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Section 1. CARITAS HEALTH SHIELD Overview

Company History

Formed in 1994 with a vision to provide quality but affordable health care to the ordinary Filipino, an enterprising band of esteemed doctors and businessmen formed Health Shield, Inc. They quickly implemented a two-pronged approach in actualizing their vision: first, enlist the best health care providers to ensure that quality medical care will be available to its members; and, second, offer comprehensive yet affordable membership programs to fit the varying health care requirements of the regular Filipino.

In 1998, Health Shield, Inc. was transformed to The Company, Inc. "THE COMPANY". Armed with an innovative product that targeted the much-neglected individual segment of the market, a dynamic sales and marketing organization was quickly harnessed to promote our Expanded Health Care Program. Management also decided to fast track increasing its presence in the provinces where there was much room for growth.

With the phenomenal growth in its sales force and membership, The Company became known for providing the best health care for Filipino families. Caritas Life Insurance Corp. and Clinica Caritas were then established in order for us to directly provide the insurance and out-patient health care requirements of our members. Caritas Financial Plans was also formed to complete the health care and insurance portfolio of the Caritas Group. Being a Caritas member now means having access to the most reasonable and flexible programs for insurance, health care and pre-need requirements.

At the heart of Caritas' continued growth and development is its core of dedicated employees. Imbued with the Filipino cultural bent on giving importance to family, employees treat customers as they would their own family members – with compassion, understanding, and tough love.

Mission

To provide the best health care for Filipino families today and tomorrow.

Vision

Families that are assured of the proper health care when they need it.

"Our health care service is the foundation of our institution's pursuit of social commitment and responsibility, always attuned to the ever-changing needs of the Filipino family."

SECTION 2. EMPLOYMENT AT CARITAS HEALTH SHIELD

I. Recruitment

Recruitment will be based on qualifications, relevant skills and competencies, prior work experiences, performance and other assessments where applicable for specific job roles.

Vacant positions may be filled through internal job postings, promotion from within or through external sources. External recruitment can progress concurrently with the internal process and the company may, at its sole and absolute discretion recruit externally.

Employees who wish to apply for internal job vacancies are expected to inform their direct manager and submit to HRMD a letter of intent to apply.

Refer to Appendix A for the End-to-End Recruitment Process Flow.

A. Update of Personal Details (201 files)

New employees must submit all the necessary pre-employment documents (e.g. copies of birth certificates of self & children, marriage certificates, NBI clearance, valid IDs, BIR 2316 from previous employer, educational certificates, diploma, etc) for their 201 file and for their benefits enrolment.

Existing employees are required to inform the HRMD within 2 weeks of the change whenever there are many changes to their personal particulars (e.g. change of residential address, change in marital status, change in number of dependents, emergency contact etc).

B. Personal Relationships at Work & Employment of Relatives and Partners

The company needs to ensure that close personal relationships or family ties do not compromise professional working relationships, or in any way create a conflict of interests for the individual, the centre, the company, clients or any other third party.

New hires are required to advise the company of any close family ties and/or personal relationships, or of those which may form during their employment. This includes relationships with other employees; clients or other third parties. Failure to do so may be regarded as misconduct and may be dealt with under the company's Disciplinary Procedure.

The Company will seek to minimise potential difficulties within the working environment and may, under certain circumstances, arrange to transfer a team member. Any such arrangement will involve full consultation.

C. Employment Classification

a) Probationary Employee

New employees are hired on Probationary Status which is a maximum of six (6) months as provided for by the Labor Code of the Philippines. During this period, the immediate manager will regularly assess their performance and advise them of their progress throughout the probationary period. Probationary employees shall not be entitled to any of the benefits to which they will otherwise become entitled upon confirmation of their regular employment.

Since employment is subject to satisfactory completion of this probationary period, if at the end of this period or at any time during the period, the Company decides for whatever reason (e.g. attendance and punctuality, job competence, attitude, discipline, work quality, etc) that the new employees are unsuitable for continued and permanent employment, then their employment will be terminated with notice.

b) Regular Employee

Upon successfully meeting the Company's standards, the probationary employees will be qualified for regularization. Once regularization has been confirmed, they will be entitled to all benefits given to regular employees, subject to the implementing guidelines set by the Company.

c) Contract/Project-based Employee

The Company may hire contractual or project-based employees for specific tasks or assignment (e.g. relievers) for a set period which may not lead to permanent employment. Only statutory benefits that are due are given to the contractual employee.

II. Termination of Employment

A. Termination by the Employer

The Company may terminate employment for (i.) any of the just or authorized causes under the Labor Code of the Philippines; or, (ii.) any violation of the Company's standards of work performance, policies, and procedures, subject to observance of due process as stated in *Section XI Discipline of Employees – C Stages in the Procedure*.

Employment of the employee at the age of 65th birthday will be under the discretion of the Company.

B. Termination by the Employee

a) 30-day Resignation

Employee agrees to give the Company not less than thirty (30) days notification of the intent to resign. Failure to comply with this notification period may adversely affect operation; as such, employee may be held liable for damages.

b) Less than 30-day Resignation

This is a special case wherein the Company and the Department Head allows an employee to tender resignation less than 30 days prior the effective date of separation.

c) Immediate Resignation

This is only applicable for health/medical reasons which states that the employee is not physically fit to work.

Resignation letters must be acknowledged by the immediate superior before forwarding to Human Resources Management Department. A Personnel Request Form (PRF) along with a justification letter may be submitted to HRMD if the superior would want to replace the leaving employee.

C. Clearance Processing

1. HRMD representative is responsible in assisting the separated employee for clearance processing.

2. On the effectivity date of resignation, the separated employee must accomplish an Exit Interview form and route the Clearance form. These forms must be endorsed to HRAD for confirmation of completion of clearance.
3. The said clearance will be forwarded by HRMD representative to Payroll Section and Accounting Services for final pay processing.
4. The separated employee will be notified once the final pay is ready for release.
5. Employee completes and signs all release documents including a Quit Claim and Release.

III. Rehire Eligibility

Employees, who have voluntarily resigned and wish to be re-employed by the Company, either in their former capacity or in a different capacity, will be considered along with other applicants on a case-to-case basis.

Generally, employees who are given preference for rehire are those who:

- Resigned voluntarily,
- Gave proper resignation notice in writing, and
- Met performance expectations.

Rehire is based on the availability of openings for which the employee is qualified. Other applicants will also be considered, and the most qualified applicant will be selected. Other terms and conditions of employment will be decided at the time of hire: e.g., pay, title, and work location.

Section 3. WORKPLACE

I. Standards of Work Performance

A. Grooming and Attire

a) Personal Appearance

All employees are enjoined to come to work neat, clean, and well-groomed.

b) Company Uniform

All employees must wear the prescribed company uniform from Mondays to Thursdays. Business Casual attire may be worn on Fridays.

Company Officers have the option of wearing Business attire from Mondays to Thursdays. Business Casual attire may be worn on Fridays.

Shorts, sandals, miniskirts, sleeveless blouses, distress maong pants and the like are strictly prohibited unless otherwise, during Company events or allowed by the HRMD

c) Company ID

Company ID must be worn at all times within office premises or while performing official duties during field work.

B. Timekeeping and Attendance

a) Normal hours of work

All employees are required to render 8 hours of work per day, exclusive of time for meals. Hours worked shall include (a) all time during which an employee is required to be on duty or to be at a prescribed workplace; and (b) all time during which an employee is suffered or permitted to work. Coffee Breaks during working hours shall be counted as hours worked.

b) Break

Employees may take the following meal breaks on pre-approved time schedules:

One hour lunch break.

Coffee Break for a period not exceeding fifteen (15) minutes in between the first four hours of work and another fifteen (15) minutes in between the last four hours of work.

c) Timekeeping

All employees are required to log attendance records in the Timekeeping System.

Managers may be allowed a flexible time arrangement, provided they complete at least 8 hours of work each working day.

d) Tardiness

Every minute of tardiness shall have corresponding deduction in salary.

Tardiness cannot be offset by overtime.

e) Undertime

Every minute of undertime shall have corresponding deduction in salary.

Undertime on any given date may not be offset by overtime on another date.

f) Overtime

An employee may render overtime only upon the approval of his/her immediate superior.

Mandatory overtime work may be required in cases of actual or impending emergencies, urgent work to avoid serious business losses or injury, and other special circumstance.

Overtime cannot offset tardiness. Overtime on any given date may not offset undertime on another date.

Overtime Application Procedure:

The employee's immediate superior must pre-approve overtime in the Timekeeping System.

Once the pre-approved overtime appears in the Timekeeping System, the employee should log the overtime work rendered in the Timekeeping System.

The immediate superior must then approve the overtime through the Timekeeping System. Otherwise, the same shall be deemed unauthorized. Unauthorized overtime shall be deemed as unproductive time in the office and shall not be paid any overtime premium.

All overtime work must be filed and approved in the Timekeeping System. Paper approvals shall not be honored.

