

GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS – SME VERSION

Company Name	CHIMES ENTERPRISES	Date	December 22,2008
Unit(if applicable)			
Address	Perez Blvd.,		
	Dagupan City	Membership date	
Country	Philippines	Number of Employees	
Contact Name	Salvador R. Poserio		
Contact Telephone No.	CEO	Sector	SME
	075 5234776		

Brief description of nature of business
CHIMES enterprises is a total marketing and servicing company with diverse interests such as distribution retail and wholesale of office machineries, furniture, musical instruments and Christian literature. The Company also has a venture in Education.

Statement Support			
CHIMES Enterprises since it signified its support to the UN Global Compact Initiative, during the 23rd National Conference of Employers in May 2002 had continuously considered diversification of its activities in order to be compliant with the principles of the UN Global Compact. Compliant to principle no. 2 which is protection of human rights, Work-Life Balance, still exist to be one of CHIMES’s programmes. We are hard core believer that success is brought about by giving employees choices to be able to fully commit themselves to work and feel comfortable about their commitments, which constitutes their attitude toward their work Active membership of CHIMES’s CEO Mr. Salvador R. Poserio in organization such as the Brotherhood of Christian Businessmen and Professionals which advocates honesty and transparency in government. Mr. Poserio is also at present the employer’s regional representative to the Regional Wage Board. His membership with the Board is CHIMES avenue in keeping abreast with labor laws and policies which include among others salaries and benefits of employees. Also of being an instrument in the government’s advocacy of solving unemployment. It is also through membership of CHIMES, CEO in organizations such as the Employer’s Confederation of the Philippines in which he is now the President of Pangasinan Chapter where he could share the stand of CHIMES as a whole on employment issues. Through his membership to these various organizations his spur of influence is therefore not only limited to his employees but to other people as well in support of the Global Compact. As an SME, we believe that in our own small way in so many ways, provided that there is the desire burning in our minds and hearts, we can contribute in the realization the UN Global Compact Initiatives.			
Signature		Position	

PRINCIPLE 1	BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS
Our Commitment or Policy	
CHIMES Enterprises in its existence in the business community had always supported respected & upheld the Universal Declaration of Human Rights.	

A brief description of our Processes or Systems

CHIMES complies with Wage Board Orders. Employees receives minimum wage as required by the Department of Labor and Employment (DOLE)

Employees are given sick and vacation leaves.

Gain –sharing mechanism program at the firm level is being implemented by CHIMES to all regular employees.

Incentives are given to employees such as grocery allowance for perfect attendance.

Employees are covered with health insurance, ensured with retirement /pensions systems and are given the privilege to enjoy benefits of housing mutual funds.

Employees Manual which contains employees' rights and privileges and a clear description and definition of duties and responsibilities are updated to conform with present needs and situations.

To practice fairness all new employees are oriented and old employees are regularly re-oriented with policies of CHIMES.

CHIMES's employees also are given the benefit to grow in their own field or skill, as management offers/sponsors training/seminars. This privilege of development is not only extended to employees but also to their dependents who are deserving of scholarships because we believe that every human being has the right to education and knowledge.

Actions implemented in the last year / planned for next year

As of December 2008 we have complied with the new wage order increase as per Wage Order RB1-12, with the CEO as one of its authors.

Due to economic crisis sales quotas were not increased in order that all employees may qualify with the profit sharing scheme.

CHIMES pays its employer's share to Pag-ibig, a home development mutual fund, Philhealth (health insurance)

Annual accident insurance coverage were given to all employees

Included in the annual plan schedules of trainings, seminars and conferences to be attended by employees to keep them abreast of the changing times.

Measurable Results or Outcomes

All employees are now enjoying the new minimum wage since its required date of implementation

More than P500, 000.00 had been shared by the employees as part of the profit sharing scheme.

