% of BHR	Plus 10% of BHR
Regular Holiday * on Rest Day	200%	200% of BHR	Plus 10% of BHR

\* Regular Holiday overtime rates are not in addition to the 100% of their basic salary that employees receive if they do not work on that Regular Holiday or Special Day.

### **Work Outside Metro Manila**

1. At some instances, the Company requires that some employees be temporarily assigned to work outside Metro Manila.
2. The Company will provide funds for reasonable expenses incurred during the assignment.

### **Company Responsibilities**

1. The Company will pay costs of the following:
  - Round trip economy fare airline ticket; and
  - Airport expenses i.e. exit fares, airport taxes, etc, if covered by receipts.

### **Employee Responsibilities**

1. During these assignments, the employees must remember that they are representing the Company and must, at all times, conduct themselves accordingly.
2. Upon return, the employee is expected to complete a trip report and a Travel Expense Claim.

## **Guidelines**

1. Work outside the Metro Manila area shall be considered to be “out-of-town”. Per Diems shall be allowed only when the assignment requires an overnight stay (or provided meal allowance for meals taken while working outside Metro Manila).
2. For travel, employee shall use the most business efficient means of transportation. This may involve use of the employee’s personal automobile, rented automobile, air, rail, or taxi, or any combination as the case may be. Actual gasoline expenses shall be reimbursed based on the official receipts submitted by the employee.
3. For out-of-town assignments that last under 30 days in duration, the Company will provide the following:
  - Hotel accommodation (the hotel itself will be decided by the Immediate Supervisor in case the expense is re-billable to the client, or the HR Manager if the expense is billed to the Company)
  - Other actual out of pocket travel costs.
4. For out-of-town assignments that will last 30 days or over in duration, the Company will provide the following:
  - Rent for an apartment or furnished apartment
  - Other out of pocket travel costs.

## **Public Holidays**

The Company will observe the following national public holidays in accordance with the laws of the Philippines:

### **Regular Holidays**

- New Year’s Day – January 1
- Maundy Thursday – movable
- Good Friday – movable
- Araw ng Kagitingan – April 9
- Labor Day – May 1
- Independence Day – June 12
- National Heroes Day – Last Sunday of August
- Bonifacio Day – November 30
- Christmas Day – December 25
- Rizal Day – December 30

## **Special Days**

- All Saints' Day – November 1
- Last day of the year – December 31

## **SALARY ADMINISTRATION**

1. The Company's rates of pay at all levels should be fair, commensurate to responsibilities, and competitive with those of similar organizations in the industry.
2. Evaluations of job grades are initiated by the relative department based on the potential impact of the job and its contribution to the efficient running of the Company. Final evaluation is performed by the Management, whose involvement is to ensure consistency in approach throughout the Company and internal equity among all positions.
3. The major factors considered in the evaluation of jobs are:
  - Job knowledge – the sum total of all knowledge and skills;
  - Problem solving – the amount of original self-starting thought required by the job for analyzing, evaluating, creating, reasoning, and making decisions;
  - Accountability – measures the freedom to act independently within a given position and the financial impact of the position upon end results;
  - Human relations skills – measures the breadth and depth of the interpersonal relationships which are required both within the job's functioning unit and outside the department to successfully fulfill the job requirements; and
  - Communications – the ability to present and communicate effectively, in verbal or written form as necessary, ideas issues and deliverables that are necessary in the normal course of business.
4. A salary scale will be determined for each job grade. Employees will be remunerated within the scale according to the skills, experience, and other benefits they bring to the job.

<b>Grade</b>	<b>Positions, generic</b>
7 to 8	Senior Executives/Vice President
6	Assistant VP
5	Senior Manager
5	Manager
4	Supervisor/Team Head
3	Senior Level Staff
2	Intermediate Level Staff
1	Entry Level Staff