Overtime Rates:

- i. For work in excess of eight (8) hours performed on ordinary working days:
Plus 25% of the hourly rate.
- ii. For work in excess of eight (8) hours performed on a scheduled rest day or a special day:
Plus 30% of the hourly rate on said days.
- iii. For work in excess of eight (8) hours performed on a special day which falls on a scheduled rest day: Plus 50% of the hourly rate on said days.
- iv. For work in excess of eight (8) hours performed on a regular holiday: Plus 30% of the hourly rate on said days.
- v. For work in excess of eight (8) hours performed on a regular holiday which falls on a scheduled rest day: Plus 30% of the hourly rate on said days.

g) Night Differential

Rank and File Employees shall be paid an additional compensation of ten percent (10%) of the employee's regular daily rate for each hour of work performed between 10 p.m. and 6 a.m.

h) Rest Days and Holidays

Employees are entitled to a weekly Rest Day equivalent to a rest period of not less than twenty-four (24) consecutive hours after every six (6) consecutive normal work days. The Company has the sole prerogative in determining the Rest Day/s of employees.

Employees shall be paid his regular daily wage for any unworked Regular Holidays and Non-working Special Days as may be determined by law, order, or proclamation.

Employees who are required to work during his/her Rest Day/s or during Regular Holidays and Non-working Special Days shall be paid the corresponding premium pay or holiday pay, as the case may be, under existing labor laws.

In times of natural calamities and other national emergencies, the Company may declare suspension or cancellation of work through official announcements coursed through Branch Managers and/or Department Heads.

Holiday Pay Rates:

- i. For work within eight (8) hours on a Regular Holiday: Plus 100% of the daily basic rate of 100% or a total of 200%
- ii. For work performed on a regular holiday which is also the employee's rest day: Plus 30% of the regular holiday rate of 200% based on his/her daily basic wage rate or a total of 260%.

Premium Pay Rates:

- i. For work performed on rest days or on special days: Plus 30% of the daily basic rate of 100% or a total of 130%.
- ii. For work performed on a rest day which is also a special day: Plus 50% of the daily basic rate of 100% or a total of 150%.

i) Absences

Authorized absences are approved by the immediate superior, following the prescribed rules and procedure in paid leave availments

Should the absence be unauthorized or should an employee's leave credits be fully utilized, the absence will be without pay and the corresponding salary will be deducted in the payroll cycle immediately following the day absence.

j) Computation of Daily/Hourly Wage

For purposes of computing salary adjustments for tardiness, undertime, absences, overtime, holiday pay, premium pay, leave conversions, etc., the employee's daily/hourly wage rate shall be computed as follows:

$$\frac{\text{Monthly Basic Salary} \times 12 \text{ months}}{261 \text{ days}^*} = \text{Daily Rate}$$

$$\frac{\text{Daily Rate}}{8 \text{ hours}} = \text{Hourly Rate}$$

*computation may change depending on number of workdays in a year

C. Promotions and Transfers

Promotion

Promotion is an increase in rank coupled by a corresponding increase in salary. There are two types of promotion:

- a) Outright Promotion – a promotion to the next higher rank within the same department which was previously inexistent or without an incumbent
- b) Regular Promotion – a promotion by reason of a vacancy in a position which is of a higher rank than the employee's current position whether within the same department or to another department

Eligibility

Only regular employees who is able to secure a recommendation from his/her Immediate Superior and duly approved by the Department Manager may be eligible for promotion.

Guidelines for Outright Promotions

1. Immediate Superior/Department Manager must submit a recommendation for outright promotion to HRMD through a Personnel Movement Request. The President, through a Special Order, may also order outright promotions whether within the same department or to another department.
2. HRMD will screen candidates for promotion based on the following criteria:
 - a) Regular employment status
 - b) Performance Review rating in the past year must be "Exceeds Expectations"
 - c) Must meet all qualifications and technical requirements of the position
 - d) Recommendation of Immediate Superior/Department Manager must be meritorious
 - e) Recommendation for promotion must have approval of the next higher authority from the recommending manager
 - f) No disciplinary action in the past two (2) years
 - g) Appropriateness of recommended change in rank and/or salary based on existing policies
3. Candidates who pass the HRMD screening shall be endorsed for final approval by the President and CEO.
4. Once approved, a Personnel Action Notice (PAN) bearing the details of the promotion will be sent to the promoted employee for acknowledgment
5. Promotion takes effect on the effectivity date as stated in the PAN.

Guidelines for Regular Promotions

1. All job vacancies must be advertised internally and externally to ensure competitive selection. Internal applicants shall be given preference, and only when there are no internal candidates or internal candidates do not qualify will external candidates be considered.
2. Should there be internal applicants interested in advertised vacancies, such employee must submit an application to HRMD together with a recommendation from his/her Immediate Superior and approval by the Department Manager.
3. HRMD will screen applicants based on the following criteria:
 - a) Regular employment status
 - b) Performance Review rating in the past year must be "Exceeds Expectations"
 - c) Must meet all qualifications and technical requirements of the position
 - d) Recommendation of Immediate Superior/Department Manager must be meritorious
 - e) Recommendation for promotion must have approval of the next higher authority from the recommending manager
 - f) No disciplinary action in the past two (2) years
 - g) Appropriateness of recommended change in rank and/or salary based on existing policies
4. Candidates who pass HRMD screening shall be endorsed for interview and selection.

5. Once approved, a Personnel Movement Request (PMF) will be prepared by the employee's new Department Head.
6. The PMF will be endorsed for final approval by the President and CEO.
7. Once approved, a Personnel Action Notice (PAN) bearing the details of the promotion will be sent to the promoted employee for acknowledgment
8. Promotion takes effect on the effectivity date as stated in the PAN. For regular promotions to different departments, date of assumption into the new role shall be agreed upon by the previous and new managers, and such agreed date must be the date reflected in the PAN.

Transfer

Transfer is a change in role from one department to another without any change in rank or salary. There are two types of Transfers:

- a) Outright Transfer – transfer ordered by the President and CEO through a Special Order
- b) Regular Transfer – transfer initiated by an employee through an application to any internal vacancy to a position that is not higher in rank.

Eligibility

Any employee may be transferred to any department, subsidiaries, or affiliates of the Company at any time as may be determined by business needs.

Guidelines for Outright Transfers

Only the President and CEO, through a Special Order, may order outright transfers.

Guidelines for Regular Transfers

1. All job vacancies must be advertised internally and externally to ensure competitive selection. Internal applicants shall be given preference, and only when there are no internal candidates or internal candidates do not qualify will external candidates be considered.
2. Should there be internal applicants interested in advertised vacancies, such employee must submit an application to HRMD together with a recommendation from his/her Immediate Superior and approval by the Department Manager.
3. HRMD will screen applicants based on the following criteria:
 - a) Regular employment status
 - b) Performance Review rating in the past year must be "Meets Expectations"
 - c) Must meet all qualifications and technical requirements of the position
 - d) Recommendation of Immediate Superior/Department Manager must be meritorious
 - e) Recommendation for promotion must have approval of the next higher authority from the recommending manager
 - f) No disciplinary action in the past two (2) years
 - g) Appropriateness of recommended change in rank and/or salary based on existing policies
9. Candidates who pass the HRMD screening shall be endorsed for interview and selection.

10. Once approved, a Personnel Movement Request (PMF) will be prepared by the employee's new Department Head.
11. The PMF will be endorsed for final approval by the President and CEO.
12. Once approved, a Personnel Action Notice (PAN) bearing the details of the transfer will be sent to the promoted employee for acknowledgment
13. Transfer takes effect on the effectivity date as stated in the PAN. For regular transfers to different departments, date of assumption into the new role shall be agreed upon by the previous and new managers, and such agreed date must be the date reflected in the PAN.

D. Performance Appraisal

The Company promotes a performance driven culture. Thus, performance reviews are regularly done to set goals and monitor performance throughout the year.

Performance Review Schedule

Performance reviews are conducted once a year – during the employee's anniversary period.

Performance Review Process

1. HRMD rolls out the Performance Review documents and schedule.
2. Using the Performance Review Document as guide, employee conducts a self-assessment of his/her performance for the period.
3. In the same performance document, the immediate superior conducts his/her own assessment of the employee's performance for the period.
4. The employee and manager must sit down for a performance review discussion to:
 - a) Discuss the ratings given
 - b) Determine courses of action for improvement
 - c) Set goals for the next performance review period
 - d) Agree on plan to achieve goals
5. After the Performance Review discussion, both the employee and the manager must sign the Performance Review document and note their comments, if any.
6. The Performance Review scores will be reviewed by the Department Heads for approval.
7. Should the Department Head disagree with any of the ratings, the same must be noted in the Performance Review document.
8. Changes in ratings, as recommended by the department Head, must be approved by the CEO, COO, CFO, as the case may be, in consultation with HRMD.
9. Employees who score below expectation in any performance review period will be subjected to a Performance Improvement Plan.
10. Employees who score below expectations in 2 successive review periods will be subjected to disciplinary action, which may include termination.

II. Ethics

A. Communication

The Company encourages direct and necessary communication be established at the workplace between management and the employees. Inter-office memos are routed and posted on bulletin boards for every employee's information awareness and compliance.

