



DOLE PHILIPPINES, INC.

1st Labor Service & Workers Cooperative Cluster Congress

“Labor Service Cooperatives: A Responsible Partner in Job Generation”

May 22, 2015



Dole Philippines, Inc.



*“We have built
this Company on
Quality, Quality
and Quality”*

–James Drummond Dole,
Founder, Hawaiian
Pineapple Company, Ltd.





VISION

Dolefil must be the high volume, low cost producer of top quality fruit products to world markets.



Dole Philippines, Inc.





MISSION

We provide healthy, high quality, and competitively-priced fruit products that excite our customers and enhance shareholder value.

We respond quickly to market needs and implement innovative and sustainable practices through outstanding

performance and teamwork. We develop our people and partners to maximize their potential and improve their quality of life.





Corporate Milestones

1963

Establishment of Dole Philippines, Inc.

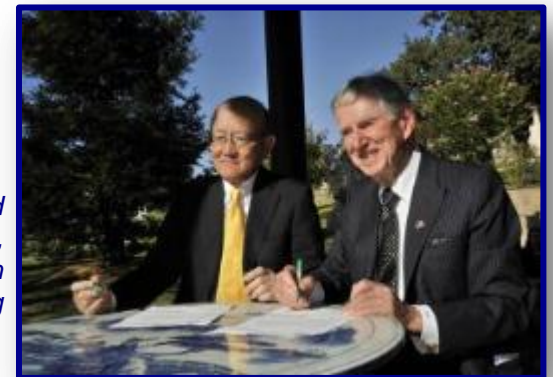


*<< Ceremonial Planting
December 1963*

1965

First shipment of 30,000 cases of canned pineapple products to Newark, New Jersey, USA.

>> Dole Food Company Chairman, David H. Murdock and Masahiro Okafuji, President & CEO of Itochu Corporation during the sales agreement signing