5. All matters relating to compensation are confidential and strictly the business of the individual employee and the Management. Such matters should not be discussed with anyone other than the Immediate Supervisor or the Management.
6. Every December, all employees who have completed twelve (12) months of regular tenure shall undergo a formal performance review for the year. Depending on several factors such as prevailing economic conditions, corporate performance, etc., the CEO shall announce any applicable adjustments based on performance.
7. Regular employees shall be paid on a monthly basis using the 262 days divisor in computing for the daily and hourly rates. Casual or contractual employees shall be paid on a daily basis considering no-work no-pay.
8. Payroll cut-off is every 5<sup>th</sup> and 20<sup>th</sup> of every month when time sheets are also due for submission.
9. Authorized deductions shall be made from the salary on the following: withholding tax due, SSS contributions and loan amortization, Pag-ibig contribution and loan amortization, unliquidated cash advances, and any other deductions authorized by law. These shall be reflected in the pay slip and documented by an authority to deduct signed by the employee.
10. Salaries will be deposited in the ATM account of the employee and pay slips representing computation of salaries due for the pay period shall be distributed on or before the payday. Each employee must check the accuracy of his pay slip and shall report any error or complaint to the HR as soon as possible upon detection of such. Any necessary adjustments shall be taken up in the following payroll period.



## **BENEFITS**

### **Group Accident Insurance On-the-job health care**

The Company will take all possible measures to protect the health of its employees.

All efforts will be exerted to assist employees in case of on-the-job accidents and injury.

1. While the Company cannot provide in-house medical assistance for accidents that involve serious injury, minor complaints, e.g. headaches, cuts, abrasions, etc. can be treated.
2. Should an accident occur, the injured person should be immobilized until medical attention/advice is obtained and/or transportation to the nearest medical facility is arranged.

Medical advice/attention should be obtained by calling the emergency telephone numbers listed in Company circulars and/or manuals.

3. When in doubt about the seriousness of the injury or the injury can definitely be identified as life-threatening, the medical doctor/facility closest to our office shall be announced by the HR from time to time.
4. Employees engaged in potentially hazardous work, e.g. re-wiring electrical outlets, must observe safety procedures and standards and perform regular preventive maintenance routines to protect against injury to themselves and other employees.

### **Medical Examination**

Employees will be required to have a medical exam prior to starting work at SOC. The offer of employment will be conditional on successful passing of the medical examination.

### **Leaves**

1. The Company offers three kinds of leave – earned vacation leave, sick leave, and emergency leave.
2. Vacation, sick, and emergency leave cannot be combined and taken on a continuous basis. As described in the relevant sections, each has a specific purpose quite distinct from the other and should only be applied for and used accordingly.

## **Vacation Leaves**

1. 1.25 days vacation leave credits are earned at the end of each month but employees are eligible to avail of vacation leave only after completing the probationary period. Employees can request paid vacation leave for any period and for the number of days that have accrued to their credit at the time of vacation commencement.
2. In addition, the granting of a certain number of unearned days is possible and entirely at the discretion and approval of the CEO.
3. No vacation is accrued until the completion of the probationary period. If an employee leaves the Company before completion of the probationary period, the Company has no liability to compensate him for vacation that has not been used.
4. Vacation should be applied for and scheduled as much in advance as possible and at least one week ahead of the vacation start date. All vacation leave applications should be submitted to the Immediate Supervisor.
5. Immediate Supervisors must approve vacation leave applications in advance. It is also their responsibility to plan, schedule, and control the vacation of their employees.
6. Everything possible will be done to comply with a vacation request. It should be understood that operational requirements may sometimes dictate that a request be deferred, in whole or in part.

As a general rule, vacation leave shall be non-cumulative and not convertible to cash. All unused vacation leave shall be forfeited at the end of the year. However, vacation leave applications which were disapproved due to operational requirements may be utilized the following year upon recommendation of the Department Head and provided the same must be consumed within the first quarter of the following year, otherwise it shall be forfeited.

7. Employees may only avail of vacation leave that has been accrued except when certain family circumstances can justify the granting of vacation in advance, e.g. marriage of the employee, or death of a family member (other than those specified under emergency leave).
8. It is necessary to prevent excessive accumulation of vacation. Vacation accruals shall not exceed 30 days. Any accumulation in excess of 30 days shall not be allowed.

9. In general, employees are strongly encouraged to avail of vacation entitlement on a regular basis. The accumulation policy has been developed keeping in mind that taking vacations generally provides a refreshing break to the employee and in most cases enhances their general health, morale, and job performance.
10. All employees must personally contact their Immediate Supervisor in the morning of the day they return from vacation. If they fail to do so, the Immediate Supervisor must inform the HR Manager.
11. Employees must always be aware that the unapproved late return from vacation, other than that attributable to sickness, is viewed as a serious matter that can lead to disciplinary action. Unless the circumstances are exceptional, disciplinary action may commence upon the return of the employee. Regardless of the circumstances and any other action that might be taken, the days absent will be debited to their vacation account.
12. If the Immediate Supervisor is notified by the employee in advance of the scheduled date of return, an extension may be granted if: a) it is operationally convenient; b) the reason is acceptable; and c) the period of the extension is within the entitlement of the employee.

