

Code of
Discipline
and
Ethics

CODE OF DISCIPLINE AND ETHICS

I. POLICY

Consistent with the General Banking Act of 2000 and the fiduciary nature of the relationship of banks with its depositors and because the banking business is impressed with public interest, East West Banking Corporation (“Bank”) adopts a policy to promote the highest standards of integrity and the highest degree of diligence and responsibility among its Employees. In line with this, the Employees must conduct themselves in a manner consistent with the Bank’s core values and be instrumental in the promotion of the Bank’s good name and reputation and in the achievement of its business goals and objectives.

The Bank has thus set standards of discipline and work ethics for its Employees and shall, when circumstances so warrant, impose appropriate disciplinary action against Employees who, by their acts or omissions, commit infractions and breach the work standards, policies and procedures, rules and regulations of the Bank.

II. PURPOSE

The Bank desires to have a disciplined and orderly organization and to promote harmonious employer-employee relations. Compliance with and enforcement of work standards, policies, procedures, rules and regulations of the Bank are intended to [a] establish an ethics-based work environment, [b] instill Employee discipline, order and accountability, [c] advance efficient work and productivity, [d] protect the Bank from unnecessary risks, [e] promote safety and security, and [e] foster harmonious employer-employee relations.

This Code of Discipline and Ethics (Code) has thus been promulgated as a guide in promoting and enforcing discipline and order and ensure that Employees adhere to the ethical and work standards and corporate values of the Bank.

III. BEHAVIORAL NORMS

The Bank adheres to the following Behavioral Norms in the conduct of its business and each employee is expected to abide by them.

No Boundaries	Pride in Our Organization
Vigorous Exchange of Ideas	Harnessing Human Resources
Comprehensive View	Inquisitiveness, Open-mindedness, and Follow-through
Relativity	Business Development Orientation
Respecting Other Units	No to “that’s the way it has been done or the boss said so” frame of mind
Listening to Customers	Timeliness
Listening to Each Other	Candor
Responsiveness	Completed Staff Work
No Procrastination	Commitment to Our Norms
Hands-On	

Pursuant to the foregoing Behavioral Norms, the Norms of Conduct (**ANNEX “A” hereof**) should be followed.

IV. RESPONSIBILITY OF EMPLOYEES

Every Employee shall [a] observe the highest degree of integrity in his professional conduct, [b] exercise extraordinary diligence in the performance of his work, and [c] know, understand and comply with the Code, including applicable business, operational and regulatory policies and procedures, and cooperate with the Bank in the enforcement thereof. Bank officers and line managers shall be responsible for ensuring compliance with the provisions of the Code.

V. SCOPE

The Code is not restrictive, all-encompassing or all-inclusive. The Code shall, whenever applicable, be read and interpreted with applicable laws, rules and regulations. The Bank may adopt such additional policies, procedures, rules and regulations, as it may deem proper and necessary.

The Bank may, from time to time and at its sole discretion, amend or revise the Code. Notwithstanding any such amendment or revision, an Employee whose acts or omissions constitute an offense shall be dealt with in accordance with the Code that was in effect at the time of the commission of the act or omission. Where an offense is “continuous” as it consists of a series of acts or omissions, the provisions of the Code effective at the time of the last act or omission shall apply. The Bank shall notify the Employees of any amendments or revisions in the Code.

VI. PLACE OF COMMISSION OF OFFENSE

Unless otherwise specifically stated in the Code, offenses are punishable whether or not committed within the Bank’s premises or work area or during office hours. “Bank premises” or “work area” and “office hours” include any place and time where official business of the Bank is being discharged, or any undertaking, activity or function of the Bank, including but not limited to Christmas/holiday parties, anniversary celebrations, outings and sporting events.

VII. CLASSIFICATIONS OF OFFENSES AND SANCTIONS

A. Serious Offense. An offense is classified as “serious” when characterized by any of the following:

1. Fraud or acts committed with bad faith, malice, criminal intent or intent to gain;
2. Negligence or operational lapse resulting in significant financial loss, damage or prejudice to the Bank, or results in or exposes the Bank to legal, compliance, and/or reputational risks, where actual or potential exposure is greater or equal to Php100,000.00;
3. Serious misconduct or willful disobedience by the Employee of the lawful orders of the Bank in connection with his work;
4. Gross and habitual neglect or disregard by the Employee of his duties;
5. Willful breach of the trust and confidence reposed upon the employee by the Bank; and

6. Acts that are defined as serious offenses by special policies of the Bank, such as but not limited to, Anti-Sexual Harassment Policy and Whistle Blowing Policy
7. Other causes similar or analogous to the above.

B. Less Serious Offense. An offense is classified as “less serious ” when characterized by any of the following:

1. Negligence or operational lapse resulting in financial loss, damage or prejudice to the Bank, or results in or exposes the Bank to legal, compliance, and/or reputational risks, where actual or potential exposure is less than Php100,000.00;
2. Misconduct or disobedience by the Employee of the lawful orders of the Bank in connection with his work; and
3. Other causes similar or analogous to the above.

C. Minor Offense. Any other breach of the Code which is not covered by VII.A and VII.B.

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

VIII. PENALTIES and DISCIPLINARY ACTIONS

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

A. Primary Disciplinary Actions

1. Verbal Reprimand. Is a verbal reminder and admonition to the erring Employee of the infraction or offense of the Employee and a warning that repetition of the same or commission of similar offense in the future would give rise to graver penalties or disciplinary action.
2. Written Warning. Is given to an Employee who commits a Minor offense and serves as a signal for the Employee that repetition of the same or commission of similar offense in the future would give rise to graver penalties or disciplinary action.
3. Written Reprimand. Is given to an Employee who: [a] commits the same or similar Minor offense for which Verbal Reprimand/s and/or Written Warning/s was/were previously given; or [b] commits a Minor offense but which calls for a Written Reprimand as penalty; or [c] commits a less serious offense. It contains a summary of the acts and omissions of the Employee in violation of the Code and other Bank policies, procedures, rules and regulations and a warning to the Employee that repetition of the same or commission of a similar offense in the future would give rise to graver penalties or disciplinary action.
4. Suspension. This disciplinary action refers to the temporary removal of an Employee from performing his work or duties and serves as a warning that a repetition of the same or commission of a similar offense may warrant dismissal. Based on the nature and gravity of the offense and the circumstances relevant thereto, an Employee may be suspended for a period from one (1) to sixty (60) calendar days. The Employee shall not receive any salary(ies) or benefit(s) during the period of suspension but will continue to be liable for obligations to or paid

through the Company such as but not limited to payment of SSS loan, salary loan, car loan, housing loan, credit card accounts, etc.