2013

Official Turn Over of Dole Food Co. to Itochu Corporation



Pineapple Operations in Mindanao Geographical Locations



Pineapple Plantations



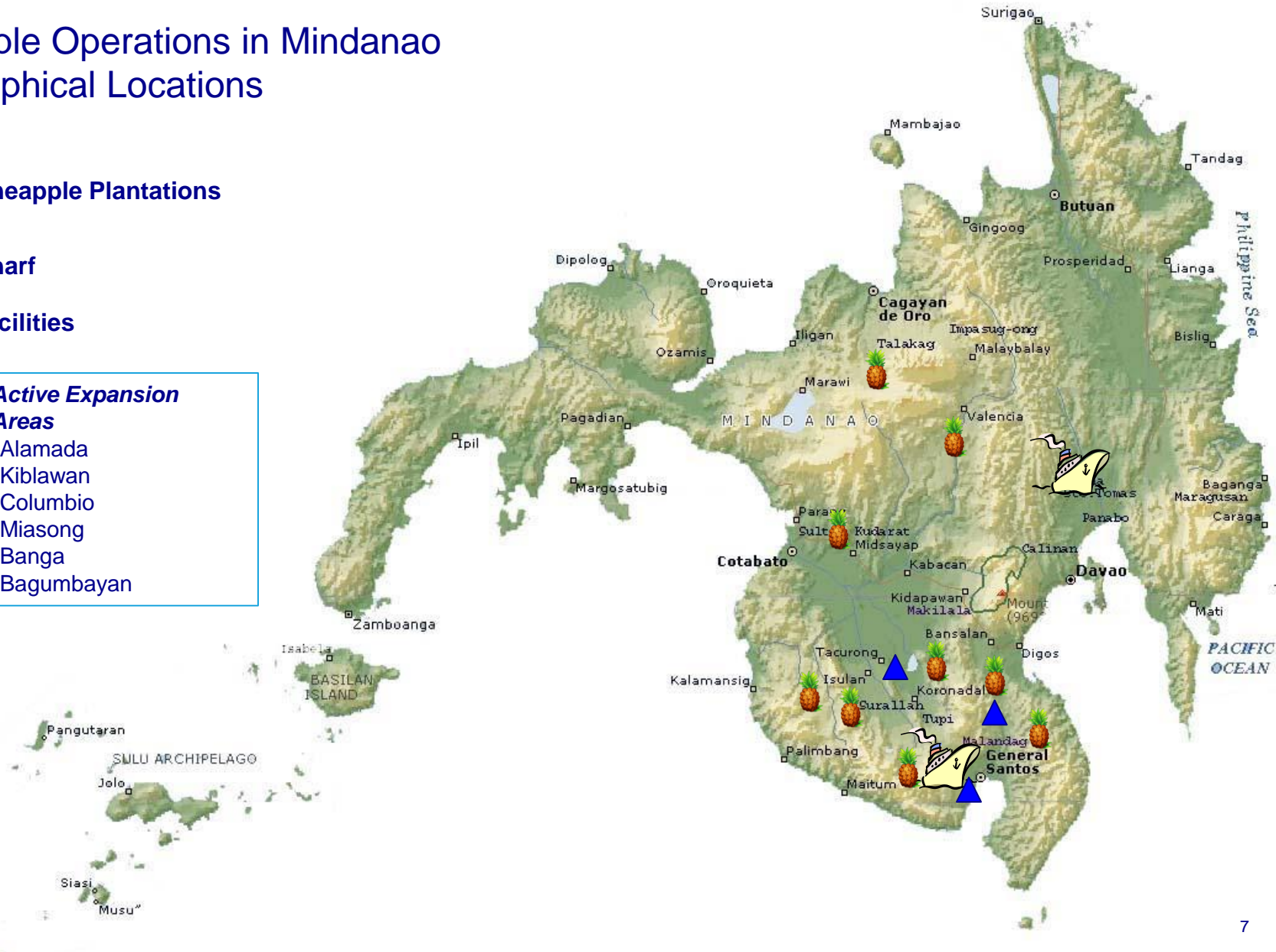
Wharf



Facilities

Active Expansion Areas

- *Alamada
- *Kiblawan
- *Columbio
- *Miasong
- *Banga
- *Bagumbayan





Dole Philippines, Inc.



Dole Philippines Inc. (Dolefil) operates a fully integrated plantation and industrial facility in Polomolok, South Cotabato, for the production of fresh and processed pineapple for the export market. It also has a canning facility in Surallah, South Cotabato and a port facility in Calumpang, Gen. Santos City.



Total Production



- Approximately 95% of Dolefil's total production is exported to markets in America, Europe and Asia.
- Close to 30 million cases per year of processed pineapple (slices, chunks, tidbits, crushed, juice, concentrate).
- More than 13 million boxes of fresh pines being shipped annually



Company Background



Agriculture Operations

Currently operating on approximately 16,500 hectares (base plantation and private growers)





Company Background

Cannery Operations

24 Preparation Lines with a capacity of 110 tons per hour
and daily production of 85,000 standard cases





Fast Facts

Manning: Around 4,499 full-time employees

Average Age: 42.3 years old

Gender: 53% male & 47% female

Average Number of Years of Service: 16 years

Turnover Rate: 0.49% (as of April 2015)

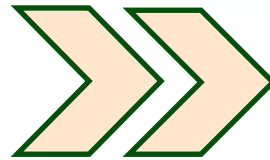


Union	Member-ship	CBA
Labor Employees Association of Dolefil (LEAD-Salaried)	190	March 21, 2015 to March 20, 2020
LEAD-Calumpang	82	January 14, 2015 to January 13, 2020
LEAD-Polomolok Hourlies (LEAD.PH)	3,042	February 11, 2011 to February 10, 2016



Intertek

GLOBALG.A.P.
The Global Partnership for Good Agricultural Practice



Certifications

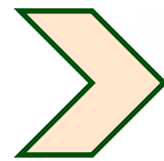
Dolefil's multiple certifications from international certifying and regulatory bodies attests to its commitment to excellence, quality and social responsibility.

- ISO 14001:2004
- ISO 9001:2008
- Worldwide Responsible Accredited Production (WRAP)
- Hazard Analysis and Critical Control Point (HACCP)
- Good Manufacturing Practices
- Kosher
- Halal
- FPA-SAFE (Food Products Association-Supplier Audits for Food Excellence)
- International Code for the Security of Ships and Port Facilities (ISPS)
- Customs Trade Partnership Against Terrorism (CTPAT)
- Global GAP (The Global Partnership for Good Agricultural Practice)
- Rainforest Alliance
- OHSAS 18001:2007 Certification



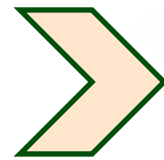
WRAP Principles

- ☐ Compliance with Laws and Workplace Regulations
- ☐ Prohibition of Forced Labor
- ☐ Prohibition of Child Labor
- ☐ Prohibition of Harassment or Abuse
- ☐ Compensation and Benefits
- ☐ Hours of Work
- ☐ Prohibition of Discrimination
- ☐ Health and Safety
- ☐ Freedom of Association and Collective Bargaining
- ☐ Environment
- ☐ Customs Compliance
- ☐ Security