### **Sick Leaves**

1. Sick leave is permissible whenever an employee is prevented from attending work through personal illness or other medical incapacity.
2. If the illness is contagious, it is the responsibility of the employee to immediately inform the Company. Failure to do so and/or infect other staff members is grounds for disciplinary action.
3. In any 12-month period, employees are granted up to 15 working days at full salary.
4. When an employee is absent for more than 21 days in any 12-month period, or when chronic, reoccurring absences are noted, the Company reserves the right to call for an examination by an independent physician.
5. When the period of sickness in any 12-month period exceeds 180 days, the employee can be declared physically disabled by a competent medical authority and relieved from service without further investigation. Days of absence due to personal illness or other medical incapacity that exceed the accumulated entitlement but do not exceed 180 days and are medically certified will be treated as unpaid leave (see section Unpaid Leave).
6. Unused sick leave credits are cumulative up to 30 days. Any excess sick

leave beyond 30 days shall be converted to cash and shall be paid the first payday of the following year.

7. Employees are not required to produce medical certification of sickness when the period of sick leave does not exceed three (3) days. It is mandatory for an employee to provide medical certification of sickness when the period of sickness exceeds three (3) days. The medical certificate must indicate the cause of sickness and must be drawn up and signed by an authorized medical practitioner.
8. If an employee claims sickness for more than three (3) days, but fails to produce a medical certificate to this effect, the absence is treated as leave without pay, is considered unauthorized and liable to disciplinary action.
9. When an employee becomes ill in the Philippines, he must notify the HR of such illness by telephone or other means prior to his scheduled time of work or as soon as possible thereafter.
10. If an employee falls sick during a business or training trip outside the country and is, in consequence, prevented from conducting business or attending training on one or more days, he must notify his Immediate Supervisor as soon as possible, and, if sick for more than one day, produce medical evidence upon return to the Philippines.
11. Immediate Supervisors shall provide a completed Leave Notice form to the HR Manager and will ensure that all policies and procedures are followed correctly.
12. The HR Manager is responsible for recording all absences covered in this chapter and for originating the associated documentation.

### **Emergency Leaves**

1. All employees will be granted three (3) days emergency leave in one calendar year which may be availed for a number of reasons described in this section.
2. To attend the funeral of their parents, brother/sister, spouse, or children.
3. If an employee wishes to take leave to mourn the death of other relatives, the period of the absence will be taken as vacation. If, at the time, the employee has insufficient accrued vacation, additional vacation in advance may be granted.
4. The Company may also grant staff emergency leave on a case-to-case basis, e.g. in the event of natural or man-made calamities, such as typhoon, earthquake, transportation disruption, etc.

5. Emergency leave is non-cumulative and non-commutative. Unused emergency leave is not reimbursable to the employee in cash or any other consideration.
6. Emergency leave for the first year of service will be pro-rated in accordance to the length of service.
7. Employees must complete a Leave Notice form (when practicable, immediately prior to the commencement of emergency leave), obtain authorization and submit it to the HR Manager.
8. Within 40 days from the commencement of emergency leave due to the death of a relative, an employee must produce evidence of the death, either by a copy of a death certificate or other documentation, e.g. a press announcement.
9. The HR Manager is responsible for recording all absences covered in this chapter and for originating the associated documentation.

### **Maternity/Paternity Leave**

1. Female employees are entitled to:
  - 60 calendar days of maternity leave for normal delivery or complete abortion or miscarriage; or
  - 78 calendar days of maternity leave for Caesarian delivery.
2. Male employees are entitled to seven (7) working days paternity leave in the event of a birth of a legitimate child.
3. The vacation entitlement of an employee can also be rescheduled and combined with maternity/paternity leave.
4. An employee is entitled to this benefit only if all Social Security requirements are met, e.g. a maximum of four (4) pregnancies, etc.
5. The employee must immediately secure a medical certificate from an authorized obstetrician that confirms the pregnancy and states the expected date of delivery. A copy of the medical certificate, together with a completed Leave Notice form shall be submitted to the HR Manager.
6. The HR Manager shall schedule the maternity/paternity leave and reschedule, if required and with the approval of the Immediate Supervisor, the periods of vacation leave of the employee.