5. Demotion. This disciplinary action constitutes reduction in level, rank or status and in salaries and benefits of an Employee who was found guilty of an offense that otherwise warrants termination but which penalty may be too harsh and severe under the circumstances.
6. Termination. This disciplinary action refers to the cessation of employee's service with the bank. An Employee whose employment is terminated shall forfeit all his employment benefits (including, but not limited to, retirement pay, leave encashment, bonuses other than 13th Month Pay, performance incentives, leave encashments and profit sharing). A terminated employee shall not be issued a Clearance but is entitled to a Certificate of Employment
7. Table below summarizes the disciplinary action/s that corresponds to each class of offense committed:

<i>Serious Offense</i>	<i>Occurrence</i>	<i>Penalty</i>
	1 st offense	Suspension or Dismissal (depending on the attending circumstances)
	2 nd offense	Dismissal
<i>Less Serious Offense</i>	<i>Occurrence</i>	<i>Penalty</i>
	1 st offense	Written Reprimand to Suspension of 1-7 working days depending on the circumstances
	2 nd offense	Suspension of 8-15 working days or Dismissal depending on the gravity of the offense and the attending circumstances
	3 rd offense	Suspension of over 15 working days or Dismissal depending on the attending circumstances
	4 th offense	Dismissal
<i>Minor Offense</i>	<i>Occurrence</i>	<i>Penalty</i>
	1 st offense	Verbal Reprimand to Written Warning
	2 nd offense	Written Warning to Written Reprimand
	3 rd offense	Written Reprimand to Suspension , 1-5 working days
	4 th offense	Suspension, 6-10 working days or Dismissal depending on the attending circumstances
	5 th offense	Suspension of 11-15 working days or Dismissal depending on the attending circumstances
	6 th offense	Suspension of over 15 working days or Dismissal depending on the attending circumstances
	7 th offense	Dismissal

B. Secondary Disciplinary Actions

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

C. Other Disciplinary Actions. The Bank may adopt such reasonable forms of disciplinary actions as may be deemed appropriate for the offense(s) committed.

D. Guidelines in the Application of Penalties

1. The peculiar circumstances surrounding the acts or omissions shall be considered in the imposition of applicable penalties and they may justify, mitigate or aggravate the offense.
2. Mitigating circumstances are situations/incidents that may either reduce the applicable penalty (except if the penalty to be imposed is already in the minimum) or off-set the aggravating circumstances. The mitigating circumstances are as follows:
 - a. Lack of prior offenses in the Employee's employment record;
 - b. The Employee's degree of participation in the commission of the offense;
 - c. The Employee's voluntary admission of the commission of the offense; and
 - d. Such other circumstances which, in the judgment of Management, will justify the imposition of a lesser or minimum penalty.Lack of knowledge of Policies/Rules/Regulations is not considered as a mitigating circumstance.
3. Aggravating circumstances are situations/incidents that merit the imposition of the graver or maximum penalty which include:
 - a. The existence of past record/s of offense/s;
 - b. The offense is committed with evident premeditation or deceit;
 - c. Disregard for authority;
 - d. Abuse of authority;
 - e. The exposure of the Bank to actual and/or potential financial risks/losses, legal, operational, credit and reputational risks; and
 - f. Such other circumstances which, in the judgment of Management, will justify the imposition of a graver or the maximum penalty provided in the Code.
4. Subsequent/Repeated Offense. Subsequent or repeated commission of an offense by an Employee who was previously meted a penalty for another offense in the immediately preceding twelve (12) month period is considered an aggravating circumstance and which has the effect of increasing the corresponding penalty for the subsequent offense to the next higher penalty.
5. Financial Loss. Depending on the circumstances, there are certain acts or omissions that may warrant severe penalty such as termination, regardless of the fact that no financial loss was or will be incurred by the Bank.

IX. EFFECTS OF DISCIPLINARY ACTION ON SALARY INCREASE, MERIT RATINGS AND PROMOTION

Penalties imposed have adverse effects on promotion, salary increase(s) and/or performance bonus(es) for given periods of time as set forth below:

Penalty	Effect on Promotion	Effect on Merit Increases/Performance Bonuses	Effective Period
1. Verbal Reprimand	None	None	NA
2. Written Warning	None	None	NA
3. Written Reprimand	None	None	NA
4. Suspension a. Less than 10 working days b. Over 10 working days	a. No promotion b. No promotion.	Disqualified Disqualified	a. One (1) promotion cycle* from issuance of sanction b. Two (2) promotion cycles* from issuance of sanction
5. Demotion	No promotion	Disqualified	Disqualified
6. Termination	NA	NA	NA

*One (1) promotion cycle = 6 months. In the event that the Management changes the period covered in a promotion cycle, it should be understood that the disqualification from promotion shall be for at least 6 months.

X. ADMINISTRATIVE DUE PROCESS

The Bank shall observe procedural due process at all times. The Employee must be [i] informed of the charges against him; [ii] given the opportunity to be heard; and [iii] informed of the penalties or sanctions imposed or to be imposed on him.

Acts or omissions constituting an offense(s) must, without delay, be brought to the attention of the immediate supervisor of the erring employee, through a written incident report. The superiors of the direct supervisors of the erring employee and the reporting employee should also be copied with the incident report. The Bank may, if circumstances warrant, also act on complaints from third parties, including but not limited to Bank clients and service providers. These complaints from third parties

shall be treated as incident reports and shall undergo the same procedure for administrative proceedings. The concerned Bank unit shall, when circumstances so warrant, reply to the third parties raising or submitting the complaint.

The incident report must be made or elevated to the immediate superior/s of the erring Employee and of the reporting Employee and HR, within one (1) banking day from the date of discovery of the incident.

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

The Bank shall not entertain any anonymous complaints, unless the matters raised in the complaint can be verified through other independent channels/means.

The incident report should contain the following information:

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

A. Administrative Investigation

Investigation may be conducted by:

Who	What; When
Line	In all instances, the Line should, upon discovery, immediately conduct its own investigation with regard to any incident report affecting their area and submit the results of its investigation to HRG. If the cases involve fraud or breach of internal control, the Line shall copy Internal Audit of the results of its investigation.
Internal Audit	When an incident report or complaint is endorsed or recommended to it by Line/ HR for investigation
Safety & Security	When an incident report or complaint is endorsed or recommended to it by Line/HR for investigation
Fraud Unit	For matters involving Credit Cards or when an incident report or complaint is endorsed or recommended to it by Line/HR for investigation.

2. Investigation Process. Upon discovery of actual or possible financial loss due to negligence, any fraud, or other acts committed with bad faith, malice or criminal intent, or upon request of HR or any Bank officer in relation to administrative proceedings.

- a. The investigating body as referred above shall conduct an investigation and gather all material facts and information as well as documents to determine, among others, gap/s

and/or liability/ies. The investigating team may recommend putting an Employee under preventive suspension if circumstances so warrant. The decision to place an employee under preventive suspension rests in the Line Supervisor/Manager of the concerned employee.