Twelve (12) monthly meetings had been conducted during the year to evaluate individual employees

performance, for information dissemination on the status of operation and re-orientation on the employees manual

All employees during the year enjoyed all the privileges offered by the government insurance system and housing mutual funds such as housing loans, salary loans and medical benefits

A total of 8 trainings and seminars were attended by selected employees

PRINCIPLE 2 | **BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES**

Our Commitment or Policy

CHIMES is a strong champion of respect to Human Rights. Human Rights Abuse is unacceptable to CHIMES and is ground for termination of any employee who commits the same.

A brief description of our Processes or Systems

Human Rights as highly regarded by the CHIMES, are instilled in the minds of every employee. Annual retreats are part of annual plans of CHIMES including attendance to conferences which involve orientation on Universal Human Rights.

Employees are encouraged to report cases of Human Rights Abuse in the workplace or in their respective communities.

Actions implemented in the last year / planned for next year

CHIMES together with its employees is an active endorser of the "be honest: advocacy.

Measurable Results or Outcomes

Active participation of CHIMES in all rallies to promote the "be honest advocacy". During the year it had joined motorcades and posted stickers promoting the same.

PRINCIPLE 3 | **BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING**

Our Commitment or Policy

CHIMES Enterprises is an SME thus, CBA is not applicable.

A brief description of our Processes or Systems

N/A

Actions implemented in the last year / planned for next year

N/A

Measurable Results or Outcomes

PRINCIPLE 4 | **BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR**

Our Commitment or Policy

CHIMES is a Labor Law compliant. We do not resort t to forced or compulsory labor. The company has non-discriminatory practices in recruitment, assignment, remuneration, training, promotion and retrenchment, if any.

A brief description of our Processes or Systems	
<p>The implementation of the Global compact's principles on human rights is not only confined by management in its workplace but also in its area of influence. We support our government's various programmes particularly that of the Department of Labor, which is the WORKERS APPRENTICESHIP PROGRAMME (WAP). WAP is a programme open only to all unemployed in and out of school youth, between the ages 18-25 years old, hiring of which should not exceed 3 months, with a compensation not to exceed 75% of the existing minimum wage as mandated by the Labor Laws and Standards.</p>	
Actions implemented in the last year / planned for next year	
<p>Inclusion in the annual budget to support the set sponsorship of training for in-school youth for free in order not to deprive these youth of trainings and experience.</p> <p>The company continued what it has started regarding economic outreach program for non-working mothers, for poverty alleviation purposes The Economic-Reach program of CHIMES is a micro-finance programme, financially assisting no-working mothers in the community who wish to start small businesses to augment their family's income. The programme evaluates trains and monitors the percipients in the conduct of their micro-businesses.</p>	
Measurable Results or Outcomes	
<p>During the year, CHIMES joined in the programme of the government to accept graduating students especially those in technical field to undergo on the job trainings with the company. It is in this way that we may be able to share the knowledge already imparted to our employees. It is our vision to alleviate the condition of employment and supply only technically equipped personnel. By training these students they could be ready to be hired by companies needing their expertise or by CHIMES itself.</p>	
PRINCIPLE 5	BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR
Our Commitment or Policy	
<p>CHIMES is a child-friendly firm, the company prohibits hiring of personnel 18 years old and below. For the year 2008 it had not hire personnel below 18 years.</p>	
A brief description of our Processes or Systems	
<p>Our HR Department requires all applicants to submit their birth certificate to make sure that applicants are of legal age.</p> <p>Applicants 18 years below are mandated to present a Parental Consent to Work letter.</p> <p>Competent applicants, eligible for employment are hired under the Workers Apprenticeship Program.</p>	
Actions implemented in the last year / planned for next year	
<p>Mr, Poserio attended an ILO training in Turin, Italy last February, 2009</p>	
Measurable Results or Outcomes	
<p>Dissemination of knowledge learned specially on the advocacy of ILO through press releases and cascading of said information to employees as well as co-members where Mr. Poserio is affiliated.</p>	
PRINCIPLE 6	BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Our Commitment or Policy

The company has non-discriminatory practices in recruitment, assignment, remuneration, training, promotion and retrenchment, if any.