7. Notice of entry into the maternity hospital shall be given to the HR Manager as soon as possible.
8. After the maternity/paternity leave and upon return to work, the employee shall immediately inform the HR Manager and submit the medical certificate and birth certificate of the child. Other pertinent forms, i.e. Tax Exemption forms, etc, shall also be completed.

### **Unpaid Leave**

1. Unpaid leave is a privilege and not a right and will be granted only in exceptional circumstances and entirely at the discretion of the Division Head.
2. Employees must complete a Leave Notice form and submit it, together with pertinent documents, to the HR Manager.
3. Managers must be cautious in recommending unpaid leave and should always satisfy themselves that the reason is fully justified. Unpaid leave will only be approved if:
  - The Immediate supervisor finds the leave both justified and operationally convenient;
  - It is approved, in advance, by the Immediate Supervisor;
  - The accrued vacation of the employee is insufficient; and
  - Additional vacation in advance cannot be granted.

### **Unauthorized Absence**

1. An unauthorized absence is a period of absence from duty:
  - For which permission was not granted in advance; or
  - Which was not necessitated by, but claimed and certified as sickness; or
  - Which was granted for a specified purpose and subject to subsequent proof, e.g. emergency leave, and no such proof was provided.

The minimum period of absence, which is categorized as unauthorized, is one (1) complete working day. For this purpose, unauthorized absence does not, therefore, include late attendance.

2. Unauthorized absence is a serious infringement of Company rules. In all

cases of absence of one (1) day or more:

- for which permission has not been granted, in advance; and
- which does not qualify as sick leave,

the period of absence is debited to the vacation account of the employee and, in addition, penalties may be levied in accordance with the rules and regulations of the Company.

3. Unauthorized absence could lead to disciplinary action by the Company including termination of employment.
4. Immediate Supervisors shall provide a completed Leave Notice form to the HR Manager and shall ensure that all policies and procedures are followed accordingly.

The HR Manager is responsible for recording all absences covered in this section and for originating the associated documentation.

## PERFORMANCE APPRAISAL

1. The performance management system of the Company is designed to assist Management in improving job performance and to assist employees in enhancing strengths, minimizing weaknesses, and developing future career plans.
2. Employees have the right to know their performance rating.

If there are disagreements during the interview which cannot be resolved, the employee must be given the opportunity of discussing the appraisal further with the supervisor of the evaluator.

3. For the purposes of this chapter, an employee, regardless of his/her job grade, who directly supervises other staff, will be the “evaluator” for those employees; and the employee to whom the “evaluator” directly reports will be the “evaluator’s supervisor”.
4. Evaluators must perform their assessment objectively. Personal friendships or dislike for evaluated employees should not influence their appraisal under any circumstances. Any such influence will be viewed most seriously and will impact the evaluation of the evaluator.

### Guidelines

1. The HR is responsible for administering and controlling the performance management program. All employees are required to submit a Performance Contract semi-annually.
2. Fill out a Performance Contract form for a new evaluation period by entering in the appropriate fields all pertinent information, i.e. Name of employee, ID number, Job grade (JG) and title, Department, Date hired, Time in JG, and if applicable, Previous year’s rating.

Both the new and previous appraisal forms will be forwarded to the Immediate Supervisor concerned.

3. The Immediate Supervisor will evaluate the following:
  - “Results” and “Rating”, against the objectives set at the previous appraisal interview; and
  - “General Performance” during the previous period

If the evaluation is the final assessment of the year, the evaluator will also perform the “Overall Annual Assessment”



Note: "Exceeds Expectations" and "Does Not Meet Expectations" ratings require the approval of an Immediate Supervisor or above.

4. The evaluator will obtain his supervisor's concurrence with his assessment before conducting the appraisal interview with an employee.
5. After the appraisal interview, the evaluator's supervisor will review the previous appraisal form, enter any comments deemed necessary, print his name and the date, and affix his/her signature in the "Evaluator's Supervisor – Comments" portion of the form.

He will also take action, as appropriate, on any comments by the evaluator or the employee.

6. The current and the previous appraisal forms must be submitted back to the HR.

The previous form will be checked for completeness (incomplete forms will be returned to the Immediate Supervisor concerned) and filed in the employee's 201 file.