- b. The Line shall prepare a preliminary investigation report that includes, but is not limited to, the following:
 - i. A narration of the facts and circumstances regarding the fraud/anomalous transactions;
 - ii. The acts, omissions and violations of the Employee/s of the internal control procedures and other Bank policies and procedures;
 - iii. Potential damage to the Bank, its business and operations, its officers and employees;
 - iv. Bank clients, service providers or business partners affected by the acts and omissions of the Employee;
 - v. Potential financial losses of the Bank
 - vi. The person/s involved other than the Employee/s;
 - vii. Any action/s taken by the unit/s concerned; and
 - viii. Supporting documents.
 - ix. If there is a need to place the employee under preventive suspension, a statement to that effect with the justification why the employee should be placed on preventive suspension.

B. Procedural Due Process

1. If an employee is reported to have committed an offense or found, through audit or other forms of examination, to have committed an offense under this Code or other bank policy/ies, the Line Supervisor/Manager shall immediately conduct an investigation or fact-finding inquiry.

2. Based on the initial investigation or fact-finding inquiry, the Line Supervisor/Manager shall then ascertain the classification of the offense committed.

a. If it is a Minor and Less Serious Offense sanctioned with Verbal Reprimand, Written Warning, Written Reprimand or Suspension of up to 5 days, the Line Supervisor/Manager in coordination with HR, shall observe the following procedures:

a.1 issue a Notice to Explain;

a.2 assess the violations, the Employee's explanation and the circumstances attendant to the case and decide on the applicable penalties; and,

a.3 issue the Sanction Notice upon a finding or conclusion that the Employee violated the Code and whose acts or omissions, among others, warrant the penalties of either Written Warning, Written Reprimand or Suspension of up to 5 days.

The investigation may include direct inquiries to or a conference with the Employee about the alleged offense. The Line Supervisor/Manager shall give due consideration to all material circumstances, including the Employee's explanation and the findings in the investigation.

A copy of the Notice to Explain memo, the reply and the penalty given, duly-received by the concerned employee, must be provided to HR within one (1) banking day from issuance of the written penalty.

b. If the Employee has committed several Minor Offenses or one or several Less Serious offense/s that warrant/s the penalty of Suspension for more than 5 days or Termination that do/es not fall under the jurisdiction of the CODE Committee, the Line shall consult with HR in the conduct of the investigation, the preparation of the Show Cause Memo and the Penalty or Disciplinary Action to be imposed on the Employee. The Line Supervisor/Manager shall, after conducting a fact-finding inquiry, prepare and submit to HR an Incident Report on the acts committed including previous commission of similar offense and the sanctions imposed earlier. HR shall then:

b.1 issue a Show Cause Memo;

b.2 hear the Employee and give him the opportunity to explain his side. A separate Notice of the Conference or Hearing may be sent to the employee;

For complicated cases, HR may invite resource person/s from the relevant Bank Units to serve as resource persons in the hearing.

b.3 assess the violations, the Employee's explanation and the circumstances attendant to the case and deliberate on the applicable penalties;

b.4 issue the Notice of Resolution upon a finding or conclusion that the Employee violated the Code and whose acts or omissions, among others, warrant the penalty of termination.

The Notice of Resolution must provide for a summary that, during the investigation, the Employee was given the opportunity and was asked to explain his side before the decision, and basis for the sanction is substantially explained.

Sanction of termination arising from Absence Without Official Leave (AWOL) and Non-regularization shall be signed by the Head of Employee Services. Sanction of suspension must be approved by the Head of Human Resources Group. Sanction of termination must be approved by the CEO or COO.

c. If the offense committed is a Serious Offense not falling under the jurisdiction of the CODE Committee, the same procedures in paragraph X.B.2.b shall be observed.

d. If the offense committed falls under the jurisdiction of the CODE Committee, the investigation shall be conducted pursuant to the CODE Committee's rules of procedure covered by a separate document. HR, particularly, the Employee Relations Team or its equivalent, shall be tasked with the preparation of the applicable Memos (Show Cause Memo, Notice of Preventive Suspension, Notice of Administrative Hearing, Notice of Resolution/Termination, etc.)

C. Notice to Explain (NTE) or Show Cause Memo (SCM). The NTE or SCM is the written notice served on the Employee [a] informing him of the specific charges against him, setting forth the acts and omissions of the Employee, the Code provisions violated including Bank policies and procedures, if any, and the grounds for penalty/ies, including termination of employment; and [b] asking the Employee to

explain his side and appear at the administrative hearing that may be called for the purpose. An NTE or SCM is served on all types of offenses as long as there is a possible penalty. When circumstances warrant, the NTE or SCM may include the notice of preventive suspension. SCMs that cover Serious Offenses brought before the CODE Committee are signed by the HR Head or, in his/her absence, any one of the HR deputies. All other SCMs or NTEs are signed by the immediate superior of the Employee; in the absence of such immediate superior, then the SCMs or NTEs are signed by the superior of the immediate superior.

D. Preventive Suspension.

1. An Employee may be placed under preventive suspension ("PS") or temporary cessation from work by the Employee, if any of the following conditions exist:
 - a. the continued employment and presence of the Employee poses a serious and imminent threat to the life or property of the Bank or of the Employee's co-workers;
 - b. His/her continuing presence may cause a disruption of Bank operations;
 - c. It is necessary to prevent him/her from committing more offenses inimical to the interests of the Bank; or
 - d. Other analogous circumstances.
2. The maximum period for preventive suspension, without pay, is thirty (30) calendar days. Thereafter, the Employee shall be: [a] reinstated to his former position, if warranted; [b] reassigned to other Bank units, or; [c] continued to be placed under (extended) preventive suspension, in which case, however, the Employee shall be paid the salaries due him.
3. Should, at the end of the investigation an employee placed on preventive suspension, without pay, be fully exonerated from the administrative charges imputed to him, he shall be paid his salary equivalent to the days that he was placed on preventive suspension without pay.

E. Administrative Hearing

1. Administrative hearings, proceedings or conferences are conducted to provide the Employee the opportunity to be heard, especially when the offense/s charged is/are punishable by termination of employment. Being administrative in nature, the hearings do not partake of a formal or trial-type of hearings. It is sufficient that the Employee is given a fair and reasonable opportunity to explain his side and to present evidence to support his position on which a fair decision can be based on.
2. The administrative hearing or conference may be dispensed with in any of the following instances:
 - a. When the Employee admits his responsibility for the acts or omissions he was accused of;
 - b. Upon the written request of the Employee, in which case the Employee is considered to have waived the administrative hearing; and
 - c. If the Employee fails to appear in the administrative hearing/s despite receipt of notice.

3. An administrative hearing does not require formal investigation or a full adversarial proceeding. What is crucial is to provide the Employee with sufficient opportunity to be heard.

F. Effect/s of Exoneration from Administrative Charge/s

If the Employee is found not to be liable of the charges or of violation of the Code, the Employee shall so be formally informed by HRG and the same shall also form part of the Employee's personnel records.