The Company recognizes that an Employee may experience challenges or difficulties at work. It is committed to providing the best possible working conditions for its Employees and as part of this commitment encourages an open door atmosphere in which any problem, complaint, suggestion, or question can be expressed and received a timely response.

B. Interpersonal Relations

The Company is committed to enhancing two-way communication through the process of team meetings, which the manager will hold on a regular basis. Through team meetings and through information cascaded down from the senior team throughout the organization to all levels of team member, team members are encouraged to feed back comments and opinions through their manager on any aspects of the business.

As a Filipino company, it is imperative for new team members to be introduced by a third party to the senior team and to the rest of the team members in the organization in order for them to build their relationship on their own. Business etiquette is expected to be observed during meetings, phone conversations and correspondences.

III. Protection of Company Interests

A. Confidentiality

1. All Confidential Information must be held in strict confidence and must be protected against unrestricted disclosure or competitive use. Employees are prohibited from disclosing any Confidential Information to any other party without prior written consent from the President of the Company.
2. Confidential Information pertains to all communications or data in any form, whether tangible or intangible, such as but not limited to written, oral, visual, audio or those produced by electronic media or through any other means which are disclosed by any director, officer, employee, agent, or consultant of the Company or any of its subsidiaries and affiliates. It shall also include, but shall not be limited to, information pertaining to products or planned products, processes and/or procedures, technological achievements and interests, customers and potential customers, suppliers, employees, consultants, business prospects, financial statements and information, financial situation and corporate plans, internal activities, future plans, and other information deemed proprietary or confidential by the Company or which the Company may have any interest whatsoever.
3. All employees are required to maintain the confidentiality and security of all Confidential Information even after employment with the Company ends for whatever reason.

B. Invention

1. All Intellectual Property will vest in the Company and will be the sole and exclusive property of the Company.
2. To the extent necessary, all employees assign to the Company all right, title, and interest in such Intellectual Property. This is not limited to Intellectual Property created in the course of performing duties or utilizing company time and resources, and will apply where the Intellectual Property is based on or relates to the Company's products or services or confidential information.
3. All employees release the Company from any claim or liability in relation to such Intellectual Property and will immediately, on request of the Company, execute such assignment or other documents as the Company may reasonably require for the purpose of confirming the Company's title to any such property.
4. Intellectual Property means patents, designs, copyright materials and intellectual property rights of any type created, modified or enhanced by the an Employee during his employment with the Company, including but not limited to any software, routine, code, design, invention, discovery, improvement, procedure, program designs, documentation or material which the Employee worked on, changed or developed for the Company at any time during his employment with the Company, whether within or outside the normal hours of work.

C. Non-competition

During the time of employment by the Company or any of its subsidiaries and affiliates, employees may not, without prior written consent of the Company:

- a. engage in any business or activity which is the same or similar to the businesses or activities of the Company or any of its subsidiaries and affiliates;
- b. be engaged or interested in any public or private work or duties which tend conflict with the interests of the Company whether the involvement be direct or indirect as a principal, agent, partner, employer, shareholder, director, trustee, beneficiary, manager, employee, consultant, adviser, or financier.

Should an employee or any of my relatives up to the fourth degree of consanguinity or affinity be involved in the above-mentioned activities, employees are required to fully disclose the same to the Company and failure to do shall warrant the necessary disciplinary action.

For a period of one (1) year from the date of termination of employment, any former employee shall not:

- a. be engaged or be involved in any capacity in any business or activity which is the same or similar to the businesses or activities of the Company or any of its subsidiaries and affiliates
- b. Approach the Company's customers or prospective customers in an attempt to take clients from the Company
- c. Approach any employee of the Company in an attempt to entice them away from the business

D. Non-disparagement

1. After separation from the Company, employees shall not, through any form of communication with the press, public, clients, or media, disparage the Company and its present and former shareholders, directors, officers, employees, agents, representatives, successors, and assigns.
2. Forms of communication include, but are not limited to, social media websites, public forums, suppliers, vendors, clients, interviews, or record statements. You also understand that disparagement includes, but is not limited to, critiques, derogatory statements, ridicule, slander, jokes or insults intended, or would reasonably be expected, to harm the reputation of or lead to unfavorable publicity to the Company and its shareholders, management, personnel, products, or services.

E. Use of Technology

The Company recognizes the important role of technology in efficiently carrying out day to day tasks. Thus, all employees are allowed to use technologies such as, but not limited to, computers, printers, internet, e-mail, telecoms, etc. These technologies are the properties of the Company and are to be used strictly for business. Employees may not transfer, deface, alter default settings, use of technologies to its destruction or to the detriment of the Company.

Passwords, when required, must be kept confidential and may not be shared with anyone for any purpose.

F. Use of Company Funds or Property

1. When an employee is entrusted with company funds or property, regardless of amount, such employee is expected to use the same for its intended purpose and for strictly business purpose.
2. Acquisition of company property must follow prescribed rules on procurement.
3. Property acquired must be used for the intended business purpose and may not be appropriated for personal use.
4. Requests for cash advance liquidation must be done within one (1) week from expenditure. No employee may be allowed any additional cash advance without having liquidated the previous cash advance.
5. Reimbursements will not be processed without an Official Receipt.
6. Petty cash must be replenished accordingly.
7. Internal Audit Group must conduct post-audit of all transactions involving company funds/properties.

G. Occupational Health and Safety

The Company is committed to maintaining a healthy and safe working environment and accepts no compromise on health and safety issues.

Occupational Medical Conditions

It is important that employees adopt safe working practices and keep up to date with information provided by the Company. If employees believe that they are in danger of developing an occupational injury or illness, the risk should be reported immediately to their

respective Managers. As necessary, the Company may refer the employees to the Clinic Medical Doctors where they will be examined and may discuss their concerns. The Clinic Medical Doctors may decide to refer the employees to a specialist as it will be important for the Company to understand the full nature of their medical condition and to ensure that they receive appropriate and prompt treatment. As such, employees agree that the Clinic Medical Doctors provide the Company with detailed medical reports.

IV. Other Company Policies

IT EMAIL AND SECURITY POLICY

The use of email has become increasingly popular and essential. Appropriate use of this system provides countless benefits to staff members of the Company by allowing us to do our jobs more efficiently and by facilitating communication. While it is expected that all employees of the Company will exercise good business judgment and conduct themselves in an ethical and professional manner when using these systems, potentially significant risks and liabilities can rise from misuse of this electronic communication system, the Company therefore believes it is important to implement these policies immediately.

1. The Company's internal email systems and internet email services are for use by company employees and those third parties authorized by the appropriate company officers. While occasional personal communications are not prohibited, they should be limited in number, time, content and size.
2. Misuse of email services is considered to be any usage beyond occasional non-business use or any activity that is unprofessional, unethical or illegal. Examples of misuse include, but not limited to the following:
 - a) Use of the systems to harass or libel other individuals,
 - b) Unauthorized distribution of copyrighted materials,
 - c) Communication of the Company's confidential information without proper authorization,
 - d) Participation in chain letter distribution, or
 - e) Actions to further any business activity, cause or advocacy, not authorized by the Company.

Utilizing the email system to communicate with competitors and their staff members is absolutely forbidden. Employees of the Company who misuse the system shall be subject to disciplinary action. Employees who breached this policy may be terminated from the service of the Company. What constitutes a serious breach shall be at the sole discretion of the management of the Company. Should the Company determine that a breach other than a serious breach has occurred; the staff member shall receive a written warning for the first offense and suspension not to exceed seven (7) working days for any subsequent offense.

3. Employees of the Company should not consider email communications to be private or confidential, even though messages may be specifically designated as "private" and the use of a password required. The system is a company **resource**, and as such, the Company reserves the right to inspect, monitor, record or delete any communications on the email system. These circumstances may include a situation where there is a reasonably held suspicion of a possible act in violation of this policy or of the Company policy on business conduct.
4. Access and use of the Company email system is considered a privilege. The group mail system and its content are not the property of the individual staff member of the Company

and may be subject to subpoena or other legal process. Employees of the Company should not communicate anything on the group email system that they would not want to be read by persons other than the addressed recipients.

5. Some of the Company's email systems allow employees of the Company to send and receive communications over the Internet, and therefore, from other external systems. Employees should be aware that the security of the messages sent over the Internet cannot be guaranteed, and therefore group and company confidential or proprietary information should not be sent via email over the Internet. In addition, Internet messages sent using "@chs.com.ph" addresses are identified as being from The Company or a company representing the Company. Therefore, it should not be used to participate in any forum or discussion group on the Internet for communicating your personal views without consent from the Company.
6. File attachments on the group email system are restricted to less than three megabytes (3 MB) – although users are encouraged not to send such large files unless absolutely necessary. Those using "@chs.com.ph" email addresses have a file attachment maximum limit of eight megabytes (8 MB). Employees who use email should regularly review their messages, and delete any messages or files that are not absolutely necessary. Extra caution should also be taken before opening emails and attachments from suspicious senders. Contact immediately the Information Technology Department before taking any action to the emails. Taking these steps will allow for improved system efficiency. Good business practice should include routinely deleting or filing all messages after they are read.