7. If, during the ensuing evaluation period, additional objectives are identified, or the objectives set during the appraisal interview are changed, the Immediate Supervisor shall:
  - Complete the Objective Revisions form. Both the employee and supervisor/evaluator must input their initials on each objective;
  - Obtain the concurrence (signature and date) of the employee and the supervisor/evaluator, signifying that the additional/amended objectives were discussed and agreed;
  - Enter the date and affix signature as the "evaluator's supervisor"; and
  - Forward the Objective Revisions form to the HR.
8. Completely filled-out performance contracts shall be submitted to the PCRC (Performance Contract Review Committee).

Performance Contracts shall be reviewed semi-annually and will be adjusted based on target plans. The result of the review shall be the basis for organizational review and for HR development plan.

## **Appraisal Interview**

1. Appraisal interviews shall be conducted by an Immediate Supervisor/Evaluator and structured in a way that matters discussed shall be dealt with in the most efficient way possible.
2. During the interview

For the last evaluation period and using the previous appraisal form:

- Both parties shall discuss successful accomplishments and any shortfalls in performance and agree upon the required action. The evaluator shall complete "Evaluator – Comments" portion;
- Employee will be asked to review the appraisal, comment (optional) on the appraisal, and affix signature in the "Employee – Comments" portion; and
- The evaluator shall, if necessary, indicate any significant subject brought up by either party, print his/her name and the date, and affix signature in the "Evaluator – Summary" portion.

For the ensuing evaluation period and using the new appraisal form:

- Under the heading "Objectives", the month and year during which the next evaluation period begins shall be entered;
- Objectives, including any training that might be considered necessary, shall be entered. Both employee and evaluator must initial each objective;
- Both parties shall indicate their agreement by affixing their respective signatures and the date on the space provided under the heading "Agreement with Objectives"; and
- The concurrence (signature and date) of the evaluator's supervisor shall be obtained immediately after this agreement.

## **Appraisal Form**

1. All entries into the Performance Contract form or the Objectives Revisions form, with the exception of signatures, shall be typed.
2. Objectives

If there is not enough space provided to list all objectives, the Objectives Revisions form shall be used and attached to the appraisal form. The "Agreement with Objectives" section of both forms shall be signed and dated

by all concerned.

- Results – input a short description of the employee’s performance against the set objectives.
  - Rating, i.e. the columns with headings Exceeds Expectations (EE), Meets Expectations (ME), Does Not Meet Expectations (NE) – mark an (X) on the space provided. This is the rating of the accomplishments against objectives. The definition of each heading is contained in the “Overall Annual Assessment” section.
  - Employees with supervisory responsibility only – this section shall only be accomplished by employees, regardless of job grade, who have direct supervision on other employees.
  - General Performance – input EE, ME, NE, or N/A on the space provided. These ratings are defined in the “Overall Annual Assessment” section. If necessary, list any additional factors under “Others”.
  - Overall Annual assessment – to be completed only if the evaluation is the final assessment for the year. This assessment shall also be entered in the “This year’s rating” portion on the first page.
3. Except for the “Overall Annual Assessment” section, all portions of the Performance Appraisal form shall be accomplished during each evaluation period.

If a portion does not apply, input N/A.

The HR shall return to the Immediate Supervisor concerned all Performance Appraisal or Objective Revisions forms that are invalid or incomplete.

## **TRAINING AND DEVELOPMENT**

The Company shall endeavor to provide meaningful career options for staff by means of continuous training and periodic competency profiling.

### **Orientation**

This program is mandatory for all new hires and a prerequisite for regularization.

The orientation shall provide an overview of the Company's history, vision and mission, products and services, business objectives, as well as basic employment policies and regulations.

New employees shall also undergo an orientation to be conducted by the HR Officer, Admin Officer, QMR, Immediate Supervisor, or a Senior officer of their department.

### **On-the-job Training**

New hires usually acquire skills, techniques, job-specific knowledge while actually doing work under supervision and instruction from immediate supervisors. Performance of new employees and the effectiveness of this kind of training shall be reflected in the probationary period performance review.

### **Internal Training**

Training sessions, seminars, workshops, and the like, organized by any department shall be covered by authorized training plans as reviewed against current training needs analysis and training calendar. Training plans shall include: objective/s, name and qualification of trainor/s, methodology, course outline, resource requirements, and performance improvement review criteria. All trainings conducted shall also be evaluated in terms of training content and delivery.

### **External Training**

Public programs, seminars, or workshops organized by external parties that may offer value in terms of the Company's training requirements may be attended by employees. This may be held locally or abroad.