XII. RESIGNATION

1. An Employee who resigns while he is under investigation but before he has been served an SCM. The person receiving the resignation notice shall advise the Employee: [a] that there is an administrative investigation going on and that the Bank will proceed to conduct the same; [b] of the 30-day prior notice requirement for resignations; [c] that the Bank may, when circumstances warrant, serve a SCM to the employee; and [d] that the Bank's acceptance of the resignation and issuance of employment clearance will depend or be based on the outcome of the investigation.
2. An Employee who resigns after he has been served a SCM. The person to whom the Employee served his resignation shall acknowledge receipt of the resignation letter and shall advise the Employee: [a] that the Bank shall proceed to conduct the administrative proceedings, investigation and/or the hearing/s to determine, among others, the Employee's accountability; [b] of the 30-day notice requirement for resignations; and [c] despite the resignation, the Bank's action on the resignation will depend or be based on the outcome of the investigation. He shall also note in the resignation letter that acceptance thereof is dependent on the outcome of the investigation.
3. If the Employee's resignation has been accepted prior to the discovery of an offense or infraction but clearance has not been issued. The resigned employee shall be informed of the discovery and advised that issuance of clearance shall be dependent on the outcome of the investigation conducted on the discovered infraction or offense. The employee shall be required to submit a written explanation on the infraction or offense and it would be to the best interest of the former employee to coordinate with the investigation. If clearance has been issued but the liability of the resigned employee for any financial loss or any damage incurred by the bank is established, demand for the payment or restitution thereof shall be made.

XIII. APPEALS

Requests for Appeals or Reconsideration. The Employee sanctioned may, within FIVE (5) banking days from receipt of the decision, ask for a reconsideration of the said decision. If the decision is rendered by the immediate supervisor, then the Employee may submit his written appeal to the Cluster/Group/Division Head. If the decision is rendered by the CODE Committee, then the Employee may submit his written appeal to the CEO. If there is no action from the functional head or CEO within ten (10) days from receipt of the appeal or reconsideration, then the decision of the immediate supervisor or Committee shall be deemed final and executory.

XIV. OTHER MATTERS

1. Record of Administrative Cases. HR shall be the repository of all records relative to all administrative proceedings, including those of the line functions. These records include but are not limited to investigation and incident reports, documentary evidence, show cause memos, replies of the Employees, minutes of the administrative hearings, notices of decisions, and the like.
2. Appointment of Special Committees. The President may appoint Special Committees to perform assigned tasks, such as but not limited to special investigations and/or administrative hearings.
3. Civil and/or Criminal Liability of the Employee. The Bank reserves the right to initiate civil and/or criminal charges against the Employee, as circumstances may warrant.
4. Confidentiality of Records. Records in administrative cases are confidential in nature. Any information as to the charges or accusation or facts adduced may not be released, and such records may not be available, except to the proper authorities or, upon written request, to the interested parties and only after approval of the President. No decision shall be publicized except with the express permission of the President.

XV. EFFECTIVITY

This Code of Discipline and Ethics shall take effect upon approval of the President and supersedes any and all of the Bank's previous codes of discipline.

ANNEX A – NORMS OF CONDUCT

SECTION 1. TRUST AND CONFIDENCE / HONESTY AND INTEGRITY

It is the obligation of every employee to preserve and maintain the trust and confidence bestowed on him/her by the Bank when it entrusts to him/her records, documents, cash and other restricted and confidential matters pertinent to Bank operations and business.

1.1 Confidentiality of Bank Transactions

Bank transactions are confidential. Any information and/or data relative thereto should not be divulged. Strict compliance to R.A. Nos.1405 and 6426 which prohibit the disclosure of deposits of any nature, should be observed at all times.

1.2 Accuracy and Completeness of Data and Records

The records, data and information owned, used and managed by the Bank should be accurate, updated and complete at all times. Every employee is responsible for the integrity of information, records and reports under his/her control.

Financial information provided to the Bank's shareholders, regulatory bodies and others must embody the highest standards of fairness and accuracy. Making false or misleading statements to anyone, including internal or external auditors, Bank management, other Bank employees or regulators, is strictly prohibited and constitutes a falsification of records.

1.3 Confidentiality of Bank Records

The Bank prohibits the unauthorized disclosure or reproduction of classified and confidential records, documents, correspondence and information pertaining to the Bank's business or affairs.

1.4 Integrity of Bank Records

The integrity of the records of the Bank must be maintained at all times. Any willful action, which would affect the integrity of the said records, including falsification, misrepresentation or concealment of material and or relevant facts, will not be tolerated and will be subjected to appropriate disciplinary action.

1.5 Turnover of Bank Records and Documents upon Resignation

All Bank records and documents in the custody of an employee must be surrendered to the Bank upon the employee's resignation/separation from the Bank.

1.6 Confidential Relationship between Employee and Customers

Employees must maintain the confidential relationship between the Bank and each of its customers. Likewise, those by virtue of their responsibilities are privy to employees' personal data should keep in strictest confidence such information, unless required by the Management or by a court of law.

1.7 Confidential Information

Confidential information is considered to be privileged and must be held in strictest confidence and must never be discussed outside the normal and necessary course of employment with the Bank for the purpose of furthering any personal interest or as a means of making any personal gain. (cfr. Also R.A. No. 1405, as amended, Secrecy of Bank Deposits Law)

Confidential information may include, but is not limited to employee (present and past) records, customer information, EastWest Bank propriety information, internal management information systems, supplier/vendor information or any information not available publicly.

SECTION 2. TREATMENT OF BANK PROPERTY

2.1 Loss of Bank Property

Loss of Bank property must be reported to Management as soon as possible. Failure to do so will subject any employee who has knowledge of such loss to disciplinary action. The employee shall be held accountable for the loss of any Bank property under his/her charge.

2.2 Use of Bank Supplies

Employees shall not use Bank stationery, office supplies and/or equipment for personal purposes.

2.3 Breakdown of Office Equipment

Breakdown in office equipment and machines should be reported immediately so that the same may be repaired promptly.

2.4 Leaving Work Area

Before leaving one's work area at the end of working hours, typewriters, calculators, computers and other office equipments should be properly turned-off or unplugged.

2.5 Written Authorization on Use of Bank Property

Bank property may not be taken out of Bank premises without prior written authorization of the duly authorized Bank officer.

SECTION 3. WORK PERFORMANCE

3.1 Discharge of Duties of Every Employee

It is every employee's responsibility to discharge his/her duties and responsibilities efficiently, satisfactorily and to the best of his/her ability.

3.2 Work Schedules

3.2.1 All employees of all levels whether staff or officer must strictly observe their normal working hours, which shall already been established or may hereafter be established from time to time by the Bank.

3.2.2 Deviations from or changes of work schedule may be made by the Bank on account of new business requirements, current economic realities, emergencies or work related developments. Therefore, all employees must expect that the Bank may make deviations or changes in their work schedule as the need arises.

3.2.3 An employee's working hours may also be changed to meet work requirements provided such changes is approved by the duly authorized officer of the Bank. Any change in working hours should first be cleared in consultation with Human Resources Group.