Rainforest Alliance Principles

- ☐ Social & Environment Management System
- ☐ Ecosystem Conservation
- ☐ Wildlife Protection
- ☐ Water Conservation
- ☐ **Fair Treatment and Good Working Conditions for Workers**
- ☐ **Occupational Health And Safety**
- ☐ **Community Relations**
- ☐ Integrated Crop Management
- ☐ Soil Management And Conservation
- ☐ Integrated Waste Management



OHSAS 18001:2007 Key Elements

- ☐ Occupational Health & Safety Policy
- ☐ Hazard Identification, Risk Assessment & Determining Controls
- ☐ Legal & Other Requirements
- ☐ Documented OH&S Objectives and Programs
- ☐ Competence, Training and Awareness
- ☐ Communication, Participation & Consultation
- ☐ Operational Controls Associated with Identified Hazards
- ☐ Emergency Preparedness & Response
- ☐ Evaluation of Compliance
- ☐ Incident Investigation, Nonconformity, Corrective Action & Preventive Action
- ☐ Internal Audit & Management Review

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Quick Survey

Three overlapping circles are positioned behind the text. A green circle is on the left, a light blue circle is on the right, and a grey circle is in the center, overlapping both the green and blue ones.

*Who were organized in
2011?*

Three overlapping circles are positioned behind the text. A green circle is on the left, a light blue circle is on the right, and a grey circle is in the center, overlapping both the green and blue ones.

*Who were organized in
2002?*

Three overlapping circles are positioned behind the text. A green circle is on the left, a light blue circle is on the right, and a grey circle is in the center, overlapping both the green and blue ones.

*Who were organized in
1997?*



*Who were organized
BEFORE 1997?*



*Our Journey on
Job
Contracting...*





Brief History

1992 to 2009

No formal standards of management and practices in job contracting

1992

Dolefil's Conceptualization of Job Contracting

2009

Job Contracting Management Program and Structure

2010

Job Contracting Management Team



HR Dolefil and Cooperatives Teambuilding

August 26-27, 2010



1992



Dolefil's conceptualization of Job Contracting began.

CSR Program on Livelihood generation

- Increase family income
- Distribute gains to members
- Control in-migration

1992



Six (6) Cooperatives were formed.