Security Policy

It's Everyone's Responsibility.

Reminder

- Protect your password (Make password complex) use a combination of numbers, symbols and letters(uppercase and lowercase)
- Change your passwords regularly (every 45 to 90days)
- Do NOT give any of your usernames, passwords, or other computer/ website access codes to anyone.
- Do NOT open email, links, or attachments from strangers.
- Do NOT install or connect any personal software or hardware to our company network without permission from our IT department.
- Lock your console session when away
- Do not leave sensitive data in open view
- Store data on the LAN in a secure directory (department shared folders)
- Do not discuss sensitive information on phones and cell phones, or in public
- Protect the client's data and information like it was your own

Physical Security Guidance

Monitor and control who is entering our workplace; current employees, former employees, sales agent, customer, and service personnel.

Check for identification and ask individuals to identify the purpose of their visit to our office.

Report broken doors, windows, and lock our organization's or building's security personnel as soon as possible.

Backup or copy sensitive and critical information and databases.

Unauthorized use of USB device without I.T. department knowledge, instruction, or consent.

Monitor and report suspicious activity in or near our facility's entry/exit points, loading docks, parking areas, garages, and immediate vicinity.

Report suspicious packages to nearest police station. DO NOT OPEN or TOUCH

Shred or destroy all documents that contain sensitive personal or company information that is no longer needed.

Keep an inventory of our critical equipment hardware, and software.

SMOKE-FREE WORKPLACE POLICY

Pursuant to Section 6 of Republic Act No. 9211, also known as the "Tobacco Regularization Act of 2003", which specifically prohibits indoor smoking and protects people against second hand smoke, The Company hereby adopts this policy to protect its employees and clients against the hazard brought about by smoking. Smoke-free workplaces protect non-smokers from the dangers of second hand smoke and also encourage employees to either quit smoking or reduce their cigarette consumption.

Preventive Strategies

1. The Company is a strict non-smoking workplace. A "NO SMOKING" sign shall be conspicuously displayed within the office premises.
2. Employees will be allowed to smoke only in a designated "SMOKING AREA".
3. The ill-effects of smoking will be discussed during the training/orientation of employees which will be spearheaded by the Health and Safety Committee.

Implementation

This policy aims to protect non-smokers from Environmental Tobacco Smoke (ETS) and to help employees who do smoke to give up the habit. To promote these interests, the following shall be instituted:

1. Employees who wish to quit the habit of smoking may seek support from former smokers, HRMD staff, and medical staff who may act as educators/counsellors.
2. Smoking cessation programs will be coordinated with managed-care providers' offerings of tobacco assessment and counselling.
3. Physical activity, nutrition, and stress management will assist smokers to quit and to stay abstinent.
4. Employees who wish to quit smoking shall also be referred by the Health and Safety Committee to DOH accredited smoking cessation clinics.

ALCOHOL-FREE AND DRUG-FREE WORKPLACE POLICY

Pursuant to Republic Act No. 9165, otherwise known as the Comprehensive Dangerous Drugs Act of 2002, and in compliance with DOLE Department Order No. 53-03, The Company hereby declares its commitment to protecting the safety, health, and well being of all employees and other individuals in our workplace. Alcohol abuse and drug use pose a significant threat to business goals; hence, this policy is hereby adopted to promote and maintain an alcohol and drug-free environment.

Prohibition Against Alcohol and Drugs

Any individual who conducts business for the entity, is applying for a position or is conducting business on the entity's property, including all employees are hereby prohibited from any of the following:

- Use, possession, solicitation or sale of alcohol and prohibited drugs in the workplace;
- Working under the influence of alcohol or prohibited drugs which may cause adverse effects on employee's work performance, safety of co-employees or Company's reputation.

Guidelines

1. The Company shall take preventive measures and establish alcohol-free and drug-free workplace awareness programs to encourage employees to voluntarily seek help with alcohol and/or drug problems.
2. The Company will perform cause-tests, post-accident tests, and random tests, as may be necessary to ensure that employees are alcohol and drug-free
3. Following a violation of the drug-free workplace policy, an employee may be offered an opportunity to participate in rehabilitation. In such cases, the employee must sign and abide by the terms set forth in a Return-to-Work Agreement as a condition of continued employment.

Procedure

1. If an employee's demeanor gives rise to suspicion that he is using, possessing, soliciting, or selling alcohol in the workplace, the latter will request the former to submit himself to a cause-test.
2. If an accident has been immediately or proximately caused by employees engaged in using, possessing, soliciting, or selling alcohol or prohibited drugs in the workplace, all employees involved in the on-the-job accident shall be subjected to a post-accident test.
3. At any time during the working hours, **THE COMPANY** may conduct a random alcohol test with its employees.
4. Should an employee objects to submitting himself to a drug or alcohol test, he must state his objection and reason in writing. The Company shall immediately decide whether the ground for objection is valid or not.
5. Should The Company find that the objection is not valid; the refusal will be considered as a ground for disciplinary action.

Treatment, Rehabilitation, and Referral

The Company recognizes that alcohol and drug abuse and addiction are treatable illnesses. Employees are encouraged to seek help if they are concerned that they may have a drug and/or alcohol problem as early intervention and support improve the success of rehabilitation. Employees who seek assistance will be extended the following support:

- Allows the use of accrued paid leave while seeking treatment for alcohol and other drug problems.
- Treatment for alcoholism and/or other drug use disorders may be covered by the employee benefit plan. However, the ultimate financial responsibility for recommended treatment belongs to the employee.

Confidentiality

All information received by the entity through the alcohol-free and drug-free workplace program is confidential communication. Access to this information is limited to those who have a legitimate need to know in compliance with relevant laws and management policies.

WORKPLACE POLICY ON HIV/AIDS

The Company recognizes the magnitude and severity of the development of HIV/AIDS epidemic worldwide. As a global health care company, the Company is committed to the development of policies and the implementation of programs by its global workplace sites on HIV/AIDS non-discrimination, awareness, prevention and health support.

Non-Discrimination

Consistent with the Company's pre-existing company-wide global policy on non-discrimination, it is the policy of the Company to provide a work environment for its employees that is free from harassment and/or discrimination. Colleagues who engage in acts of harassment and/or discrimination are subject to corrective action that may include termination of employment. Accordingly, situations related to HIV and AIDS are governed by the following Principles:

1. The Company will not and does not discriminate against colleagues or applicants having, perceived as having, living with or otherwise affected by HIV or AIDS.
2. The Company treats HIV/AIDS the same as other illnesses in terms of all of our employee policies and benefits, including health and life insurance, disability benefits and leaves of absence.
3. In accordance with applicable laws, the Company provides reasonable work accommodations when needed for qualified individuals.
4. All colleagues must adhere to our non-discrimination policy. Colleagues who refuse to work with, withhold services from, harass or otherwise discriminate against another colleague because of his/her having HIV/AIDS, being perceived as having, living with HIV/AIDS, or being otherwise affected by HIV/AIDS, will be subject to disciplinary action.

HIV Testing, Confidentiality and Disclosure

The Company encourages routine, confidential, voluntary testing and counseling as part of its education and awareness programs. HIV and AIDS are treated confidentially as medical conditions, in accordance with applicable laws and the Company policies. The Company does not require colleagues, their dependents, job applicants or other third parties to undergo HIV testing as a condition of employment or receipt of benefits.

Promotion of a Safe Work Environment

The Company is committed to providing a work environment that protects employees' health and safety. This commitment recognizes that HIV/ AIDS cannot be transmitted through casual contact. Employees who know the facts about HIV infection and AIDS are less likely to react negatively or inappropriately to a colleague's illness.

Education and Awareness

The Company is concerned about the wellness of our colleagues and their families. Company-provided benefits and programs have an important role in preserving the dignity of those colleagues infected with or affected by HIV/AIDS. They serve to help them maintain normal and productive lives. The Company will provide, either directly or through third parties, an integrated education and awareness program focusing on prevention.

Implementation

The Company recognizes that some workplace sites, because of size, geography, multiple lines of business, or other issues, may develop differing implementation schedules for the effectuation of the policies and programs outlined in this statement. In no event, however, is any line of business or workplace site exempt from this commitment to HIV/AIDS non-discrimination, awareness, prevention, and health support for the Company's employees and their eligible dependents.

ANTI-SEXUAL HARASSMENT POLICY

Pursuant to the provisions of Republic Act No. 7877, otherwise known as "Anti-Sexual Harassment Act of 1995", The Company hereby adopts this policy to promote a work place that is free of sexual harassment or conduct that might reasonably be perceived as constituting sexual harassment or creating/contributing to a sexually hostile work environment, and to provide the procedure for the resolution, settlement and/or disposition of sexual harassment cases.