3.2.4 Employees are granted one (1) hour lunch break and fifteen (15) minute breaks in the morning and in the afternoon. Break periods granted to employees are designed to provide them with respite from their routine chores. In order to be most effective, it shall be used for taking coffee or other similar quick refreshments and not indulge in heavy meals or merienda or in prolonged idle chatter. The immediate supervisor shall be responsible for ensuring that breaks of his staff are kept within the time limits.

3.3 Attendance and Punctuality

3.3.1 The Bank expects exemplary attendance and punctuality from its Officers and Staff at all times. Being punctual means that the employee is at his designated workplace ready to begin work on his assigned tasks at the start of working hours. Tardiness, especially if habitual, is administratively sanctioned.

3.3.2 Recording of one's work period is each employee's responsibility. It is strictly prohibited to register time in and out of co-employees. Each employee shall personally "log-in" or "log-out." He must not request or delegate anybody to do so for him; nor shall he give in to a request by another employee to do the same. Tampering attendance record is likewise prohibited. Employees who knowingly or intentionally violate these rules shall be subject to disciplinary action.

3.3.3 No employee is allowed to go on undertime. However, should undertime be unavoidable and necessary, this may be permitted upon request of the employee and only upon approval by the immediate supervisor. Appropriate deduction may be imposed for the unworked period.

3.3.4 Should an employee find it necessary to be absent from work, he must secure prior permission from his immediate supervisor at least one (1) day in advance but for three-day leave of absence or more, approval should be secured at least five (5) working days prior to the intended date of

absence. If the absence is due to illness, the employee should advise his direct supervisor within first two (2) hours of the beginning of one's work schedule. Employees are required to submit a medical certificate to support absence of more than five (5) days due to illness.

3.3.5 An employee who is denied permission to be absent but nevertheless absents himself or an employee who absents himself from work without any advice to his supervisor whatsoever shall be considered to be on absence without official leave (AWOL) and shall be subject to disciplinary sanction.

3.4 Office Attire and Identification

3.4.1 Due to the nature of the Bank's business, it is necessary that employees maintain professional appearance and proper business attire at all times.

3.4.2 For security and identification purposes, all employees are required to wear the bank issued nameplate, ID card or other forms of identification as may be imposed by the Management at all times while inside the Bank premises.

3.4.3 In case an employee loses his ID card /nameplate, he should immediately report the loss to Human Resources and request for a replacement of the ID card/nameplate shall be charged to the employee.

3.4.4 The ID card and nameplate should be surrendered to Human Resources upon the employee's separation from the Bank.

3.4.5 Failure to wear the prescribed uniform and the ID card/nameplate shall warrant the imposition of appropriate disciplinary action.

3.5 Carrying out Verbal/Written or Work Instructions

Failure to carry out verbal and written job or work instructions is a ground for disciplinary action. More severe penalties will be imposed for willful refusal to follow such instructions and for deliberately limiting output or performance. Any form of disobedience or insubordination will not be tolerated.

3.6 Carrying Out of Assigned Duties

Inefficiency, incompetence, inability to effectively carry out assigned duties and responsibilities, negligence or abandonment of work can be just causes for an employee's dismissal.

3.7 Every employee is prohibited from:

- a. Leaving his work or work place to attend to matters not connected to his job or the Bank's business.
- b. Loitering, wandering about or spending time away from his job.
- c. Engaging in idle chatter and gossip with other employees.

SECTION 4. BUSINESS AND PERSONAL CONDUCT

4.1 Courtesy and Proper Decorum

Every employee should always be mindful of the rules of courtesy and proper decorum expected of a Bank employee.

4.2 Decency and Morality

Employees are strictly enjoined not to engage, on Bank time or inside Bank premises, in any conduct that violates common decency or morality.

4.3 Courtesy and Respect

EastWest Bank employees should deal with their colleagues, whether superiors, peers, or subordinates, as well as with the Bank's customers and suppliers, with courtesy and respect. Disrespect, discourtesy, insult or use of foul language (whether verbal or printed) towards any co-employee or any Bank officer will not be tolerated.

4.4 Fighting

Fighting, provoking fights, and inflicting or attempting to inflict injuries to co-workers or other persons during working hours or inside Bank premises will be cause for disciplinary action.

4.5 Gambling

Gambling or any game of chance within the Bank premises or on Bank time will not be tolerated. The Bank may report the matter to government authorities for proper action.

4.6 Reporting of Loss and Discovery of Items

An employee should immediately report to Management (a) any loss of personal property belonging to an employee, which occurred within the Bank premises, and (b) discovery of lost items and articles.

4.7 Borrowing and Lending To and From Bank's Customers

Borrowing from clients or customers is strictly prohibited and may be ground for dismissal, depending on the circumstances behind the complaint of the client or customer against the employee. While employees may borrow money from other banks or lending institutions, no favorable treatment from such institutions may be allowed.

4.8 Employees Conduct of their Personal Finances

Employees should conduct their personal finances in such a manner as to avoid criticism, or prevent any unfavorable reflection on the Bank as a result of such behavior. This applies particularly to the payment of debts and/or settlement of obligations. Employees are advised not to over-extend their finances and incur debts beyond their capacity to pay. "Loan sharks" who prey on their co-employees and employees who take advantage of the generosity of their co-employees who fail to settle personal debts to the latter are subject to disciplinary action.

4.9 Commission of Any Crime

The commission of any crime by an employee either within or outside Bank premises and whether or not committed during Bank time shall be subject to disciplinary action. Where the aggrieved party to any crime committed by an employee shall be the Bank, particularly, in cases of theft or removal from the Bank premises of Bank property without proper authorization, or of willful and deliberate destruction of Bank property, the employee may immediately be placed on preventive suspension pending the investigation thereof.

4.10 Conducting Business in an Unsafe and Unsound Manner

Bank employees are prohibited from conducting business in an unsafe and unsound manner in accordance with Section of the Manual of Regulations of Banks.

4.11 Significant Connection or Financial/Material Interest

No employee shall act for the Bank in any transaction involving persons or firms which he/she, his/her family or dependents have any significant connection or financial interest. Members of Senior Management must disclose material interests in transaction or matters affecting or might affect the Bank.

4.12 Investment/ Insider Information

Any officer or employee of the Bank is strictly prohibited from trading his/her account, or for the profit of family members or friends, on the basis of inside information. An officer or employee of the Bank is likewise prohibited from disclosing inside information to another officer or employee or to persons outside EastWest Bank so that they may profit from such information.

4.13 Accepting Gifts from Bank's Customers

No employee shall accept lavish gifts or entertainment from customers, suppliers and other third party individuals and corporations for any purpose. Gifts and entertainment received on appropriate occasions that are small enough or with a nominal value of PhP5,000.00 pesos or less, such as occasional meals of reasonable expense and small advertising novelty items may be accepted without approval from the Group/Division Head. Gifts more than PhP5,000.00 may be accepted but with approval from the Group/Division Head and/or the President.