- CAMPCO
- AMCOOP
- UNIFIED
- TIBUD
- PMSC
- HUREMCO



< Php 20,000 initial capital

**With only the Labor Code as our guide
(Articles 106-109)**

2015



PMSC

*Polomolok Manpower
Services Cooperative*

Total Assets
Php 54 Million

2015



CAMPCO
*Cannery Multi-
Purpose Cooperative*

Total Assets
Php 81 Million

2015



UEWMPC

*Unified Engineering
Workers Multi-
Purpose Cooperative*

Total Assets
Php 120 Million

2015



AMCOOP
*Adventurers Multi-
Purpose Cooperative*

Total Assets
Php 131 Million

2015



TIBUD

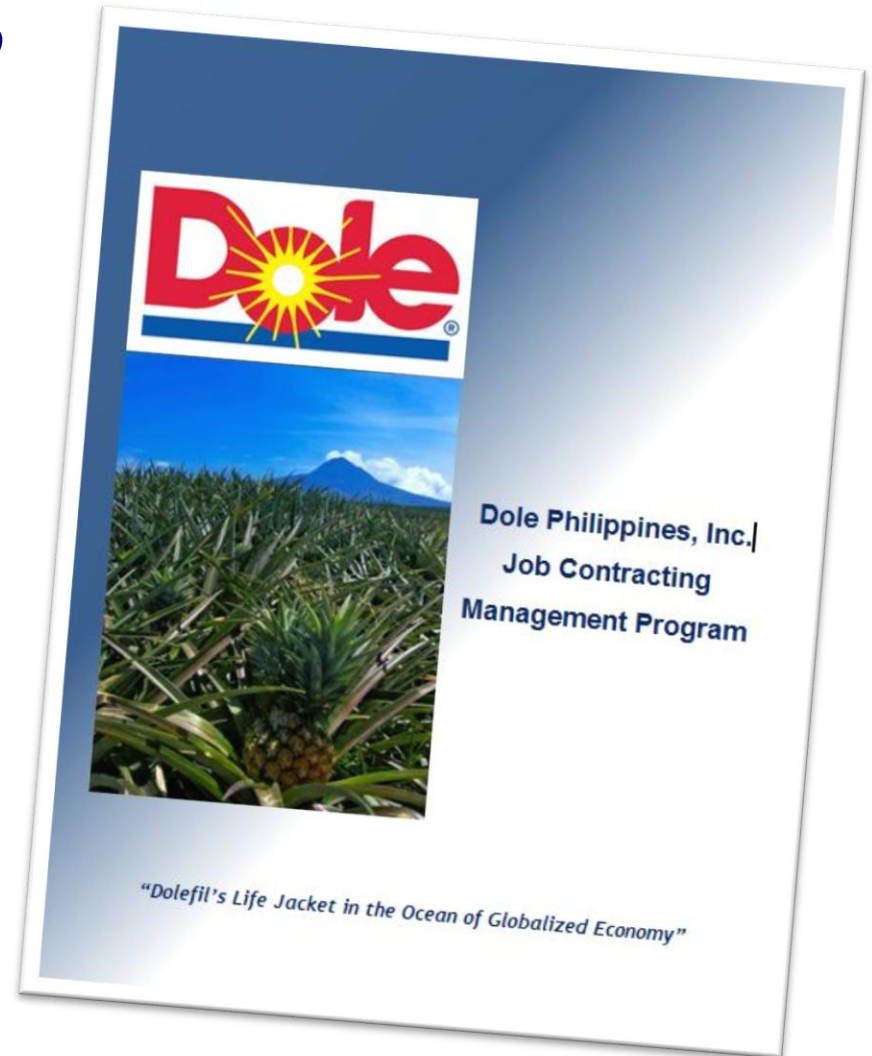
*Tibud sa Katibawasan
Multi-Purpose
Cooperative*

Total Assets
Php 210 Million

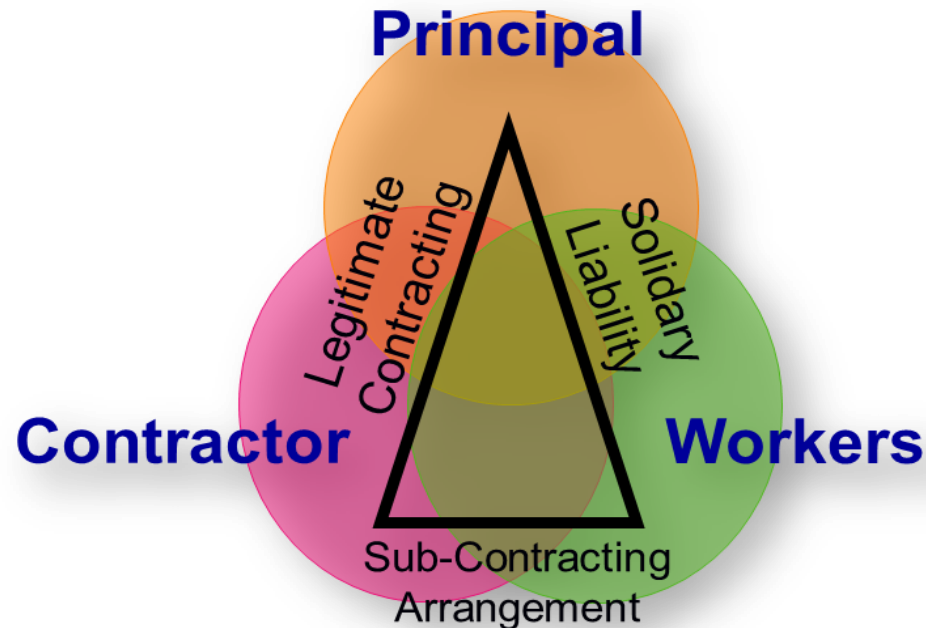


*How were we able to
do it?*

**1 ➤ Job Contracting
Management
Program**



Strict Compliance to Legal & Regulatory Requirements



II. LEGAL REQUIREMENTS	
8	DoLE Certification
9	CDA Certification
10	BIR Tax Exempt Certification
11	Certificate of Good Standing
12	Mayor's Permit
13	SSS Registration
14	PHIC Registration
15	HDMF Registration
16	BIR Registration
17	Fire Safety Inspection Certificate

Periodic Audits & Performance Evaluation

JOB CONTRACTING MANAGEMENT UPGRADED MONITORING & CONTROL																			
NO	MONITORING AND CONTROL	AMCOOP			CAMPCO			DJPC			TSKMPC			UEWMPC			SMFWCo		
		C	P	A	C	P	A	C	P	A	C	P	A	C	P	A	C	P	A
I. PROFILING																			
1	Cooperative Profile																		
2	Articles of Cooperation & By-Laws																		
3	Disciplinary Penalty Chart																		
4	Operating Table of Organization																		
5	Administrative Table of Organization																		
6	Staff/Personnel Job Descriptions																		
7	Key Performance Indicators																		
II. LEGAL REQUIREMENTS																			
8	DoLE Certification																		
9	CDA Certification																		





