

KOLIN PHILIPPINES INTL INC.

POLICY ON CATEGORY	PERFORMANCE APPRAISAL ALL EMPLOYEES	SECTION : PAGE :	003 1 of 4
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PREPARED BY	THADDEUS GEORGE ROMAN	REVISION	Rev. 06
APPROVED BY :	OLIVER M. FILOTEO	EFFECTIVITY DATE	NOV 1, 2025

I. POLICY

Kolin Philippines International Inc. is committed to fostering a culture of performance excellence and continuous development. This policy ensures objective evaluation of employee performance, identification of strengths and deficiencies, and implementation of actions to support growth and organizational alignment.

II. SCOPE

This policy applies to all employees of Kolin Philippines International Inc., regardless of department, job classification, or employment status. It covers both monthly and annual performance evaluations, feedback, coaching, mentoring, Performance Improvement Plans (PIPs), and role-specific training and development actions based on performance outcomes.

III. POLICIES AND PROCEDURES

a. PERFORMANCE SUB-CRITERIA AND WEIGHTING

- i. Each employee is evaluated based on clearly defined sub-criteria relevant to their role.
- ii. Each sub-criterion has a proficiency level, corresponding score range (1 to 5), and weight (%), indicating its importance in the overall role.
- iii. While the weight is used for tracking and reporting, performance actions are triggered by sub-criterion scores, not by the overall weighted average.

CRITERION	SUB CRITERION	WEIGHTED %		DESCRIPTION
		Product Merchandisers	Office Personnel	
Quality of Work	Accuracy and Timelines	5	35	Ability to complete work correctly and within expected timeframes
	Productivity	70	35	Output relative to assigned tasks, goals, deadlines, and efficiency
Compliance	Adherence to Policy and Procedure	5	10	Consistently in following company policies, procedures, and requirements
Attitude	Adaptability	3	3	Ability to adjust to changes in work demands and maintain professionalism
	Cooperation	3	3	Willingness to work collaboratively and contribute to a positive team environment

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	Dependability	4	4	Reliability in completing tasks, meeting deadlines, and following through with minimal supervision
Attendance	Punctuality	5	5	Consistency in arriving on time for work and meetings
	Absenteeism	5	5	Reliability in maintaining regular attendance

b. SCORING SYSTEM

i. Each sub-criterion is rated on a 1 to 5 scale:

Score	Description
5	Excellent
4	Very Good
3	Qualified
2	Needs Improvement
1	Not Acceptable

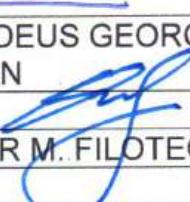
ii. Performance actions are based on sub-criterion scores relative to required proficiency levels.

c. ACTIONS BASED ON SUB-CRITERIA SCORES

Job Position	Employment Status	Deficiency Level	Action
Product Merchandisers	Probationary	Any deficiency (any points below)	Targeted coaching and mentoring
		1 point below	Targeted coaching and mentoring.
	Regular	2 or more points below	Refresher training using onboarding modules. No formal PIP; performance monitored post-training
Office Personnel	Probationary	Any deficiency (any points below)	Coaching and mentoring regardless of deficiency severity. No formal PIP during probation
		1 point below	Targeted coaching and mentoring.
	Regular	2 or more points	Initiate a PIP with formal

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		below	interventions such as training, workshops, reassignment (if applicable), or external programs
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d. PERFORMANCE IMPROVEMENT PLAN (PIP) AND POST-EVALUATION ACTIONS

i. PIP Process:

1. A PIP is triggered when a sub criterion is rated 2 or more points below the required proficiency level. It includes structured training, certified workshops, on the job tracking, measurable goals, and periodic progress evaluations.
2. After completion, a training effectiveness evaluation will be conducted three months later. If performance remains below expectations, a second, more intensive PIP cycle will be initiated.
3. If performance is still unsatisfactory after the second cycle and evaluation, termination may be considered due to habitual underperformance, subject to due process and in accordance with company policy and labor regulations.

ii. Post-Evaluation Actions by Employee Type:

1. For the new hires, employees who receive an overall score below 3 in two consecutive monthly evaluations will not be regularized and may be terminated based on performance, subject to due process.
2. If a regular employee's performance remains unsatisfactory after completing two PIP cycles and evaluations, termination may be considered on the grounds of habitual non-performance, subject to due process.
3. If promoted or transferred employees who receive an overall score below 3 in two consecutive evaluations may be subject to further HR actions such as reassignment to a more suitable role or other interventions, depending on evaluation outcomes and management discretion. Any termination or significant action will be subject to due process.
- ii. A signed performance covenant must be in place throughout the PIP process.
- iv. After completing the performance evaluation, the evaluator shall provide objective performance-based recommendations on the employee's level, salary, position, and employment status, including actions such as regularization, probation extension, termination, merit increase, promotion, retention, transfer, demotion, reversion, or confirmation of

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promotion/transfer, which clear justification. Recommendations are made at specific appraisal milestones: the 2nd appraisal for newly promoted or transferred employees, the 4th appraisal for newly hired employees, and the 2nd appraisal following any extended evaluation period. The evaluator shall submit the completed performance appraisal form to the HR department within 3 working days after the receipt of appraisal form for monthly appraisals, and within 10 working days after the receipt of appraisal form for annual appraisals. All recommendations are subject to review and endorsement by the department head and HR.

e. EVALUTION SCHEDULE

Employee Type	Schedule Description
New Hires (Probationary)	Monthly evaluation until the 4 th month (before regularization)
Regular Employees	Annually every December (covering January – November)
Promoted / Transferred Employees	Monthly evaluation for 3 months in the new role

f. DOCUMENTATION AND CONFIDENTIALITY

All performance evaluations, coaching records, PIPs, and development plans are filed in the employee's 201 file and are confidential, accessible only to authorized personnel. The HR Admin Assistant ensure secure storage and accurate record-keeping.

g. ROLES AND RESPONSIBILITIES

- i. HR DEPARTMENT: Prepares and distributes forms, collects data, files records, and maintains documentations. Review reports, identifies trends, and recommends interventions. Validates results, ensures alignment with company goals, and approves final recommendations.
- ii. EVALUATOR: Conduct appraisals, provide feedback, and implement coaching or PIP as required. Review and endorse appraisals before submission to HR.
- iii. EMPLOYEE: Responsible for participating actively in evaluations, reflecting on feedback, and following through on development plans.
- iv. MANAGEMENT: Ensures fair implementation of the policy and allocates necessary resources for development.