### **Training Contract**

Employees sent by the Company to technical trainings, either abroad or locally, where technology-critical learning is transferred to the employee at the Company's expense (airfare, lodging, per diems), shall be subject to a training contract stipulating a period of service and teaching hours to be rendered by the

employee.

### **Training Calendar**

A quarterly training calendar shall be published by the HR at least one month before the ensuing quarter based on a consolidated training needs analysis.

The allocation of funds for training shall be subject to the approval by the CEO based on corporate priorities.

## **EMPLOYEE RELATIONS**

SOC encourages open communication between Management and staff and accords each employee with due respect and fairness.

The Company shall provide the environment conducive to constant communication and feedback on employee concerns regarding their work and co-employees.

### **Problem Review Procedures**

1. Our Company considers that the relationship between Management and employees is vital to the efficiency and productivity of the organization. As the morale of the staff is also affected, it is essential that a two-way process of communication be developed.
2. Therefore, a formal Employee Relations process has been authorized and is designed to bring about two-way communication between Management and employees so that they can work together to solve problems and meet goals. The process also provides a way of ensuring that all staff are treated equitably and consistently and dealt with openly.
3. The prompt and equitable review of employee problems and the resolution of such problems are vitally important to the employee relations environment of the Company. A problem exists whenever an employee feels that there is a personal job-related problem that has not been satisfactorily solved. In such instances, supervisors should encourage their employees to use the Employee Relations procedures and must not, under any circumstances, penalize those employees who do so. The procedure establishes a means to address and respond to legitimate grievances on issues such as pay, transfers, promotions, intimidation, or discipline.

### **Procedure**

1. When an employee has a complaint, it should first be discussed with the Immediate Supervisor. If the issue is not satisfactorily resolved at this level, or the problem is with the Immediate Supervisor, the employee may appeal directly to the Immediate Supervisor's supervisor.
2. If the issue is not resolved at the departmental level, the employee can submit the matter, in writing, to the HR Manager through the Division Head, who shall then forward the matter to the HR Manager after appending whatever comments are deemed necessary. If the issue involves the Division Head, the employee may write directly to the HR Manager or the CEO.
3. Upon receipt of a written complaint, the Immediate Supervisor shall discuss

the issue with the employee and any other employees that the Immediate Supervisor deems necessary. Subsequent to the discussion, a decision, based on the relevant facts, will be given to the employee within eight (8) working days.

### **Employee Communications**

The gathering and dissemination of information and feedback about corporate activities and events that may affect morale and productivity shall be both line and functional HR responsibility. Bulletin boards shall be regularly updated and all employees are encouraged to use the e-mail facility to effect a quick dissemination of information especially those that affect our ability to respond to Stockholder needs.

### **Recreational and Social Activities**

Depending on operational requirements, the following corporate events shall be observed whenever appropriate:

- Summer activity
- Sports activity
- Christmas/ Year-end activity

### **Employee Recognition**

Outstanding contributions of employees shall be recognized and rewarded by the Company.

### **Disciplinary Procedures**

1. Employees of the Company are expected to conform to appropriate legal, moral, ethical, and professional standards of behavior and conduct.
2. Violation of established rules, standards of conduct, or Company policies are grounds for disciplinary action.
3. Disciplinary action is to be administered promptly, impartially and consistently. No disciplinary measures shall be applied against an employee except by virtue of a reasoned decision that follows an investigation and a recorded interview with the employee. Notwithstanding, violation of Company regulations pertaining to the attendance of employees shall be dealt with summarily by the Immediate Supervisor or such other designated representative.

## Procedures

1. Any employee who violates policy rules or regulations of the Company shall be immediately reported to the Immediate Supervisor concerned.
2. The Immediate Supervisor shall conduct a preliminary investigation of each case in the presence of the accused employee. However, if it is deemed that it is in the interest of the investigation that certain sessions be conducted in absentia, they shall proceed.
3. The Immediate Supervisor shall conduct the investigation proceedings as follows:
  - Gather relevant evidence from witness/es, as and when required;
  - Inform the employee of the rule, regulation, or policy that he is accused of violating;
  - Gather relevant facts and elicit any response about the contravention from the accused employee; and
  - Minute all meetings/proceedings. All minutes shall be sequentially numbered and each shall bear the initials of the investigator and of the accused employee, as required.
4. The Immediate Supervisor shall make recommendations and submit a full report to the HR Manager. Such report shall include all the minutes as well as the recommended disciplinary measures.
5. The following factors shall be observed in recommending the appropriate disciplinary action:
  - Seriousness of the offense;
  - Previous disciplinary measures taken against the accused employee; and
  - The overall work history and general performance of the employee.
6. All recommendations shall be in conformity with the schedule of penalties of the Company.
7. The Immediate Supervisor shall determine disciplinary measures to be applied against all employees and shall have the right to increase or mitigate the penalty recommended provided that, in all circumstances, the immediate Supervisor shall abide by the rules set in the schedule of penalties. Recommendations and comments of the investigator shall be submitted to the



