

KOLIN PHILIPPINES INTL INC.

POLICY ON	PERFORMANCE APPRAISAL	SECTION :	003
CATEGORY	ALL EMPLOYEES	PAGE :	1 of 3
PREPARED BY	THADDEUS GEORGE ROMAN	REVISION	Rev. 05
APPROVED BY :	OLIVER M. FILOTEO	EFFECTIVITY DATE	JUL 1, 2025

I. POLICY

The company implements the Performance Appraisal Program as a formal, structured method to evaluate employee efficiency and effectiveness in performing assigned duties and responsibilities during a specified period.

The performance appraisal serves multiple important purposes:

- Provide constructive feedback to permanent employees. (Minimum final rating: 3 for staff-level and 4 for supervisory positions.)
- Assess employee competence and job knowledge, requiring a minimum rating of 3. Employees scoring below this will be subject to targeted training or coaching.
- Serve as the basis for Personnel Action Notices, such as promotions, transfers, or disciplinary actions.
- Guide employee career path planning and succession management.
- Inform Training Needs Analysis and support Employee Development Programs.
- Foster a harmonious and productive working relationship between supervisors and subordinates.

II. POLICIES AND PROCEDURES

a. Frequency and Schedule of Appraisal

- Contractual and Probationary Employees:** Monthly appraisals to assess competency and capability for employment continuity. At least 30 days' notice must be given if employment will not be continued based on a final rating of 2 or below.
- Interfacing Department Evaluation for Probationary Employees:** Using the *Conformity to Internal Customer Requirements Evaluation Sheet*, departments interacting with the new employee shall evaluate attitude, promptness, accuracy, and quality of work. These evaluations are confidential and used as part of the overall appraisal process. Immediate supervisors and HR have access to the results as necessary for evaluation purposes. The final evaluation documents may be retained by HR in the employee's 201 file following standard confidentiality protocols.
- Regular Employees:** Employees must submit a self-evaluation every October. This self-evaluation will be attached to the annual appraisal, which is conducted every December and must be submitted to HR by the end of January of the following year.
- Promoted Employees:** Monthly appraisals during a three-month probationary period. If performance standards are met, the promotion is made permanent.
- All appraisal submissions must be completed at least 30 days before any personnel action's effective date unless otherwise indicated.

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B. EVALUATOR RESPONSIBILITIES

All immediate supervisors and department heads must evaluate their direct reports. They are responsible for providing clear, honest, and objective feedback based on facts and evidence regarding strengths and areas for improvement. Employees rated below the competency level must be given corresponding training, coaching, or other corrective actions to address performance gaps.

C. THE APPRAISAL INTERVIEW

The appraisal interview is a critical component of the performance evaluation process and should be conducted as a constructive, two-way dialogue between the appraiser and the employee. The primary goal is to ensure mutual understanding of the employee's performance results, celebrate strengths, identify areas for improvement, and collaboratively develop actionable plans for continued growth and effectiveness. During the interview, the appraiser shall:

- Clearly explain the evaluation results, referencing specific examples and objective evidence to support the ratings given.
- Encourage the employee to share their perspective on their performance, challenges faced, and any support they may require.
- Discuss and agree upon practical, measurable goals and improvement strategies, including training, coaching, or other developmental activities.
- Address any concerns or questions the employee might have regarding the appraisal or future expectations.

D. BELOW THE REQUIRED RATING

For employees receiving a final rating of 2 (below expectations), the following additional steps apply:

- The appraiser must clearly communicate the implications of this rating, emphasizing the need for immediate improvement.
- The employee should be formally advised that failure to demonstrate significant performance improvement in the next evaluation period may result in disciplinary action, including possible dismissal for just cause.
- A Performance Improvement Plan (PIP) should be introduced, outlining specific areas of concern, required performance standards, resources available, and timelines for review.
- The appraiser shall seek the employee's conforme (acknowledgment) to confirm that the appraisal results, improvement expectations, and any consequences have been fully explained and understood.

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This interview is an opportunity to foster transparency, trust, and motivation, ensuring that employees feel supported and clear about their role in achieving organizational goals.

E. APPRAISAL PROCESS AND EVALUATION CRITERIA

Performance appraisals are conducted periodically, based on position classifications and job descriptions detailing minimum performance requirements. Appraisal forms describe the quality and quantity standards expected. Upon discussion of the results, the appraiser shall seek the employee's conforme as evidence that the appraisal has been fully discussed and that any necessary actions have been clearly explained and understood.

F. CONFIDENTIALITY AND DATA PROTECTION

Performance appraisal documents and discussions are confidential. Access is restricted to authorized personnel only, including the employee, their supervisor, HR, and senior management when necessary. All records are securely stored in compliance with company policies and data protection laws.

G. PERFORMANCE IMPROVEMENT PLAN (PIP)

Employees scoring below expectations will be placed on a PIP, which outlines performance gaps, improvement goals, support measures, and timelines. Progress is monitored regularly. Failure to improve may result in disciplinary actions up to dismissal.

H. ROLE OF HR AND MANAGEMENT

- Human Resources: Oversees the appraisal program, trains supervisors, ensures confidentiality, assists with PIPs, and facilitates appeals and employee development initiatives.
- Management: Conducts fair appraisals, provides constructive feedback, manages PIPs in coordination with HR, uses appraisal outcomes for personnel decisions, and maintains confidentiality.