Training & Development





*How were we able to
do it?*

2 ➤ Job Contracting Management Team



Objectives:

- Ensure legal compliance in job contracting practices
- Uphold the rights of the job contractors under the Labor Code
- Standardize job con management and practices across operating units
- Develop partnership between operating units and cooperatives
- Clarify and support delineation of responsibilities between operating units personnel and job contractors
- Strengthen cost effectiveness and productivity under job con arrangement
- Deal only with legitimate job contractors and cooperatives





Updated Monitoring Parameters



Profile

- ✓ Cooperative Profile
- ✓ Articles of Cooperation & By-Laws
- ✓ Disciplinary Penalty Chart
- ✓ Operating Table of Organization
- ✓ Administrative Table of Organization
- ✓ Staff/Personnel Job Descriptions
- ✓ Key Performance Indicators Good



Updated Monitoring Parameters

2

Legal Requirements

- ✓ DoLE Certification
- ✓ CDA Certification
- ✓ BIR Tax Exempt Certification
- ✓ Certificate of Good Standing
- ✓ Mayor's Permit
- ✓ SSS Registration
- ✓ PHIC Registration
- ✓ HDMF Registration
- ✓ BIR Registration
- ✓ Fire Safety Inspection Certificate



Updated Monitoring Parameters



Employment Records

- ✓ 201 Files
- ✓ HRIS
- ✓ Contract/Voluntary Employment
- ✓ Police Clearance
- ✓ Pre-Employment/ Annual PE
- ✓ On-Boarding Process
- ✓ ID/Entry Pass



Updated Monitoring Parameters

4

Performance Management

- ✓ Training & Development
 - Training Monitoring
 - GMP/GAP Training
 - Basic Safety Training/BOSH
 - First Aid Training
 - Operational Training
- ✓ Supervisory Performance Evaluation
- ✓ Supervisory Improvement Plan
- ✓ Workers Performance Evaluation
- ✓ Workers Improvement Plan
- ✓ DPC Files & Monitoring
- ✓ Accident Reports/PD-16



Updated Monitoring Parameters



Compensation & Benefits

- ✓ Salaries, Wages & Other Pay
 - Daily Minimum Wage
 - 13th Month Pay
 - Service Incentive Leave - 5 Days
 - Holiday Pay - 12 Days
- ✓ Statutory Benefits Remittances
 - SSS/ECC
 - Pag-IBIG/HDMF
 - PhilHealth/PHIC
 - Maternity Leave - Normal 60 Days
 - Paternity Leave - 7 Days
- ✓ Payment/Monitoring per Guideline
 - Supervision
 - Motorcycle Rental for Agriculture
 - Motorcycle Rental Agreement
 - Tools & PPE
- ✓ Legality of Other Deductions



Updated Monitoring Parameters



Accomplishment

- ✓ Manpower Complement
- ✓ Quality Recording
- ✓ Efficiency Recording
- ✓ Manning Strength



Financial Reporting

- ✓ Financial Position
- ✓ Financial Performance
- ✓ Liquidity
- ✓ Solvency
- ✓ Accounting System/Process Flow



