

## PROMOTION AND TRANSFER POLICY

### PURPOSE

Payreto Services Inc. (Payreto) supports an environment that values the pursuit of career mobility and encourages employees who express an interest, and have the abilities, to pursue appropriate vacancies to foster their career development. This policy presents our guidelines for advancing, transferring, reclassifying and promoting employees within the company. These policies are designed to make the promotion, reclassification or transfer process fair and equitable to all regardless of rank and position.

### SCOPE AND RESPONSIBILITIES

All employees are covered by this policy.

It is the responsibility of **Hiring Managers and Supervisors** to ensure that:

- they are familiar with the promotion, reclassification and transfer policies and procedures, and that they follow them accordingly;
- employee movements are determined and authorized by the Management; and
- all roles have current job descriptions that specify role requirements and selection criteria.

It is the responsibility of the **Human Resources Department** to ensure that:

- all Managers are aware of their responsibilities in the promotion and transfer policies and procedures;
- promotion and transfer policies and procedures are fair, open and transparent and in compliance with relevant labor laws; and
- the promotion and transfer policies and procedures are properly implemented and monitored.

It is the responsibility of the **Employee** to ensure that:

- he/she reviews the lists of qualifiers for the various ranks to determine eligibility for promotion ;and
- they are familiar with the promotion, reclassification and transfer policies and procedures, and that they follow them accordingly.;

### DEFINITIONS

#### *Break in Service*

- A gap in employment that exceeds thirty (30) calendar days.

#### *Minimum Hiring Standard*

- The minimum threshold of qualifiers or criteria required for the open position. Details of which can be found in Appendix A – Qualifiers education and experience required to perform a given job.

#### *Reorganization*

- Organizational changes within a Department that result in a position assuming additional responsibilities such that the position is reclassified to a higher level or leads to the movement of an employee to a higher-level position in accordance with the reorganization plan.

#### *Transfers*

- A transfer is an employment movement within the company from one position or department to another, which is of equivalent rank, level or salary without break in service involving the issuance of the appointment.

#### *Promotion*

- Promotion is a movement of an employee to a higher position that involves an increase of duties and responsibilities and is normally accompanied by an increase in compensation. Promotion is a form of recognition

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and reward of the company to those employees that have shown good performance, proven skill and ability as well as dedication to his job and loyalty to the company.

### *Reclassification*

- A reclassification is a major adjustment of an employee's current job, job description, and sometimes in rare instances, the salary grade associated with his/her position.

### *Temporary Assignments*

- To meet exigencies of work or as part of a personnel training program, an employee may be temporarily assigned to another position, provided that such assignment does not exceed three (3) months.

## **POLICY & PROCEDURE**

### 1. JOB VACANCY/OPEN POSITION

- 1.1. There should be an open position or job vacancy before an employee can apply or be appointed for a transfer or promotion.
- 1.2. Hiring Manager has the option to appoint an employee for the position or to open the position for internal applications.

### 2. DIRECT INTERNAL APPOINTMENTS: In situations where a Hiring Manager wishes to appoint an employee who meets the specific selection criteria for the vacant position, the following should be completed:

#### 2.1. Promotion

- 2.1.1. The employee must pass the qualification for the position, which is defined in the Job Description, attached in the Personnel Requisition Form (PRF)
- 2.1.2. The employee's skill, knowledge, ability, efficiency, educational background, training and past employment record will be taken into consideration.
- 2.1.3. Once the employee passes the minimum hiring standard, he/she will be endorsed and scheduled for an interview with the Hiring Manager. In the event that the employee did not meet the quality standards for the position, he/she will not be considered for the vacancy.
- 2.1.4. After the Hiring Manager has determined the selected employee for the open position, the Hiring Manager must notify HR Dept. that an offer will be extended to the employee.
- 2.1.5. The management has the discretion to waive the appointment to Interim role and directly confirm the promotion of the employee. In case the management decides to appoint the employee under interim status, the following procedures shall be followed:
  - 2.1.5.1. The employee will be issued with an Appointment Letter of Interim Role and will be subject to the following guidelines:
    - 2.1.5.1.1. An employee will be under Interim status for 6 months and will be evaluated monthly for 5 months prior confirmation .
    - 2.1.5.1.2. The employee maintains his regular employment under interim status.
    - 2.1.5.1.3. During the interim status, the employee will be entitled to 50% of the salary adjustment due for that position.
    - 2.1.5.1.4. Upon confirmation, the employee will be entitled to the 100% of the salary adjustment due for that position.
    - 2.1.5.1.5. Failure to meet the quality standards set by the company for the position, which is made known to the employee from the start of interim status, may warrant the management to return the employee to his or her original position and compensation.