Definition of Sexual Harassment

Sexual harassment in the workplace is committed by an employer, employee, manager, supervisor, agent of the employer, or any other person who, having authority, influence or moral ascendancy over another in a work environment, demands, or requires any sexual favor from the other, regardless of whether the demand, requests or requirement for submission is accepted by the object of said act. Sexual harassment is committed when:

- submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment, re-employment or continued employment, or in granting said individual favorable compensation, terms, conditions, promotions, or privileges; or the refusal to grant the sexual favor results in limiting, segregating or classifying the employee which in a way would discriminate, deprive or diminish employment opportunities or otherwise adversely affect said employee;
- submission to or rejection of such conduct by an individual will impair rights and privileges under existing labor laws; or
- such conduct has the purpose or effect of unreasonable interference with an individual's work performance, and/or creates an intimidating, hostile, or offensive working environment.

Examples of sexual harassment include, *but are not limited to*:

- unwanted physical advances;
- requests for sexual favors in exchange for favorable treatment or continued employment;
- offensive comments, jokes or other sexually oriented statements or depictions;
- unwelcome flirtation, advances, or propositions;
- verbal abuse of a sexual nature;
- graphic, verbal commentary about an individual's body, sexual prowess, or sexual deficiencies;
- leering, whistling, touching, or pinching; suggestive insulting, or obscene comments or gestures of a sexual nature;
- display in the work place of sexually-suggestive objects or pictures;
- transmitting or forwarding e-mails containing offensive, suggestive, or lewd attachments, statements, or jokes; and
- uploading, downloading, or viewing inappropriate pictures or material onto organizational information systems.

The above list is only illustrative of types of conduct that would violate this policy and, as such, by no means represents an exclusive list of conduct that could lead to disciplinary action, up to and including termination of employment. All employees must comply with this Anti-Sexual Harassment Policy and take appropriate measures to ensure that such conduct does not occur.

In addition to disciplinary action by the Company, individuals who engage in acts of sexual harassment may also be subject to civil and criminal penalties.

Guidelines

1. This policy covers all employees of the Company. The Company will not tolerate, condone, or allow sexual harassment, whether engaged in by fellow employees, supervisors, managers, outside clients, or other non-employees who conduct business with the Company. The Company encourages the reporting of all sexual harassment incidents, regardless of who the alleged offender may be.
2. While the Company encourages individuals who believe they are being harassed to firmly and promptly notify the alleged offender that his or her behavior is unwelcome, we also realize that the power and status disparities between the person allegedly harassing and the person harassed may make such a confrontation unlikely. In the event that such informal, direct communication between individuals is either ineffective or impossible, the Human Resources Department should be contacted through the procedures outlined below.
3. The Company will not retaliate in any way against any individual making a report of sexual harassment, nor will the Company permit any supervisor, officer, or employee to do so. Retaliation is a serious violation of this sexual harassment policy and should be reported immediately.

Procedure

1. A report of an alleged violation of this policy should be made to the Human Resource Management Department ("HRMD"). An investigation of the alleged harassment will be handled through in a confidential manner so as to protect the privacy of persons involved. Confidentiality will be maintained throughout the investigatory process to the extent practical and appropriate under the circumstances.

2. In pursuing the investigation, the wishes of the complainant will be considered, but will thoroughly investigate the matter as appropriate under the circumstances. The alleged offender will be made aware of the report and will be given an opportunity to respond and present witnesses. The complainant will be kept informed as to the status of the investigation. Upon completion of the investigation of a sexual harassment complaint, the HRMD will recommend to management the appropriate action to be taken. If HRMD concludes that harassment occurred, the offender will be subject to appropriate disciplinary action, as described below. The complainant will be informed of the disciplinary action taken.
3. In the event harassment cannot be substantiated, this finding will be communicated to the complainant in an appropriately sensitive manner. The complainant is always free to provide additional evidence for investigation.
4. If any party directly involved in a sexual harassment investigation is dissatisfied with the outcome or resolution, that individual has the right to appeal the decision to the President. The dissatisfied party should submit written comments in a timely manner to the Executive Office.
5. Employment conditions of the complainant and witnesses will be in no way adversely affected through use of this procedure, subject to paragraph 7 below.
6. Individuals found to have engaged in misconduct constituting sexual harassment will be disciplined, up to and including administrative leave and/or termination. Appropriate sanctions also may include written reprimand and referral to counselling.
7. If an investigation clearly reveals that the complainant knowingly and intentionally made a false accusation of sexual harassment, appropriate disciplinary action will be taken.
8. HRMD shall forward to the Board of Directors or a committee of the Board any sexual harassment complaint filed against an executive or officer of the Company. HRMD shall follow the procedures set forth above and shall keep the Board or the Committee apprised of the investigation and findings that arise from the complaint. The HRAD shall keep confidential the identities of all parties involved pending completion of the investigation.

TUBERCULOSIS POLICY

Pursuant to the provisions of Executive Order No. 187 Instituting a Comprehensive and Unified Policy for Tuberculosis Control in the Philippines and DOLE Department Order No. 73-05, The Company, hereby adopts this policy to promote occupational safety and health through the prevention and control of Tuberculosis (“**TB**”) in the workplace.

Prevention and Control Strategies

1. TB awareness program shall be undertaken through information dissemination. Awareness programs shall deal with the nature, frequency and transmission, treatment with Directly Observed Treatment Short Course (DOTS), control and management of TB in the workplace.
2. Workers will be given proper information on ways of strengthening their immune responses against TB infection, i.e. information on good nutrition, adequate rest, avoidance of tobacco and alcohol, and good personal hygiene practices. However, it should be underscored that intensive efforts in the prevention of the spread of the disease must be geared towards accurate information on its etiology and complete treatment of cases.
3. To ensure that contamination from TB airborne particles is controlled, the Company shall comply with relevant occupation safety and health standards rules.
4. TB case finding, case holding, reporting and recording of cases and the implementation of DOTS shall be given to the Company health personnel.

Medical Management, Recording, and Reporting

Employees with TB shall be referred to private or public DOTS centers. Diagnosed cases of TB shall be reported to the Department of Labor and Employment.

Non-discrimination

Workers who have or had TB shall not be discriminated against. Instead, the worker shall be supported with adequate diagnosis and treatment, and shall be entitled to work for as long as they are certified by the Company's accredited health provider as medically fit and shall be restored to work as soon as their illness is controlled.

Work Accommodation

Through agreements made between the management and workers, work accommodation measures to accommodate and support workers with TB is encouraged through flexible leave arrangements, rescheduling of working times, and arrangements for return to work.

Restoration to Work

The worker may be allowed to return to work with reasonable working arrangements as determined by the Company Health Care provider and/ or the DOTS provider.

HEPATITIS B POLICY

The Company is committed to conform to the established standards assurance of customer satisfaction, protection of our environment and health and safety in the workplaces.

The Company promotes and ensures a healthy environment through its various health programs to safeguard its employees. And as part of the Company's compliance to DOLE Department Advisory No. 05, Series of 2010 (Guidelines for the Implementation of a Workplace Policy and Program on Hepatitis B), this Program has been developed. This program is aimed to address the stigma attached to hepatitis B and to ensure that the employees' right against discrimination and confidentiality is maintained.

This guideline is formulated for everybody's information and reference for the diagnosis, treatment, and prevention of Hepatitis B. This will inform the employees of their role as well as the Company in dealing with Hepatitis B. A healthy environment encompasses a good working relationship and great output for continuous business growth.

Implementing Structure

The Company's Hepatitis B workplace policy and program shall be managed by its health and safety committee. Each division or department of the Company shall be duly represented.

Guidelines

A. Education

1. Coverage. All employees regardless of employment status may avail of hepatitis B education services for free;
2. Hepatitis B shall be conducted through distribution and posting of IEC materials and counselling and/ or lectures; and

3. Hepatitis B education shall be spearheaded by the Company Medical Clinic in close coordination with the health and safety committee.

B. Preventive Strategies

1. All employees are encouraged to be immunized against Hepatitis B after securing clearance from their physician.
2. Workplace sanitation and proper waste management and disposal shall be monitored by the health and safety committee on a regular basis.
3. Personal protective equipment shall be made available at all times for all employees; and
4. Employees will be given training and information on adherence to standards or universal precautions in the workplace.

Social Policy

A. Non discriminatory Policy and Practices

1. There shall be no discrimination of any form against employees on the basis of their Hepatitis B status consistent with the international agreements on non discrimination ratified by the Philippines (ILO C111). Employees shall not be discriminated against, from pre to post employment, including hiring, promotion, or assignment because of their hepatitis B status.
2. Workplace management of sick employees shall not differ from that of any other illness. Persons with Hepatitis B related illnesses may work for as long as they are medically fit to work.

B. Confidentiality

Job applicants and employees shall not be compelled to disclose their Hepatitis B status and other related medical information. Co-employees shall not be obliged to reveal any personal information about their fellow employees. Access to personal data relating to employee's Hepatitis B status shall be bound by the rules on confidentiality and shall be strictly limited to medical personnel or if legally required.

C. Work-Accommodation and Arrangement

1. The Company shall take measures to reasonably accommodate employees who are Hepatitis B positive or with Hepatitis B - related illnesses.
2. Through agreements made between management and employees' representative, measures to support employees with Hepatitis B are encouraged to work through flexible leave arrangements, rescheduling of working time and arrangement for return to work.