If a situation where refusing or returning the gift is truly impractical or would adversely affect customer relationship, the employee may accept the gift and turn it over to the Human Resource Division, which may then use it for any other suitable purpose, such as for public display for raffling off at company functions.

4.14 Soliciting or Accepting Commission from Customers

Employees are prohibited from soliciting financial contributions from clients, suppliers and other third-party individuals and corporation for any purpose. No employee shall solicit or accept personal benefits, such as fees or commissions from any customer of the Bank, or individual or organization doing or seeking to do business with the Bank.

4.15 Use of Bank's Name for Non-Job Related Purposes

No employee shall take an opportunity, which rightly belongs to the Bank. It is also inappropriate for an employee to use the Bank's name or his connection with the Bank for personal or non-job related purposes.

4.16 Awarding of Contracts, Orders and Commitment to Suppliers

Employees authorized to do so must award orders, contracts and commitments to suppliers with transparency and objectivity and without favoritism. The Bank's business of this nature must be conducted strictly on the basis of the most favorable terms and conditions to the Bank.

4.17 Use of Bank Stationery/Office Supplies/Equipment

Employees shall not use Bank Stationery, office supplies and/or equipment for personal purposes, nor should any employee perform, during working hours or inside Bank premises, any work not related to his/her job or connected with the Bank's business.

4.18 Reading of Non-bank Related Literature

Reading of newspapers, magazines, books and other literature not in connection with the employee's work should not be done during work hours.

4.19 Entertaining Non-job Related Visitors

Employees are discouraged from receiving visitors during work hours if the purpose of the visit is not related to the employee's work or to the Bank's business.

4.20 Entering Restricted Areas

Employees are prohibited from entering designated restricted areas (vault, cage, etc.) within Bank premises without authority or permission from Management.

4.21 Conduct of Private Business

Employees are prohibited from selling garments, food, supplements or other items whatsoever, or conducting business inside Bank premises at any time.

4.22 Use of Bank Vehicles

Vehicles owned by the Bank can be used only by employees to whom such vehicles are entrusted. It is expressly directed that no unauthorized persons be allowed to drive Bank vehicles.

4.23 Acts that may Prejudice Bank-Customer Relations

Bank personnel, especially those in the collection and cash departments, should refrain from any action that may prejudice Bank-customer relations.

4.24 Employees are Required to Report Data

Employees are required to report immediately to the Human Resource Group in writing any of the following:

a) Change in name, b) civil status, c) home address, d) telephone number, e) beneficiary/ies, f) name of the person to be contacted in case of emergency, g) increase or decrease of dependents, income tax exemptions, h) any special course or seminar completed or any government or private examination passed since date of employment which is not sponsored by the Bank, i) other data relevant to your 201 File record. Failure to report such data will result in non-approval of appropriate benefits related to such data.

4.26 Professional Behavior

Employees are expected to act and speak toward customers, co-employees and other stakeholders in a manner that exhibits politeness, courtesy and respect. Coarse and obscene language shall not be tolerated.

All employees must act in good faith, responsibly, with due care, competence, and diligence in dispensing duties in and outside the bank.

4.27 Outside Activities

4.27.1. Employees on directorship or part time jobs or business engagement

No employee shall become a director or official of a business organized for profit, nor accept a part time teaching or professional job, nor engage in a business endeavor, either formally organized or otherwise, without prior written approval by the Highest Senior Supervising Officer of the Unit (Direct Report of the CEO or the Chief Operating Officer). Employees who become a director or official of a business organized for profit similar to the bank's business shall need a prior written approval by the CEO or COO duly endorsed by the Highest Senior Supervising Officer (Direct Report of the CEO) of the Unit.

It shall be the obligation of the employee to inform his direct supervisor of any outside interest that he/she is engaged in. Failure to report shall be the subject of administrative sanction. Declaration of Outside Interests/Activities pursuant hereof shall also be executed regularly by each employees and that should an employee be involved in any situation that had given rise to actual or apparent conflict of interest, he/she shall also make proper declaration thereof including a clear description of the situation(s) affected by such actual or apparent conflict pursuant to 4.28 hereof. HR should keep a registry of outside interests engaged in by the officers and employees without prejudice to the Bank's Policy on Related Party Transactions & Conflict of Interest in relation to investment services.

4. 27. 2. Employees on accepting external appointment as a fiduciary

No employee shall accept an appointment as fiduciary unless such appointment is on account of a close family relationship and unless specific written approval has been obtained from the CEO or COO duly endorsed by the Highest Senior Supervising Officer of the Unit (Direct Report of the CEO).

4. 27. 3. Employees on civic and charitable activities

Employees are encouraged to participate in civic and charitable activities. Their participation thereto should not, however, conflict with their responsibilities to and interests of the Bank.

4. 28 Conflict of Interest

No employee may engage in any business or activity that, directly or indirectly, is in competition with the Bank or to the performance of his/her respective job or work assignment. Every employee must avoid circumstances in which his/ her personal interests, financial or otherwise, or relationships with Bank customers, conflict, or may appear to conflict with the interests of the Bank. Situations that may lead to actual or apparent conflict of interest include, but are not limited to the following:

4. 28. 1 Participating in decisions to do business with customers or suppliers in which the employee, or his/her close family member, or a friend has an interest or from which he/she may accrue personal benefit, unless there is proper disclosure, and final approval is given by the CEO or COO.

4. 28. 2 Transaction entered into by the Employee purely on the basis of friendship, family ties, gifts received or favors gained.

4. 28. 3 Misuse of the Bank's name for personal gain or benefit;

4. 28. 4 Insider trading or Investment.

If an employee is unsure, if a circumstance that he/she finds himself/herself in involves a conflict of interest, he/she should disclose to his/her supervisor, who should inform HR of such circumstance. HR shall determine whether such activity/circumstance constitutes a violation of the Code provision.

SECTION 5. STANDARDS FOR PROTECTION OF BANK ASSETS

Every employee is responsible for the integrity of information, records and reports under his/her control. Making false or misleading statements to anyone including internal or external auditors, Bank management, and other employees are strictly prohibited, and constitute falsification of records.

SECTION 6. RESPONSIBILITY TO CUSTOMERS

The Bank recognizes its obligation to be truthful and objective in its dealings with its customers. While the Bank is entitled to employ all fair and honest means to promote its products and services, it shall not, however, knowingly make false representations to customers.

SECTION 7. HEALTH AND SAFETY

7.1 Compliance with Safety and Sanitation Policies

Employees are enjoined to observe fundamental rules of health, sanitation, order and safety.

7.2 Cleanliness and Safe Working Conditions

Every employee is responsible for the cleanliness and orderliness of his assigned equipment and immediate working area; unsafe conditions should be minimized if not totally eliminated. Employees are enjoined to report and unsafe conditions and practices within the Bank premises.

Horseplay and disorderly conduct are not allowed within the Bank premises.