Updated Monitoring Parameters



Memo, Policies & Procedures

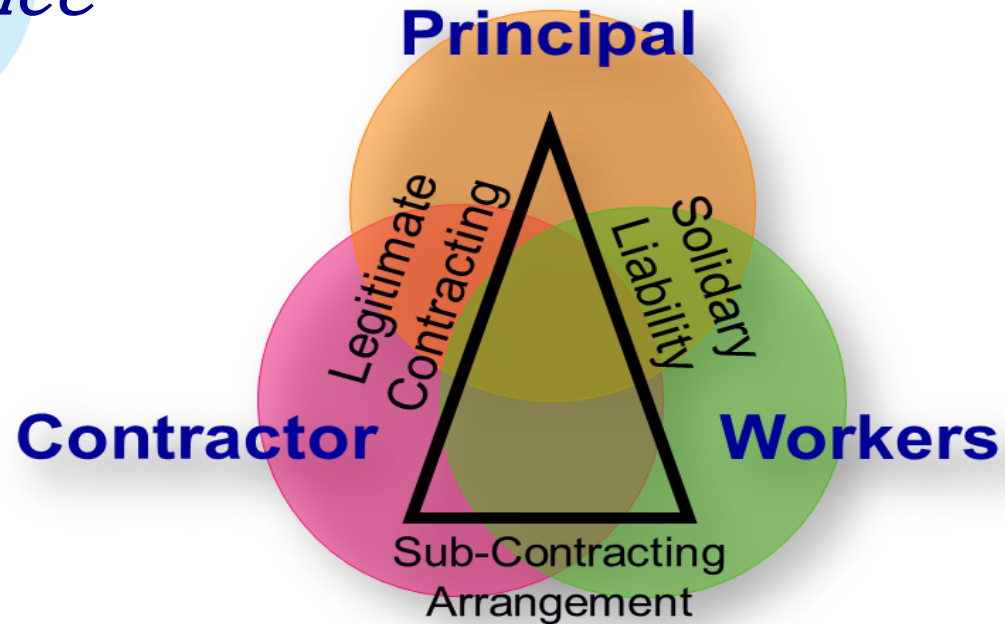
- ✓ Laws & Workplace Regulations
- ✓ Prohibition of Forced Labor
- ✓ Prohibition of Child Labor
- ✓ Prohibition of Harassment or Abuse
- ✓ Prohibition of Discrimination
- ✓ Compensation & Benefits
- ✓ Hours of Work
- ✓ Health Program/Provides 1st Aid Kit
- ✓ Environment
- ✓ Security & Safety
- ✓ Parental Leave for Solo Parent



*Impact on our
Business*



Legal Compliance



- ✓ Trilateral Relationship is maintained;
- ✓ Government Mandated / Regulatory requirements are followed.



