

NORTHERN FOODS CORPORATION (NFC)

Component					Baseline		Target		
	Objective/Measure		Formula	Wt.	Rating System ^{a/}	2017	2018	2019	2020
SOCIAL IMPACT / CUSTOMERS / STAKEHOLDER	SO 1	Increased Market Share							
	SM 1	Percent share of NFC sales to total tomato paste domestic supply	Total NFC sales for the year divided by the total of NFC sales and non-NFC imports (28/30%) for the same year	15%	Actual over Target	37% (3,254 tons / 8,774 tons)	21.53% (3,342 tons / 15,518 tons)	40% (4,030 tons / 9,992 tons)	44.77% (4,018 tons / 8,975 tons)
	SO 2	Increased Participation for Farmers							
	SM 2	Net Income per hectare	Total income of farmers / Total hectarage planted with tomatoes	10%	Actual over Target	₱40,135	₱23,866	-	₱41,859
	SO 3	Improved Stakeholders' Satisfaction							
		Percentage of Satisfied			Actual over target				
	SM 3	a. Customers	Number of respondents which gave at least a Satisfactory rating / Total number of respondents	7.5%	(If less than 80%=0)	NA	100%	90%	90%
		b. Farmers		7.5%	Actual over target (If less than 80%=0)	NA	89.98%	90%	90%
Subtotal				40%					
FINANCE	SO 4	Improved Profitability							
	SM 4	EBITDA margin	Amount of EBITDA based on the Profit and Loss Statement	10%	Actual over Target	₱5.161M	₱2.260M	₱2.576M	₱3.544M
	Sub-total				10%				

INTERNAL PROCESS	SO 5	Improve Plant Efficiency							
	SM 5	Conversion rate (fruits-to-paste)	Net Fruit Processed divided by Net Paste Produced	10%	Actual over Target	6.79 (25,085 / 3,696)	6.86 (19,983 / 2,912)	6.74 (28,980 / 4,299.7)	6.5 (25,350 / 3,900)
	SM 6	Plant downtime	Plant Downtime Hours (affecting plant rate) divided by Total Plant Operating hours	10%	Actual over Target	3.86% (49.8 / 1,291)	2.3% (23 / 1,021)	3.4% (51.27/ 1,508)	2.17% (27.9 / 1,286)
	SM 7	Product preservation: a. Reprocessing	Percentage of tomato paste stocks within current processing season and/or past year crop that undergo reprocessing	7.5%	Actual over Target	0.32% (13.30 tons)	0.38% (14.7 tons)	0.48% (21.67 tons)	0.458% (24.8 tons)
		b. Spoilage	Percentage of tomato paste spoilage from beginning inventory and current production	7.5%	Actual over Target	0.20% (8.47 tons)	0.27% (10.43 tons)	0.15% (6.75 tons)	0.135% (7.33 tons)
	Sub-total			35%					
LEARNING AND GROWTH	SO 6	Enhance Competence and Professionalism in the Workforce							
	SM 8	Percentage of Personnel with Required Competencies met	Milestone	2.5%	Actual over Target	-	Established Baseline (34%)	Improvement from the 2018 score	5% improvement from the 2019 score
	SO 7	Maintain Food Safety and Quality Management Certifications							
	SM 9	Certifications: a. ISO 9001 (Quality Mgt. System)	Milestone	5%	All or Nothing	Passed Surveillance Audit	ISO 9001:2015 Certified	Passed Surveillance Audit	Passed Surveillance Audit

LEARNING AND GROWTH	SM 9	b. ISO 22000 (Food Safety Mgt. System) <i>[Strategic Initiative Profile]</i>	Milestone	5%	All or Nothing	Passed Surveillance Audit	Passed Surveillance Audit	Passed Surveillance Audit	Passed Surveillance Audit
		c. Halal (Product)	Milestone	2.5%	All or Nothing	Halal Certified	Passed IDCP yearly audit	Passed IDCP yearly audit	Halal Certified
	Subtotal			15%					
	TOTAL			100%					

a/ But not to exceed the weight assigned per indicator.