7.3 “No Smoking” Policy

The “No Smoking” rule is strictly observed with the bank premises. Smoking can only be done in designated areas.

7.4 Firearms and Other Deadly Weapons

Firearms, explosives and other weapons that may cause undue fear and alarm in the work area are not allowed.

7.5 Drug-Free Workplace

Employees are strictly prohibited from bringing any form of liquor or alcoholic beverages within the Bank premises or from being under the influence of liquor, intoxicants or drugs while on the job, or while within the Bank premises. Random drug testing shall be done by the Bank and identified employees to undergo the drug testing must submit to the test on the schedule provided.

ANNEX B - LIST OF OFFENSES

This List of Offenses is not exclusive and it does not preclude the Bank from imposing penalties for acts or omissions committed by its employees not enumerated herein but which may affect the Bank's operations or be inimical to the Bank's interests. The Bank reserves its right to impose a more severe penalty in case an offense is committed more than once during a twelve (12) month period. The Bank further reserves its right to impose a more severe penalty than those prescribed herein depending on the circumstances of each case and the adverse effect of the offenses committed on the bank's operation.

Acts that are sanctioned by other policies of the Bank, either existing or which may subsequently be implemented, and which may not fall under the enumeration below, shall form part of this List of Offenses and shall be sanctioned under the applicable policy/ies. In case of conflict in the classification of offense between this List and the specific policy, the latter shall prevail.

Minor Offenses

1. Violation of the Bank's policy/ies or office order(s), or guideline(s) or personnel circular(s) or memorandum on hours of work or coffee-snack break periods or attendance monitoring.
Examples by way of illustration, but not limited to:
 - a) Failure to log/register "in" or "out" on the Biometric System or Branch/Store Timekeeping System.
 - b) Extending snack/coffee breaks beyond the allowed time.
2. Failure to wear the prescribed uniform.
3. Failure to serve the immediate supervisor notice of absence within the first two (2) hours of employee's scheduled work day/shift.
4. Failure to report immediately a personal injury occurring within Bank premises during office hours or accident involving Bank personnel or property and follow procedures established by the bank for these incidents.
5. Habitual tardiness. An employee is considered habitually tardy if he/she is late for work at least five (5) times within a month or has accumulated more than 60 minutes tardiness in a month. The employee shall also suffer the consequences of his/her habitual tardiness in terms of corresponding salary deduction during the day/s that the tardiness is/are incurred.
6. Using the company telephone and other electronic facilities for prolonged periods of time for personal reasons before, during or after office hours.
7. Entering bank premises during off-hours without the necessary authorization or permission.
8. Willfully disregarding notices, signs or regulations, i.e., "No smoking," "no littering," "proper use of phone lines and office numbers and such other notices, signs or regulations in place for correct decorum, orderliness and cleanliness.

9. Refusal to receive treatment/medication prescribed by or to follow appropriate care or advice from the Company physician or health care entity for an illness or disease which is inimical to the best interest of the employee, his co-employees or operations of the Company.
10. Unauthorized removing, tampering or destroying of Company memoranda, posters, notices or other printed materials posted on the bulletin boards or other places of notices.
11. Engaging in horseplay or malicious mischief, running, scuffling or throwing things within Bank premises.
12. Practice of profession or engagement in business or other personal endeavors without prior disclosure and/or approval.
13. Bringing to the premises of the Bank friends, relatives or other people with no official business with the Bank.
14. Doing unsatisfactory work.

Less Serious Offenses

1. Fraudulently recording one's attendance at work or conniving with someone to cause such fraudulent recording. Employees are strictly forbidden to punch in timecards or log attendance other than their own.
2. Leaving work assignments and/or Company premises during working hours without prior permission from the Department Head or Supervisor.
3. Using a Company vehicle for a purpose other than that for which it is intended or assigned without authorization. This covers the use of the vehicle at any time or day. Any damage or injury caused to the Bank property or to any employee or any third party by reason of such use for a purpose which is not in line with the business of the Company shall not bind the Bank and any costs incurred shall be for the account of the erring employee.
4. Acts of discourtesy towards Company visitors or clients, bank officers, fellow employees and/or regulators which are brought to the attention of management either in person, by phone or in writing.
5. Violation of Documentation Standards, Computer Use Policy, Proper Use of Email Policy, etc. as contained in various memoranda and circular issued by the Bank, i.e., use of unauthorized software, unauthorized use of computers, sharing of passwords and the like.
6. Negligence in the custody of Bank's documents or other confidential information in printed or electronic form by the employees entrusted with the care and custody of said documents.
7. Failure to comply with established procedures/specific instruction in carrying out official assignments.
8. Willfully failing to carry out verbal or written job or work instructions issued by the immediate superior or any senior officer, including but not limited to rendition of overtime work or field work, transfer of assignment, not to be absent from work, etc.
9. Refusing to answer questions in any investigation authorized or conducted by the Bank unless such answers would violate his/her constitutional rights.

10. Willfully disregarding or disobeying any currently implemented memoranda, orders, safety rules, office and security regulations or signs involving physical security or Information Technology Security.
11. Acts of insubordination.
12. Drinking liquor or wine or any intoxicating drink while in the performance of one's duties, except during Bank's authorized function
13. Engaging in horseplay or malicious mischief, running, scuffling or throwing things within Bank premises which may result in injury to persons or destruction of Bank property.
14. Displaying conduct of grossly indecent nature, or using profane language in addressing another person within Bank premises during Bank time.
15. Showing or exhibiting pornographic materials, pictures or literature during Bank time and within Bank premises and/or using bank-issued equipment or gadget.
16. Knowingly failing to report the fact of being afflicted with a contagious disease.
17. Irresponsible handling of one's personal finance as manifested by complaint/s of credit mishandling or past-due loan obligations from various financial companies or individual lenders which is/are attended by circumstances that may have impact to the Bank's reputation.
18. Selling, soliciting, collecting contributions or donations for any purpose whatsoever (paluwagan, peddling, selling raffle tickets, etc.) or conducting private business inside Bank premises at any time or outside bank premises within office hours.
19. Giving Company ID card or other identification material to any person not entitled to it, or assisting non-employees in entering bank premises and restricted areas without permission from authorized bank officers.
20. Unexcused or unauthorized absences of 3 days in one (1) month.
21. Driving company vehicles under the influence of liquor or other prohibited substances or in possession of deadly weapons.
22. Malingering or feigning illness to avoid doing assigned work.
23. Performing unofficial acts of personal nature during work time, excluding break periods.

Serious Offenses

1. Threats of or infliction of injury against persons or damage to property.

Examples by illustration but not limited to:

- 1.1 Infliction or attempting to inflict physical injury upon another within Bank premises or on the worksite or in the vicinity thereof.
- 1.2 Injuring, damaging or defacing Bank property or that of any third party within Bank premises or vicinity thereof.
- 1.3 Reckless driving using Bank vehicle which results in an accident where a third party may be injured or where the Bank's vehicle may be damaged.