CHIMES understand that every human being has a right to live a decent life, hence we are committed to give employment and we can only achieve this goal if we continuously grow as a business entity. We also believe on the principle of this dictum which states "Give man a fish and you feed him a day, teach a man how to fish and you feed him a lifetime."

A brief description of our Processes or Systems

Our support for the Global Compact's Labor Standards is manifested by our compliance with the required labor standards. Our employees receive the minimum wage required in our region.

Incentives are also given to as a means of rewarding their efforts in achieving targets/goals of management. Among these are gain-sharing and other management incentives.

Compliance with required polices and regulations by employees such as no late no absence policy is also given due rewards like free groceries and cash incentives.

Hospital assistance and benefits are also provided to employees. CHIMES also comply with Government required contributions such as the Social Security System, Philippine Health Insurance and Pag-lbig Fund.

Leave credits are also provided to the employees not only as a right but also as a privilege for them to have time for their families and themselves.

CHIMES is not only pro-actively promoting labor standards within its workplace but also outside of it, especially in its area of influence, such as the business community.

A regular communication with labor groups is one that assures of it's our compliance with the labor laws and standards.

Actions implemented in the last year / planned for next year

The economic outreach program for non-working mothers is still supported by CHIMES in coordination with organization with which it is affiliated.

We also sponsored training for in-school youth for free in order not to deprive these youth of trainings and experience. A total of 60 in-school youth had benefited from our free trainings.

Both of the aforementioned shall be a continuous concern of the company for the coming years.

CHIMES is wage law compliant. CHIMES is updated in abiding the wage orders, at present the latest RB-13 is its basis in its employees wages as mandated by the Department of Labor and Employment and the Regional Tripartite Wages and Productivity Board (RTWPB-I)

CHIMES has no late or overdue payment o both the SSS & PHILHEALTH r as regards monthly contribution of employees

PRINCIPLE 7	BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES
Our Commitment or Policy	
<p>CHIMES concern is not only confined within its business environment but also extends to the planet's natural environment.</p> <p>Chimes is committed and continuously support City Government Projects on Safety and Cleanliness.</p> <p>CHIMES initiative to promote greater environmental responsibility through tree planting and caring advocacy as a company policy had been a continuous concern. Employee being required to plant a tree on his or her natal day is still practiced. Mahogany trees were planted at CHIMES farm and raising of organic native chicken had been added as one of its projects.</p>	
Actions implemented in the last year / planned for next year	
<p>CHIMES initiative to promote greater environmental responsibility through tree planting and caring advocacy as a company policy had been a continuous concern. Employee being required to plant a tree on his or her natal day is still practiced. Mahogany trees were planted at CHIMES farm and raising of organic native chicken had been added as one of its projects.</p> <p>CHIMES together with ECOP Pangasinan Chapter under the presidency of Mr. Poserio included in its programmes and projects planting of trees by members in their place of business where feasible. During the year 100 mahogany trees were planted in one of the member's place of business.</p>	
A brief description of our Processes or Systems	
Measurable Results or Outcomes	
<p>Our employees are instructed to orient our customers in the disposal of their used powder inks and the recycling of cartridges of printer ribbons among other supplies.</p> <p>In our business area, we practice the 3 R's of, Reduce, Reuse and Recycle We reuse stationery and supplies, thus reducing the need of new ones. Our cartons, plastic bottles &/ or containers are recycled and reused. Clients and suppliers are also oriented of this practice, so they in turn may implement the same.</p>	
Actions implemented in the last year / planned for next year	
<p>CHIMES took the initiative to promote greater environmental responsibility through tree planting and caring advocacy as a company policy. Every employee is required to plant a dozen of tree during his/her natal day and he/she is responsible for taking care of the planted tree provided by the company until it turns to a full-grown tree</p>	
<p>A total of about 100 trees which were planted on the first year of this initiative and additional of 500 mahogany trees were planted at CHIMES farm to replace typhoon damaged planted trees.</p>	