#### 2.1.6. Upon confirmation of the interim, An offer letter will be given to the employee, and once it is accepted, HR Dept. will prepare all necessary documents for the movement:

##### 2.1.6.1. Personnel Action Notice Form (the following should be indicated)

- 2.1.6.1.1. Type of Personnel Action (Promotion, Transfer, etc.)
- 2.1.6.1.2. Salary Adjustment (if applicable)
- 2.1.6.1.3. New Position Title and Rank
- 2.1.6.1.4. Effectivity Date
- 2.1.6.1.5. Changes in Compensation and Benefits

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- 2.1.6.1.6. Other important details of the Personnel Action
- 2.1.6.2. A confirmation Letter

### 2.2. Transfer

2.2.1. Temporary Assignment- An employee may be temporarily assigned to another position, provided that such assignment does not exceed three (3) months. The employee on Temporary Assignment will be provided with the following:

2.2.1.1. Personnel Action Notice Form (the following should be indicated)

- 2.2.1.1.1. Type of Personnel Action (Promotion, Transfer, etc.)
- 2.2.1.1.2. New Position Title
- 2.2.1.1.3. Effectivity Date
- 2.2.1.1.4. Changes in Compensation and Benefits (if any)
- 2.2.1.1.5. Other important details of the Personnel Action

2.2.1.2. Copy of the Job Description for the new position

2.2.1.3. Appointment Letter of Temporary Assignment

2.2.1.4. An employee may, however, choose to remain in the position, in which he or she will have to submit a letter of intent to the immediate supervisor. Upon approval of the request, a letter of confirmation with applicable terms and conditions, signed by the immediate superior and the department head shall be forwarded to HR together with the letter of intent.

2.2.2. Lateral Transfer- Lateral transfer is a permanent transfer of an employee to another position of the same level. An employee who was laterally transferred will be provided with the following:

2.2.2.1. Personnel Action Notice Form (the following should be indicated)

- 2.2.2.1.1. Type of Personnel Action (Promotion, Transfer, etc.)
- 2.2.2.1.2. New Position Title
- 2.2.2.1.3. Effectivity Date
- 2.2.2.1.4. Changes in Compensation and Benefits (if any)
- 2.2.2.1.5. Other important details of the Personnel Action

2.2.3. Copy of the Job Description for the new position.

2.2.4. Appointment Letter of Lateral Transfer

### 3. INTERNAL VACANCY: Where appropriate, Talent Acquisition will advertise all vacancies internally.

3.1. Any employee who requests consideration for an open position will be required to obtain approval from his or her present immediate supervisor prior to contacting the Hiring Manager or applying for the position.

3.2. Any employee who desires to apply for consideration for an open position should submit an updated copy of their resume, together with a covering letter to the Hiring Manager, in accordance with the position announcement.

3.3. The employee must pass the qualification for the position, which is defined in the Job Description, attached in the Personnel Requisition Form (PRF)).

3.4. The employee's skill, knowledge, ability, efficiency, educational background, training and past employment record will be taken into consideration.

3.5. Once the employee passes the minimum hiring standard, he/she will be endorsed and scheduled for an interview with the Hiring Manager. In the event that the employee did not meet the standards, he/she will not be considered for the open position.

3.6. After the Hiring Manager has determined the selected employee for the open position, the Hiring Manager must notify HR Dept. that an offer will be extended to the employee.

3.7. An offer letter will be given to the employee, and once it is accepted HR Dept. will prepare all necessary documents for the movement:

3.7.1. Personnel Action Form (the following should be indicated)

- 3.7.1.1. Type of Personnel Action (Promotion, Transfer, etc.)
- 3.7.1.2. Salary Adjustment (if applicable)
- 3.7.1.3. New Position Title and Rank
- 3.7.1.4. Effectivity Date
- 3.7.1.5. Changes in Compensation and Benefits
- 3.7.1.6. Other important details of the Personnel Action

3.7.2. Appointment Letter for a New Position

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4. **RECLASSIFICATION:** It recognizes that position responsibilities may substantially grow and change over time in ways that should be formally reflected by the company's compensation plan. If significant job changes have occurred, an employee and supervisor will need to meet with Human Resources to determine if a reclassification is appropriate. For the purposes of this policy, a reclassification that results in the position being assigned to a classification level that is assigned to a higher pay grade or range than the former position is considered a promotion.
5. Expressing an interest in a transfer or promotion within Payreto will not adversely affect an employee's current employment status. There are, however, specific procedures and qualifying periods that would apply for staff applying for a transfer or promotion.
6. Any request for exception to this policy must be made in writing for the approval of the Managing Director.
7. Changes in the salary of a promoted employee is referred to the Salary Matrix for the new position and/or based on the discretion of the Management.
8. An employee must satisfactorily complete one year of continuous service before being considered for transfer, unless the transfer is due to operational exigency, part of the employee's career plan or based on the discretion of the management. Employees receiving any disciplinary action within the past 6 months, unsatisfactory performance evaluations or who has an ongoing administrative case may not be eligible for transfer or promotion.
9. The effective date of promotion and/or transfer must be at the beginning of a pay week for nonexempt employees.
10. **AMENDMENTS, ADDITIONS AND/OR REVISIONS:** Any amendments, additions or revisions of this policy and procedures are the sole discretion of the Human Resources Department as approved by the Management.

### SUPPORTING DOCUMENTATION

1. Personnel Requisition Form (PRF)
2. Employment Application Form
3. Application Cover Sheet
4. Authorization for References and Background Check Form
5. Employment and Background Check Report Form

### RELATED POLICIES

1. Talent Acquisition Policy

### **Distribution**

All employees will be provided with a copy of this policy.

### **Review and Revision**

The Company reserves the right to rescind and/or amend this, and all Company policies, at any time.

Prepared by: Marvi Q. Conopio

Date Signed:

January 12, 2021

Reviewed by: Mhikko T. Ilagan

Date Signed:

1/13/2021




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# Payreto

Payreto Services Inc.

Approved by:		Date Signed:	
Tschangiz Scheybani		2/22/2021	
Donnabel D. Castillo		Jan 18, 2021	
Carl Michael A. Zaragoza		February 4, 2021	