D. Screening, Diagnosis, Treatment and Referral to Health Care Services

1. The Company shall establish a referral system and provide access to diagnostic and treatment services for its employees for appropriate medical evaluation/ monitoring and management.
2. Adherence to the guidelines for healthcare providers on the evaluation of Hepatitis B positive employees is highly encouraged.
3. Screening for Hepatitis B as a prerequisite to employment shall not be mandatory.

E. Compensation

The Company shall provide access to Social Security System and Employees Compensation benefits under PD 626 to an employee contracted with Hepatitis B infection in the performance of his duty.

Roles and Responsibilities of Employers and Employees

A. Employer's Responsibilities

1. Management, together with employees' organizations, company focal personnel for human resources, and safety and health personnel shall develop, implement, monitor and evaluate the workplace policy and program on Hepatitis B.
2. The Health and Safety Committee shall ensure that their company policy and program is adequately funded and made known to all employees.
3. The Human Resources Management Department shall ensure that their policy and program adheres to existing legislations and guidelines, including provisions on leaves, benefits and insurance.
4. Management shall provide information, education and training on Hepatitis B for its workforce consistent with the standardized basic information package developed by the Hepatitis B TWG; if not available within the establishment, then provide access to information.
5. The Company shall ensure non-discriminatory practices in the workplace.
6. The management together with the Company focal personnel for human resources and safety and health shall provide appropriate personal protective equipment to prevent Hepatitis B exposure, especially for employees exposed to potentially contaminated blood or body fluid.
7. The Health and Safety Committee, together with the employees' organizations shall jointly review the policy and program for effectiveness and continue to improve these by networking with government and organizations promoting Hepatitis B prevention.
8. The Company shall ensure confidentiality of the health status of its employees, including those with Hepatitis B.
9. The Human Resources Management shall ensure that access to medical records is limited to authorized personnel.

B. Employees Responsibilities

1. The employees' organization is required to undertake an active role in educating and training their members on Hepatitis B prevention and control. The IEC program must also aim at promoting and practicing a healthy lifestyle with emphasis on avoiding high risk behavior and other risk factors that expose employees to increased risk of Hepatitis B infection, consistent with the standardized basic information package developed by the Hepatitis B TWG.
2. Employees shall practice non-discriminatory acts against co-employees on the ground of Hepatitis B status.
3. Employees and their organizations shall not have access to personnel data relating to an employee's Hepatitis B status. The rules of confidentiality shall apply in carrying out union and organization functions.
4. Employees shall comply with the universal precaution and the preventive measures.

5. Employees with Hepatitis B may inform the health care provider or the Company physician on their Hepatitis B status, that is, if their work activities may increase the risk of Hepatitis B infection and transmission or put the Hepatitis B positive at risk for aggravation.

Implementation and Monitoring

Within the establishment, the implementation of the policy and program shall be monitored and evaluated periodically. The safety and health committee or its counterpart shall be tasked for this purpose.

POLICY ON SUCCESSION PLANNING

Purpose and Coverage

The Company acknowledges that changes in management, which could be brought about by vacancies resulting from retirement, resignation, death, promotion or new business opportunities, are inevitable. Because of this, the Company has adopted a succession plan to identify and prepare candidates for higher-level management positions that become vacant for any of the aforementioned reasons. This policy shall apply to the members of the management team of the Company.

Guidelines

Succession planning shall be anchored on the Company's short-and-long term corporate goals and objectives, vis-a-vis the areas of competencies for key leadership positions, to ensure the continuity of an effective organizational performance and attainment of business objectives and targets.

The Company's Board of Directors, together with senior management, shall prepare the Company's succession plan. The President and CEO, with the assistance of the Head of Human Resources Management, shall be primarily responsible for the implementation of the Company's Succession plan.

The Human Resources Management Department shall adopt programs to carry out the Company's succession plan. These programs shall include, but shall not be limited to the following:

- a. Identification of employees with potential to occupy leadership positions in the future
- b. Undertaking training and mentoring programs either in-house or through institutions to develop current leaders and potential successors
- c. Implementing a performance appraisal system that measures performance, identify areas for improvement and provide feedback, geared towards developing necessary competencies and qualities necessary for candidates to undertake greater responsibilities within the Company.

ANTI-CORRUPTION POLICY

Caritas Health Shield, Inc. (hereinafter the “Company”) recognizes that a company must take a proactive and reactive stance against corruption.

Part 1. Policy Statement. — It is the policy of the Company, in line with the principles of transparency, accountability and good corporate governance, to communicate with all stakeholders the policies in place to deter and/or eliminate acts or omissions of all company directors, officers, employees, consultants and partners (collectively hereinafter referred to as “stakeholders”) which constitute corrupt practices or those which may lead thereto.

Part 2. "Receiving any gift" defined. The phrase includes the act of accepting directly or indirectly a gift from a person other than a member of the stakeholder's immediate family, in behalf of himself or of any member of his family or relative within the fourth civil degree, either by consanguinity or affinity, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is, under the circumstances, manifestly excessive, or beyond the threshold amount as may be determined by the company.

Part 3. Corrupt practices. — The following shall constitute corrupt practices by any company stakeholder:

(a) Persuading, inducing or influencing a person to perform an act or omission constituting a violation of the company's rules and regulations, or an offense in connection with the official duties of a company stakeholder, or allowing oneself to be persuaded, induced, or influenced to commit such violation or offense.

(b) Directly or indirectly requesting or receiving any gift, present, share, percentage, or benefit, including employment, business or any financial opportunity, for oneself or for any other person, in connection with any contract or transaction between the company and any other party, wherein one or both party/ies in his/her/their official capacity has to intervene under company rules and regulations.

(c) Causing any undue damage or injury to any party, including the Company, or giving any party any unwarranted benefits, advantage or preference in the discharge of one's official duties or functions through manifest partiality, evident bad faith or gross inexcusable negligence.

(d) Neglecting or refusing, after due demand or request, without sufficient justification, to act within a reasonable time on any matter pending before him for the purpose of obtaining, directly or indirectly, from any person interested in the matter some pecuniary or material benefit or advantage, or for the purpose of favoring his own interest or giving undue advantage in favor of or discriminating against any other interested party.

(e) Entering, on behalf of the Company, into any contract or transaction manifestly and grossly disadvantageous to the same, whether or not the stakeholder profited or will profit thereby.

(f) Directly or indirectly becoming interested, for personal gain, or having a material interest in any transaction or act requiring the stakeholder's approval.

Interest for personal gain shall be presumed against company stakeholders responsible for the approval of manifestly unlawful, inequitable, or irregular transaction or acts by the board, panel or group to which they belong.

(g) Knowingly approving or granting any contract or transaction in favor of any person not qualified for or not legally entitled to the same, or of a mere representative or dummy of one who is not so qualified or entitled.

(h) Divulging valuable information of a confidential character, acquired by his office or by him on account of his official position to unauthorized persons, or releasing such information in advance of its authorized release date.

The company stakeholder giving or receiving the gift, present, share, percentage or benefit; or offering, giving or receiving employment, business or financial opportunity; or urging the divulging or untimely release of confidential information shall, be subject of investigation by the Internal Audit Department (IAD) and/or administrative proceedings by the Human Resources Management Department (HRMD).

Part 4. Filing of concerns. — Any party may file a complaint in any form or manner before the Internal Audit Department and/or the Human Resources Management Department. Said offices shall act promptly on these complaints, and shall initiate the necessary investigation and/or administrative proceeding as part of due process.

All complaints filed shall be treated with absolute confidentiality consistent with the company's policy on Whistleblowers.

Part 5. Penalties for violation(s). — Any company stakeholder found liable for committing corrupt practices after due process shall be meted at least a seven (7) day suspension or dismissal, depending on the circumstances of each case.

Section 4. DISCIPLINE OF EMPLOYEES

This section provides the information on how to effectively manage unsatisfactory performance as well as grievance procedures.

I. General Provisions

1. The rules on discipline of employees shall apply to all cases involving any employee who commits acts or omissions in violation of what is prescribed in this Employee Handbook, as well as other standards of work performance, policies, and rules which may be prescribed by the Company from time to time.
2. Employee discipline is a function of the Immediate Superior in close coordination with HRMD. All immediate superiors are responsible for coaching erring employees and reporting to HRMD employees who must be administratively sanctioned within a reasonable period of time.
3. All memos for Disciplinary Action shall be issued by HRMD who will then refer the employee's case to the Investigation Committee.
4. All cases for employee discipline must be handled with strict confidentiality.

II. Procedure

1. The corrective action process shall be followed in all cases involving discipline of employees.
2. The corrective action process is triggered by an incident report duly submitted to HRMD.
3. HRMD will facilitate the corrective action process together with the Investigation Committee and implement decisions in close coordination with the erring employee's immediate superior.

III. Stages in the Procedure

Minor faults or areas of concern will usually be dealt with initially on an informal basis by way of coaching, which will be followed up in writing. Where the matter is more serious the stages of the procedure set out below will normally be followed.

There are five stages to the procedure. the Company reserves the right however, to initiate the procedure at any stage, or jump stages, depending on the circumstances of the case and the seriousness of the offense.