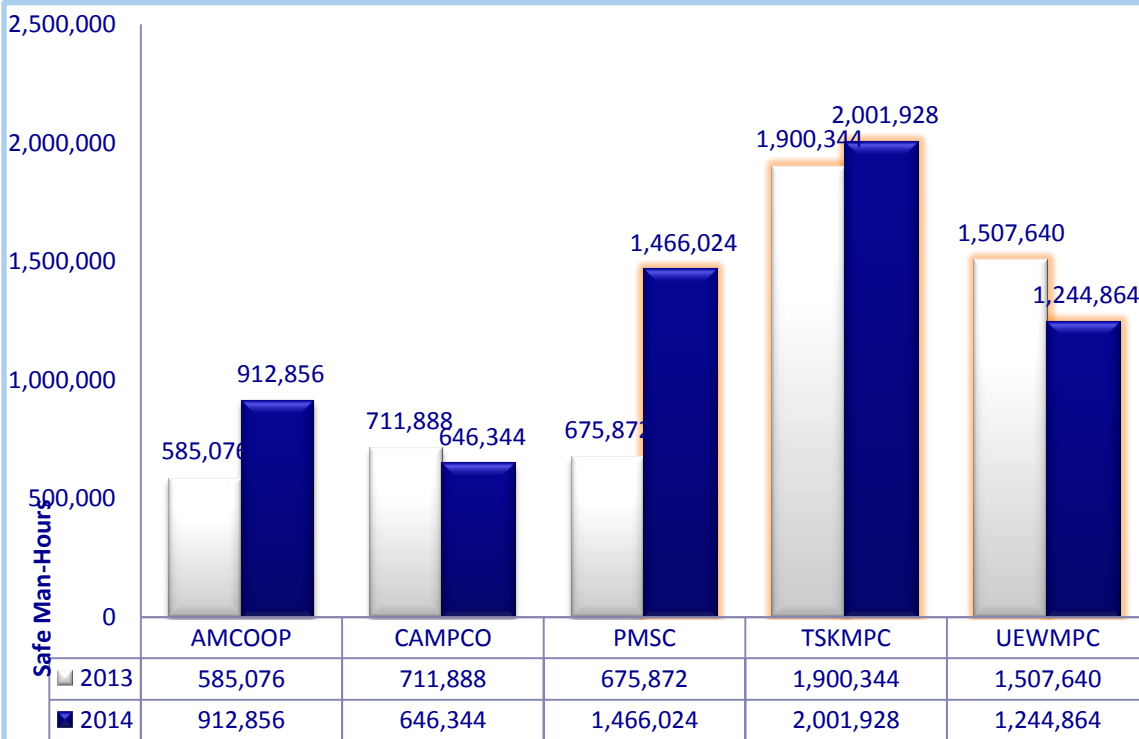
Industrial Peace



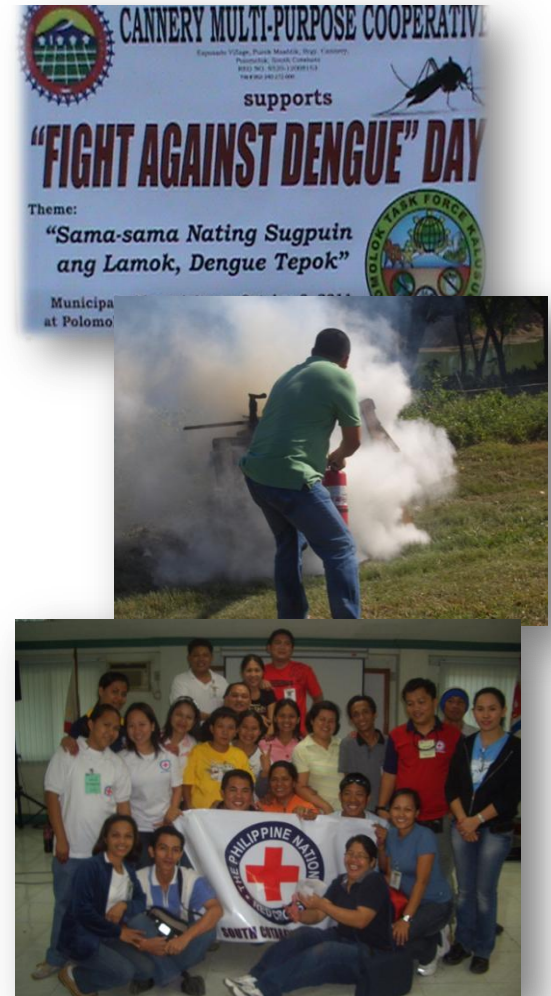
✓ ZERO cases filed since 2010.