PRINCIPLES 8	BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY
Our Commitment or Policy	
<p>The company has taken initiative to encourage greater ecological accountability not only within its premises and employees but also to its patrons, partners in service and colleagues</p>	
A brief description of our Processes or Systems	
<p>Still part and continuously exist are the implementing guidelines in the practice of the 5 S; Sort, Systematize, Sweep, Sanitize and Self-Discipline. This is not only to maintain cleanliness but also to improve productivity of all personnel. Posters and charts of the 5 S are located in visible areas of the workplace to constantly remind personnel of the 5s, suppliers and clients were given posters of the 5s also.</p> <p>We also practice the classification and tagging of garbage from bio-degradable and degradable.</p>	
Actions implemented in the last year / planned for next year	
<p>CHIMES will continuously practice and increase public awareness and importance of the 5 S and the segregation of garbage</p>	
Measurable Results or Outcomes	
<p>Employees are more productive because work area is organized, systematic and clean.</p> <p>Offices and buildings are less prone to pests and insects as garbage is well segregated</p>	
PRINCIPLE 9	BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES
Our Commitment or Policy	
<p>Committing to reducing the environmental impacts linked to our business.</p> <p>Within the framework of its sustainability approach, the CHIMES group is committed to environmental respect and particularly to:</p> <ul style="list-style-type: none"> Reduction of impact on greenhouse effect Protection of natural resources Waste reduction and management Preservation of water quality and availability Preservation of biodiversity <p>These commitments are translated into guiding principles which conduct the Company's environmental policy implemented in all our branches.</p> <ul style="list-style-type: none"> To strengthen environmental considerations in logistics To reduce environmental impacts related to construction and operation of stores, including impact related to our printed materials and other paraphernalia. 	
Description of our Processes or Systems	

CHIMES' concern is not only confined within its business environment but also extends to the planet's natural environment.

Chimes is committed and continuously support City Government Projects on Safety and Cleanliness

Our employees are instructed to orient our customers in the disposal of their used powder inks and the recycling of cartridges of printer ribbons among other supplies.

In our business area, we practice the 3 R's of, Reduce, Reuse and Recycle We reuse stationery and supplies, thus reducing the need of new ones. Our cartons, plastic bottles &/ or containers are recycled and reused. Clients and suppliers are also oriented of this practice, so they in turn may implement the same.

Actions implemented in the last year / planned for next year

CHIMES continued the set practice of the 3 R's and expenses on supplies had tremendously decreased. It can also be observed from employees that they have already embodied in their system the said practice. This will always be a continuous plan for CHIMES

Measurable Results or Outcomes

Typhoons confronting our country did not stop us in hoping that these trees can survive, hence tree planting had been a continuous effort of CHIMES. Trees planted and were destroyed by typhoons were immediately replaced. A total of 500 mahogany trees were planted at CHIMES farms and 100 trees to some members of ECOP.

Our stores and offices are well ventilated and has enough sunlight to be able to reduce the use of electronic consumption and promote energy saving programs.

PRINCIPLE 10

Our Commitment or Policy

BE HONEST

**Even if others are not
Even if others will not.
Even if others cannot**

A brief description of our Processes or Systems

CHIMES have joined the Christian community in promoting public awareness on honesty, which we believe will help in curtailing graft and corruption. We support the advocacy and social responsibility on "BE HONEST" campaign of the Brotherhood of Businessmen and Professionals, whose local chapter is headed by the CHIMES CEO. The Campaign and slogan was launched through a motorcade and by posting posters in the conspicuous public as a means of intensive public information;

Actions implemented in the last year/planned for next year

CHIMES continuously supports the “BE HONEST” campaign. Printed stickers and banners had been distributed to all branches of CHIMES and had it posted in all areas of our business entity visible to all clients and constituents and distributed them to other businesses establishments.

Measurable Results or Outcomes

More clients are inquiring about the “BE HONEST “campaign and they too want to participate by disseminating the said slogan.

How do you intend to make this COP available to your stakeholders?

CHIMES will print leaflets and or copies of the COP for distribution to its stakeholders and to people within its spur of influence. CHIMES also planned to include as a strategy to be able distribute the COP to give copies to all government offices.