The corresponding penalties may be given to any employee who will be found guilty by the Investigation Committee of violating company rules:

Summary of stages in Disciplinary Procedure		
Stage	Procedure	Persons involved
Stage 1	Formal verbal warning Notes of meeting placed on file	The Principal / Manager and employee
Stage 2	First written warning issued in meeting - a memo with a stern warning against any subsequent violation/s	Employee and other chosen support person Principal / Manager and other chosen support person

Stage 3	Final written warning issued in meeting - a memo with a stern warning that further violation/s will be dealt with more severely	Employee and other chosen support person Principal / Manager and other chosen support person
Stage 4	Suspension – 3 to 7 working days suspension	Employee and other chosen support person Principal / Manager and other chosen support person
Stage 5	Termination for cause – separation from employment	Employee and other chosen support person Principal / Manager and other chosen support person

A copy of written documents will be kept in the employee personnel file but will be disregarded for disciplinary purposes after 12 months, subject to satisfactory conduct and/or performance. Refer to Appendix B for the Corrective Action Process Flow

IV. Appeal

All decisions of the Investigation Committee are appealable to the President and CEO within ten (10) days from receipt thereof. The decision of the President and CEO is final and not subject to further appeal.

Legend of Penalties:

- VW - Verbal Warning
- WW - Written Warning
- FWW - Final Written Warning
- 3WDS - 3 working days suspension
- 5WDS - 5 working days suspension
- 7WDS - 7 working days suspension
- D - Dismissal

OFFENSES		1st Offense	2nd Offense	3rd Offense	4th Offense	5th Offense	6th Offense
1.0	Robbery, theft or pilferage of company properties	D					
2.0	Falsification or forgery of official documents and records	D					
3.0	Willful destruction of Company property	D					
4.0	Serious misconduct						
4.1	Drinking of alcoholic beverages, except in Company authorized functions, e.g. Christmas Party. Consuming of prohibited drugs within the Company premises	D					
4.2	Reporting to the place of work, whether on or off-duty while under the influence of liquor or prohibited drugs	D					
4.3	Gambling within the Company premises	7WDS	D				
4.4	Carrying, possessing or attempting to bring directly deadly firearms, explosives, or dangerous lethal weapons such as bolo, knife, darts, balisong and the like within the Company premises unless authorized	D					
4.5	Fighting or assault committed inside the Company premises, whether against a co-employee or guests	7WDS	D				
4.6	Doing illegal or immoral against a co-employee, members, and their relatives	D					
4.7	Giving false testimony in any inquiry proceeding, investigation in which the Company is involved or interested	D					
4.8	Inciting, instigating, provoking or participating in any disorder or in any manner which disturb the peace and order within the Company premises	5WDS	7WDS	D			
4.9	Sexual Harassment	D					

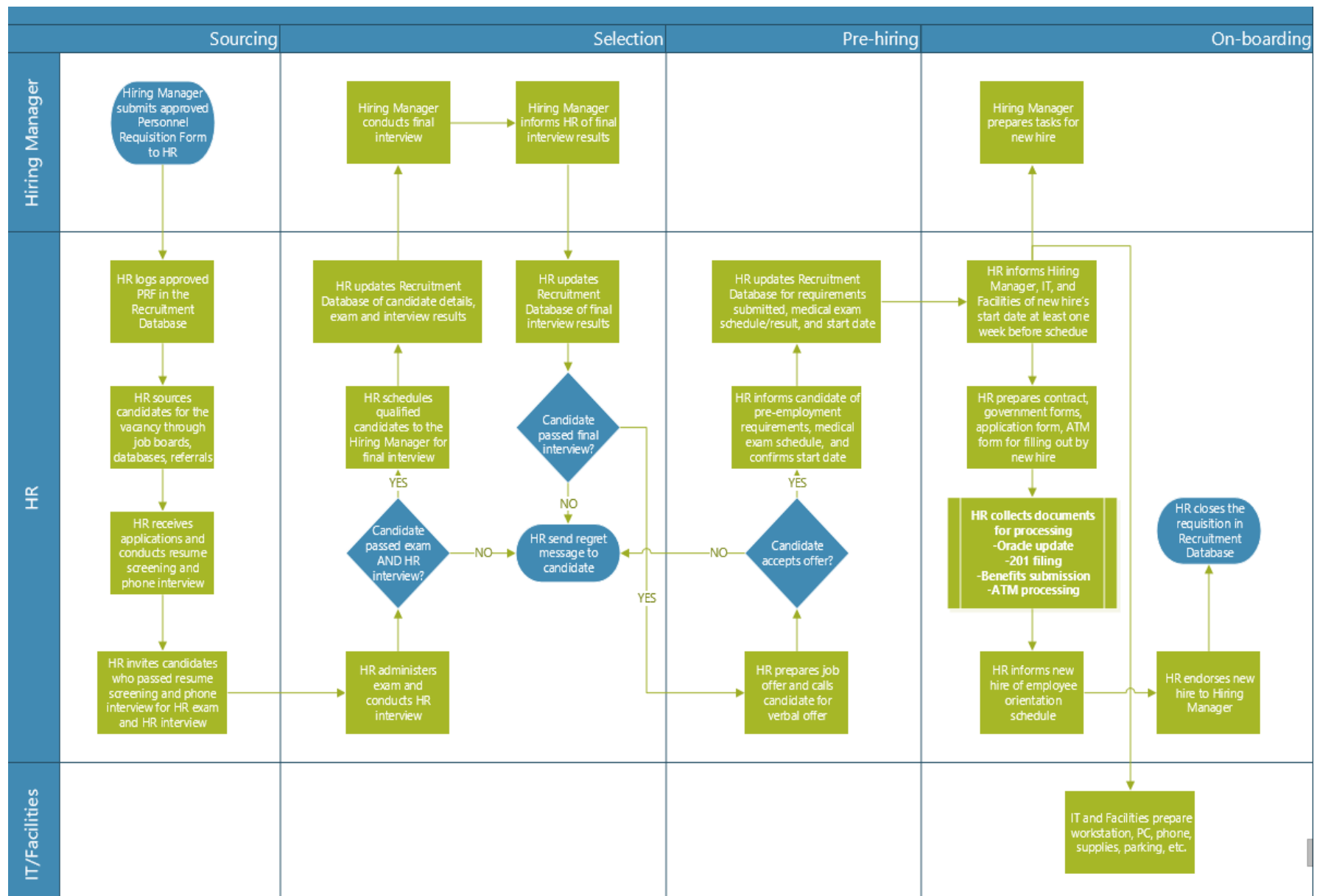
5.0	Extortion	1st Offense	2nd Offense	3rd Offense	4th Offense	5th Offense	6th Offense
5.1	Soliciting, demanding personal compensation from co-employees, members or any other person for corporate services rendered	D					
5.2	Unauthorized collecting or receiving contributions for any purpose whatsoever within the Company premises	D					
5.3	Soliciting or receiving money or any other consideration from any person, personally or through the mediation of another, to perform an act inimical or prejudicial to the Company	D					
6.0	Malversation or Misappropriation or Misuse of Company Funds						
6.1	Misappropriation and/or unauthorized use of Company fund for personal gain or interest	D					
6.2	Diverting monies of the Company for purpose other than their authorized use	D					
6.3	Violating Company regulation requiring immediate remittance of funds or collections together with supporting papers held for and in behalf of the Company subject to any proven mitigating and/or aggravating circumstance/s	7WDS	D				
7.0	Dishonesty						
7.1	Reimbursement of fraudulent expenses	D					
7.2	Misrepresentation	D					
7.3	Price padding	D					
7.4	Abuse of Company benefits	D					
7.5	Providing/submitting falsified medical certificates for sick leave	D					
7.6	Making use of record/s or document/s known by the users to be false	D					
7.7	Disclosure of confidential data, trade secrets or classified information to any unauthorized person	D					
7.8	Bringing out company records of confidential in nature without proper authorization	D					
7.9	Failure to report within seventy two (72) hours after one has received, acknowledged and given notice of erroneous payment or over-payment of salary, commission, allowance or other form of remuneration or reimbursement	D					