Immediate Supervisor, whose decision thereon shall be final.

8. Once a final ruling has been made, the HR Manager shall provide a letter to the accused employee and those concerned incorporating the contravention or violation committed, the applicable disciplinary measures, and the decision.

## **Remarks**

1. The following list is not to be considered as inclusive. Should any act be committed that is considered offensive and/or harmful and is not included in this handbook, the Management reserves the right to evaluate the offense and determine the corresponding penalty.
2. The penalties contained in the list shall be considered the maximum limit. The Management reserves the right to apply lighter penalties. No more than one penalty shall be applied per offense. No penalty shall be applied for an offense committed outside Company premises, save where such an act is connected with work or the employee is found guilty of a crime.
3. To determine recidivism, a prescriptive period is provided, computed from the time the particular penalty was imposed:
  - First warning - six (6) months
  - Written warning - 12 months
  - Final written warning - 24 months

## Violations and Corresponding Penalties

Nature of Violation	1st Offense	2nd Offense	3rd Offense	4th Offense	5th Offense
1. Tardiness and/or leaving work without permission or acceptable excuse, as defined in the policy.	Written warning	Written warning	3 days suspension without pay	5 days suspension without pay	Termination of employment
2. Failure to log-in and log-out in the logbook/daily time record.	Written warning	Written warning	3 days suspension without pay	5 days suspension without pay	Termination of employment
3. Loitering or gambling inside Company premises during and after office hours.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	2 weeks suspension without pay	Termination of employment
4. Failure to give notification of absence.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	2 weeks suspension without pay	Termination of employment
5. Sleeping during work hours, except those of rest periods and meal breaks.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment	
6. Absence from work without prior approval for two or more consecutive days without an acceptable reason.	First written warning and 2 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment		
7. Leaving work without permission before completing assigned/time-critical work.	First written warning and 2 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment		
8. Falsification of attendance records or reports.	First written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment		
9. Use of company-owned equipment and software facility including e-mail or Internet access for illegal or immoral purposes.	First written warning and 10 days suspension without pay	Termination of employment			

<b>Nature of Violation</b>	<b>1st Offense</b>	<b>2nd Offense</b>	<b>3rd Offense</b>	<b>4th Offense</b>	<b>5th Offense</b>
10. Unbecoming conduct when dealing with correspondence resulting to loss of customers.	Written warning and 10 days suspension without pay	Termination of employment			
11. Allowing visitors/guests within prohibited areas.	First written warning	Second written warning and 3 days suspension without pay	1 week suspension without pay	2 weeks suspension without pay	Termination of employment
12. Eating, drinking, or smoking in areas indicated as unauthorized.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment	
13. Discourtesy or misbehavior toward any employee.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment	
14. Failure to comply with Company standards or personal hygiene and appearance.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment	
15. Negligence or intentional delay of work progress.	First written warning	Second written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment	
16. Unauthorized employment with any other company or entity.	Termination of employment				
17. Failure or refusal to obey or carry out lawful orders issued by Immediate Supervisors.	First written warning and 3 days suspension without pay	Final written warning and 5 days suspension without pay	Termination of employment		
18. Dishonesty, false reporting, or furnishing false information.	Termination of employment				

<b>Nature of Violation</b>	<b>1st Offense</b>	<b>2nd Offense</b>	<b>3rd Offense</b>	<b>4th Offense</b>	<b>5th Offense</b>
19. Surpassing limits of job authority without prior approval.	First written warning and 5 days suspension without pay	Final written warning and 10 days suspension without pay	Termination of employment		
20. Unauthorized communication (relating to Company business) with any form of media.	First written warning and 10 days suspension without pay	Termination of employment			
21. Viewing of private documents, e-mails, and other confidential personal belongings of other employees.	Termination of employment				
22. Serious negligence which results in material or moral loss to the Company or its correspondence.	First written warning and 10 days suspension without pay	Termination of employment			
23. Soliciting or accepting bribes in any form, or failure to report attempted bribery.	Termination of employment				
24. Sexual harassment.	Termination of employment				
25. Unprovoked verbal or physical assault on other employees or correspondence.	Termination of employment				
26. Possessing unauthorized software or media that may contain a virus.	First written warning and 10 days suspension without pay	Termination of employment			
27. Unauthorized disclosure of Company, employee, or correspondence confidential information.	Termination of employment				