1.4 Bringing friends, relatives or third parties in the premises of the Bank who make trouble or inflict bodily injury to employees and/or cause damage to bank property.

2. Unauthorized Use and/or Unlawful taking of Bank Property

Examples by way of illustration but not limited to:

2.1 Surreptitiously bringing out from the Bank premises any bank property or items for any reason without a "Gate Pass" or written authorization duly signed by the appropriate Bank officer.

2.2 Substituting Bank material or equipment with another of inferior quality.

3. Conflict of Interest

Examples by way of illustration but not limited to:

3.1 Offering or accepting anything of value in exchange for a job, work assignment or favorable conditions of employment.

3.2 Favoring suppliers, clients, media or other entities which have official transactions with the Bank for consideration in the form of kickbacks or personal rebates.

3.3 Performing work for a competitor company whether or not it resulted in prejudice to the Bank.

3.4 Offering, soliciting or accepting bribes, commissions, referral fees, kickbacks, whether in money or in kind.

3.5 Rendering services for another employer engaged in a similar business or in competition with the Bank during Bank's time or employee's personal time and/or without approval from the Bank's Management.

3.6 Receiving of gifts, percentage and commission in exchange for a favor to a client, supplier, vendor or other third party with whom the employee has a dealing in relation to his work.

3.7 Borrowing from or lending to bank clients or customers and/or co-employees.

3.8 Committing an acts, whether in a private capacity or in representation of the Bank, whether within or outside Company time and premises, and whether personally or through another, which puts the bank in bad light or which jeopardizes its reputation or goodwill or acts

3.9 Entering into transactions with third parties or engaging in practices which may result into a situation/s that has/have potential to undermine the impartiality of an employee because of the possibility of a clash between his self-interests and that of the Bank or situations in which an employee's dealing or personal interest limits his ability to discharge his responsibility to the Bank.

4. Serious misconduct

Examples by way of illustration but not limited to:

- 4.1 Making false, vicious or malicious statement about any officer or employee or about the Bank or its reputation.
- 4.2 Taking part in gambling, lottery, or any games of chance during Bank time and within Bank premises or work location.
- 4.3 Uttering or sending obscene, insulting or offensive words, photos, videos or messages against a superior, fellow employee, bank customers or other parties.
- 4.4 Commission of a crime involving dishonesty or breach of trust such as, but not limited to, estafa, embezzlement, extortion, forgery, malversation, swindling, theft, robbery, falsification, bribery, violation of B.P. Blg. 22, violation of Anti-Graft and Corrupt Practices Act and violation of banking laws, rules and regulations or those sentenced to serve imprisonment or any crimes involving moral turpitude (e.g., murder, homicide, physical injuries, kidnapping, arson, damage to property, etc.) whether or not committed within Bank premises.

5. Negligence

Examples by way of illustration but not limited to:

- 5.1 Causing the Bank to lose time and money because of gross negligence, failure to comply with established policies and procedures or inefficiency in the performance of official duties.
- 5.2 Unreasonably prolonged Absences Without Official Leave (AWOL) or abandonment of work which cause disruption or delay in the Company's normal operations or which may result in damages.
- 5.3 Lapses in judgment in the discharge of one's function which resulted to loss/es to the Bank.

6. Abuse of Authority

Examples by way of illustration but not limited to:

- 6.1 Unauthorized use of the Company's name and letterhead.
- 6.2 Performing certain acts binding the Company or entering into transactions with any person or persons banking institutions or any corporation, involving the Company or its interest without authority.
- 6.3 Falsely representing oneself to be an officer, agent or representative of the Bank or any of its departments to achieve personal gain.
- 6.4 Maliciously approving or facilitating the processing, without authority or outside the scope of his authority, of a transaction which eventually caused loss/es to the Bank or may give rise to a claim against the bank for damages or otherwise.

7. Acts of Dishonesty

Examples by way of illustration but not limited to:

- 7.1 Theft or abstraction of funds from the Bank's account/s or its clients.
- 7.2 Malicious hiding of company records or deletion of files or information which causes prejudice to the Company.
- 7.3 Falsifying timekeeping records or fraudulently recording one's attendance or causing another to falsify or fraudulently record the same or drawing OT pay/meal and transportation allowance by virtue of falsified timesheets.
- 7.4 Malicious intent in falsifying Company records and documents or forging signatures of Company Officials or bank clients and other parties to a transaction or in relation to bank regulatory documents.
- 7.5 Conniving with employees, superiors, customers, competitors or anybody to defraud the bank or its customers.
- 7.6 Making false reports of sickness, false claims for reimbursements or benefits, false statements in employment records, false testimony in an investigation conducted by the Bank.
- 7.7 Making misrepresentations or falsifying data when applying for employment, when such information misrepresented is considered material to the acceptance of the employee.
- 7.8 Obtaining supplies and materials on fraudulent orders or knowingly obtaining supplies and/or services at a cost higher than market price. Any employee caught in connivance with the offender will be likewise be punished.
- 7.9 Misappropriating or withholding bank funds or failure to account for or turn-over any to the Bank immediately upon receipt or within due date of any goods or money of whatever currency or amount, paid, given or returned by a customer, his representative or such other party or from the Bank in the form of cash advances or petty cash.
- 7.10 Other acts of dishonesty or fraud similar or analogous to the above which cause prejudice to the Bank.

8. Unauthorized Disclosures of Information

Examples by way of illustration but not limited to:

- 8.1 Divulging proprietary information or Company trade secrets.
- 8.2 Spying or obtaining information from the Company confidential records or inducing others to spy or obtain information for the purpose of discrediting the Bank and/or transmitting the same to others to the prejudice of the Bank.
- 8.3 Unauthorized disclosure of confidential clients' information whether or not it resulted to loss/es or a case against the Bank.

9. Excessive Non-performance

Examples by way of illustration but not limited to:

- 9.1 Deliberately restricting work output or engaging in illegal work shutdown, stoppage or boycott.
- 9.2 Repeated failure to perform duties and responsibilities as reflected in the employee's Performance Appraisal Rating (PAR).

10. Offenses against Public Peace and Public Morals

Examples by way of illustration but not limited to:

- 10.1 Unauthorized carrying/possession or sporting/displaying of firearms, explosives or deadly weapons within bank premises or vicinity thereof.
- 10.2 Illegal discharge of firearms, explosives or other deadly weapons within Bank premises or vicinity thereof.
- 10.3 Possession, peddling or use of illegal drugs/substances and/or regulated narcotics, without proper prescription.
- 10.4 Instigate disorder /chaos or perform acts to cause security alarm within bank premises or its vicinity.

11. Acts of Immorality, e.g., carrying on illicit relationship, engaging in indecent behavior or other analogous acts.

12. Acts committed in violation of the Bank's special policies including but not limited to, Anti-Sexual Harassment Policy, Whistle Blowing Policy and such other policies of the Bank.

13. Committing other act or offense which constitutes just cause for termination from employment under the Labor Code or pertinent regulations.