8.0	Discourtesy	1st Offense	2nd Offense	3rd Offense	4th Offense	5th Offense	6th Offense
8.1	Uttering obscene, insulting or offensive language or words against co-employee, members and officer of the Company	3WDS	5WDS	7WDS	D		
8.2	Discourtesy conduct towards co-employee, members and officer of the Company	3WDS	5WDS	7WDS	D		
9.0	Insubordination						
9.1	Deliberately refusing to obey lawful orders of superiors	7WDS	D				
9.2	Willful defiance or disregard towards Company officials	D					
9.3	Urging or inciting others to disregard or disobey lawful orders of superiors	7WDS	D				
9.4	Refusal and failure to participate in the Company's Committee on Discipline investigations/proceedings	D					
10.	Unauthorized disclosure of confidential information	7WDS	D				
11.	Violation of Standard Work Performance						
11.1	Gross neglect of assigned duties	7WDS	D				
11.3	Simple Negligence - Failure to perform task which is normally expected in his discharge of duty	WW	FWW	3WDS	5WDS	7WDS	D
11.2	Simple and habitual failure to perform task which is normally expected in his discharge of duty	FWW	3WDS	5WDS	7WDS	D	
11.4	Failure to submit required report or failure to meet deadlines set by superior	FWW	3WDS	5WDS	7WDS	D	
11.5	Below expectations rating in two (2) consecutive performance appraisal	7WDS	D				
11.6	Inefficiency in the performance of duty	WW	FWW	3WDS	5WDS	7WDS	D
11.7	Using Company time to perform unauthorized work	WW	FWW	3WDS	5WDS	7WDS	D
11.8	Unauthorized use of Company property for personal benefit or gain	WW	FWW	3WDS	5WDS	7WDS	D
11.9	Loitering and out of post	WW	FWW	3WDS	5WDS	7WDS	D
11.10	Sleeping during official work time	WW	FWW	3WDS	5WDS	7WDS	D
11.11	Unauthorized posting of notices, announcements, advertisements, and other printed matters within the Company premises	WW	FWW	3WDS	5WDS	7WDS	D
11.12	Unauthorized selling and vending of any kind of item or commodity during work hours	WW	FWW	3WDS	5WDS	7WDS	D

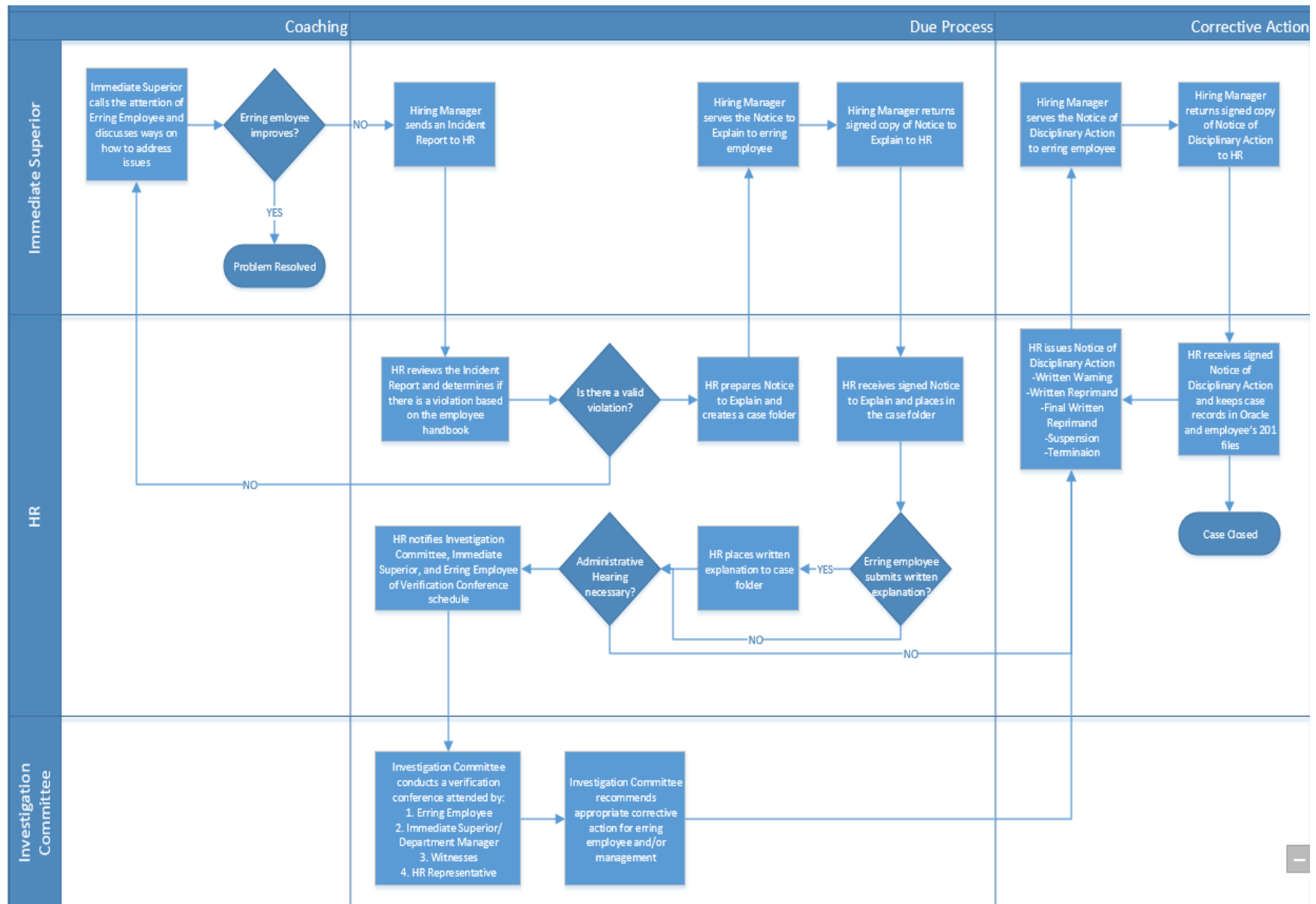
12.0	Violation of Attendance & Timekeeping Policy		1st Offense	2nd Offense	3rd Offense	4th Offense	5th Offense	6th Offense
	12.1	Absence without official leave for one (1) day	WW	FWW	3WDS	5WDS	7WDS	D
	12.2	Absence without official leave for six (6) consecutive working days or more which constitutes abandonment of work	7WDS	D				
	12.3	Leaving work assignment or Company premises during official working hours without authorization from immediate superior	WW	FWW	3WDS	5WDS	7WDS	D
	12.4	Failure to report for overtime, holiday or rest day without justifiable reason after having scheduled and notified	3WDS	5WDS	7WDS	D		
	12.5	Failure to return to work after a leave of absence or disciplinary suspension without justifiable reason	3WDS	5WDS	7WDS	D		
	12.6	Falsifying, tampering or unauthorized tampering of Daily Timer Record	D					
	12.7	Divulging Oracle passwords to co-employees	3WDS	5WDS	7WDS	D		
	12.8	Excessive Tardiness - tardiness of more than one (1) hour in one payroll cut-off	WW	FWW	3WDS	5WDS	7WDS	D
	12.9	Under time - failure to complete eight (8) hours of work per day without the approval of direct superior	WW	FWW	3WDS	5WDS	7WDS	D
	12.10	Over-break - extending break periods beyond allowable hours	WW	FWW	3WDS	5WDS	7WDS	D
13.0	Unauthorized Use of Technology							
	13.1	Using unauthorized storage devices	WW	FWW	3WDS	5WDS	7WDS	D
	13.2	Accessing prohibited internet sites	WW	FWW	3WDS	5WDS	7WDS	D
	13.3	Unauthorized downloading of videos, music, etc	WW	FWW	3WDS	5WDS	7WDS	D
	13.4	Unauthorized use of Company IT equipment (ipad, laptop, tablet, etc) within the company premises	WW	FWW	3WDS	5WDS	7WDS	D
	13.5	Breach of confidentiality agreement	7WDS	D				

14.0	Violation of Health, Safety and Security Protocols		1st Offense	2nd Offense	3rd Offense	4th Offense	5th Offense	6th Offense
14.1	Failure to come to work neat, clean, and well-groomed	VW	WW	FWW	3WDS	5WDS	7WDS	
14.2	Failure to undergo triage when required	WW	FWW	3WDS	5WDS	7WDS	D	
14.3	Failure to wear face mask all the time within the company premises when required	WW	FWW	3WDS	5WDS	7WDS	D	
14.4	Failure to report or declare symptoms of COVID-19 virus or exposure to COVID-19 positive patients, or any infectious and/or highly transmissible diseases	WW	FWW	3WDS	5WDS	7WDS	D	
14.5	Failure to comply with special health, safety and security rules or policies issued in response to emerging diseases or circumstances	FWW	3WDS	5WDS	7WDS	D		

Appendix A. End-to-End Recruitment Process Flow



Appendix B. Corrective Action Process Flow



Employee Handbook Acknowledgement

I have received and understood the contents of the Employee Handbook for the Company together with my contract of employment; provide me with a statement of the main terms and condition of my employment.

I understand that from time to time, the Employee Handbook is updated, and I can find the most recent version in HR. It is my responsibility to familiarize myself with the current version.

Name:

Signature:

Date:

Please return this signed acknowledgement to your line manager who will arrange for this to be retained in your Personnel File.

FOREWORD

This Employee Handbook embodies the accepted practices in the implementation of an orderly & harmonious working environment & business operation within The Company.

To the employee, it serves as his guide to act in accordance with the set norms to prevent unwanted records of infraction in his Employment Data File. Content of such file shall serve as basis for any action or decision by management pertinent to his job.

To every department heads, it serves as his Bible in the efficient, effective and judicious imposition of discipline among his subordinates. Temperance must be exercised against bias or prejudice that is inimical to the interest of harmonious management-employee relationship.

In the hope of ensuring a systematic flow of operations, this Employee Handbook was promulgated.

HUMAN RESOURCES ADMINISTRATION