<b>Nature of Violation</b>	<b>1st Offense</b>	<b>2nd Offense</b>	<b>3rd Offense</b>	<b>4th Offense</b>	<b>5th Offense</b>
28. Collusion with any entity that produces personal gain from inside information.	Termination of employment				
29. Misuse or abuse of trust.	Termination of employment				
30. Fighting on Company premises.	Termination of employment				
31. Unauthorized alteration, removal, or copying of Company or correspondence records/documents or any part thereof.	Termination of employment				
32. Destruction of Company or correspondence property.	Termination of employment				
33. Possession of intoxicating beverages, illegal drugs, or dangerous weapons on Company premises.	Termination of employment				
34. Fraud, embezzlement, or theft (including the attempt).	Termination of employment				
35. Damaging the Company's integrity whether verbally or thru actions.	Termination of employment				
36. Conviction of a criminal offense.	Termination of employment				

## **TERMINATION OF EMPLOYMENT**

1. It is the intention of the Company to maintain long and mutually beneficial relationship with all employees. There will be, however, instances where, due to unforeseen circumstances, the employer-employee relationship must be discontinued.
2. When it becomes necessary for the Company or the employee to terminate the employment of that employee, the Company will comply with all the relevant provisions included in the Labor Code of the Philippines.
3. The Company requires at least one month notice for rank-and-file and supervisory employees, while managerial employees shall be required to give two months notice. Office attendance may be required for the entire month. Employees may not unilaterally opt to deduct any time, i.e. vacation leave, offsetting, etc. from their office attendance unless approved in advance and in writing by the Division Head.

### **Termination With Just Cause**

If the Company terminates an employee for just cause (see Disciplinary Procedures), the employee is not eligible for separation pay and forfeits all Company benefits.

The employee's pay will also be withheld until proper clearance has been accomplished.

### **Termination Without Just Cause**

1. An employee may terminate their employment with the Company without just cause by submitting a written notice to the Company at least one month in advance.
2. While the employee is entitled to accrued vacation leave (after one year of employment) and the 13-month pay (pro-rated), he/she is not entitled to separation pay.
3. If an employee does not submit the required written notice, or unilaterally opts to deduct any time, i.e. vacation leave, offsetting, etc. from his/her office attendance without approval in advance and in writing from the Immediate Supervisor, that time will be deemed as an unauthorized absence and shall be treated accordingly. The employee shall be liable for damages and is not eligible to receive separation pay and forfeits all Company benefits.
4. The employee's pay will be withheld until proper clearance has been accomplished.

## **Clearance**

On the employee's last day of office attendance, he/she must complete an Employee Clearance form, which includes, but not limited to the following:

1. The return of all:
  - ID cards;
  - Office, pedestal, and other Company-owned keys;
  - Any Company hard/soft copy documentations including manuals, books, periodicals, etc.
  - Other Company property such as company vehicles, tools and equipment, consumable materials, laptops, mobile phones, etc. as documented in Asset Accountability form.
2. The liquidation of cash advances, if any, and any other amounts due to the Company.
3. No dues to the employee will be paid until the settlement is completed and all Company properties are returned accordingly.
4. The HR Manager and the Finance Manager shall confirm the complete settlement shall request the approval of the CEO for the release of all dues to the employee.

The employee shall execute a release and quitclaim in favor of the Company upon receipt of his/her final pay.

## **SOCResources, Inc. Employee Handbook**

Name of Employee : \_\_\_\_\_

Designation : \_\_\_\_\_

Department : \_\_\_\_\_

Date received : \_\_\_\_\_

Employee's Signature : \_\_\_\_\_

I hereby acknowledge that I have received a copy of SOC's Employee Handbook.

I am aware that unauthorized reproduction of this Handbook shall result to termination of employment.

I am responsible for the properties of SOC and shall return this Handbook to complete an employee clearance when my employment is terminated.