Occupational Health & Safety

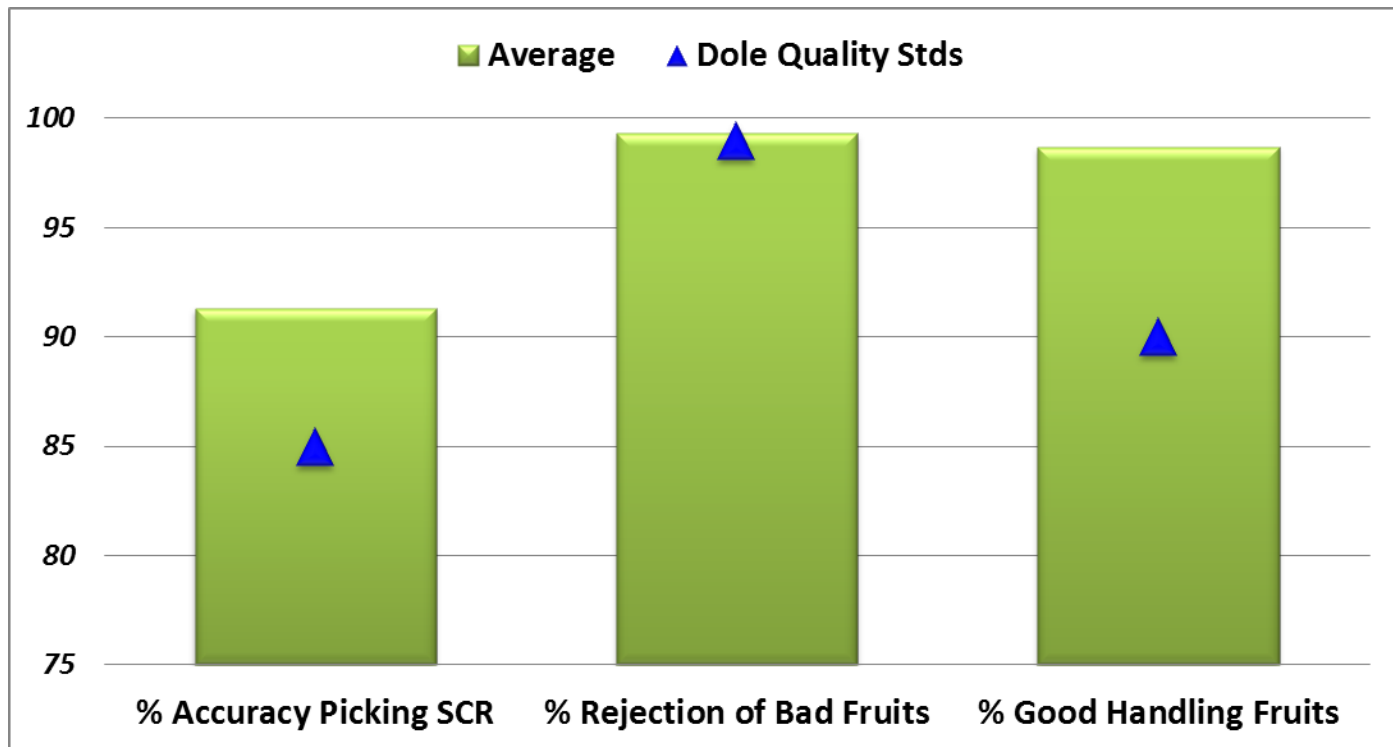


Safe Man-Hours Monitoring





Improved Efficiency & Productivity



✓ **Performance Evaluation System**



Ease in Management

STANDARDIZED MANAGEMENT PRACTICES

- ✓ Job Contracting Documentation and Deployment Process
- ✓ Recruitment of Job contracting workers – exclusive right of Job Contractor
- ✓ Employee disciplinary process – exclusive right of Job Contractor
- ✓ Payment to contractors – exclusive right of Job Contractor
- ✓ Supervision of workers – exclusive right of control reserved for Job contractor
- ✓ Position and titles - Standardized
- ✓ Billing Validation – Automated Billing Validation and Payment
- ✓ Performance Management
- ✓ Contracts and documentation



Ease in Management

IMPROVED BUSINESS SYSTEMS

- ✓ Manpower Planning & Deployment of Workers
- ✓ Recruitments of workers – acquisition of workers (preferably within and around operating areas)
- ✓ Employee disciplinary process – due process
- ✓ Payment to contractors – prompt billing and payment
- ✓ Supervision of Workers – delineate Job Contractors and Dolefil Supervision accountabilities
- ✓ Positions and titles – Standardized Table of Organizations
- ✓ Billing validation – Automated Billing Validation and Processing
- ✓ Performance Management
- ✓ Contracts and Documentation



*Clients'
Perspective on
Cooperative Labor
Service
Engagements*





Reality Check

**Not all clients/
customers are like
Dolefil who is willing to
invest in order to
professionalize its
cooperative business
partners...**

**In our case, it is part
of our mission...**

*“We develop our people and partners to
maximize their potential and improve their
quality of life.”*



*Besides, these cooperatives have
been our Business Partners since
the 1990s.*

*We helped organize them as part
of our CSR Programs.*

*We did not want them to fail...
Because if they fail, then we fail,
too.*



The succeeding pointers assume that you are dealing with clients who are socially responsible.

Job Contracting is not designed for companies who are not willing to comply with legal requirements.

Three overlapping circles are positioned on the left side of the slide. From left to right, they are green, light blue, and light gray. A large orange circle on the right contains the main text.

*Clients are
looking for a
**BUSINESS
PARTNERSHIP***

- *Long-term Engagement*
- *Win-win Arrangement*
- *Mutual Trust &
Confidence*



Before Engagement

- ✓ Cost-Benefit Analysis
- ✓ Element of Risk – Good Risk
- ✓ Due Diligence
 - Strict Compliance with Legal Regulatory & Requirements
 - Financial Capability
 - Management Systems
 - Leadership
 - Track Record
- ✓ Trust and Confidence



During the Engagement

- ✓ Strict Compliance with Legal & Regulatory Requirements
- ✓ Financial Capability
- ✓ Management Systems
- ✓ Leadership
 - Ethics
 - Business Acumen
- ✓ Track Record

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During the Engagement

- ✓ Efficiency
- ✓ Productivity
- ✓ Cost Effectiveness



The biggest beneficiary of Job Contracting Management is your most important asset – the people



...and the

Municipality of Polomolok



	Rank	Score
Overall Competitiveness	8	38.838349
Economic Dynamism	6	12.725304
Local Economy: Size	11	1.12368
Local Economy: Growth	33	0.51838
Jobs	10	1.58123
Inflation Rate	44	3.78352
Financial Institutions	17	2.11825
Productivity	19	0.10546
Business Groups	40	0.05380
Cost of Doing Business	37	3.44095

- **3rd Lowest Poverty Incidence in 2008** (according to reports from the National Statistical Coordination Board)
- **8th Most Competitive Municipality in the Philippines for 2013**
(based on the survey done by the National Competitiveness Council); N.B. ranked 6th for Economic Dynamism and ranked 10th for Jobs
- Starting to be known as the **“Cooperative Capital of the Philippines”**



*...our journey
continues.*

