

DUTY FREE PHILIPPINES CORPORATION (DFPC)

		Component				Baseline Data		Target	
		Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	2018
SOCIAL IMPACT	SO 1	<b>Showcase Premium Local Products to International Travelers</b>							
	SM 1	Increase the Sales of Local Products	Sales from Local Products / Total Sales	5%	(Actual / Target) x Weight	N/A	N/A	2%	3%
	SO 2	<b>Contribute to Tourism Programs and Projects</b>							
	SM 2	Increase Remittance to Fund Tourism Programs and Projects	Absolute Amount	10%	(Actual / Target) x Weight Less than 50% of Net Profit Remitted = 0%	₱170.68 Million	₱82.106 Million	N/A	₱95 Million
		<b>Sub-total</b>			<b>15%</b>				
FINANCE	SO 3	<b>Achieve Continuous Growth and Sustainability</b>							
	SM 3	Increase Total Revenues	Absolute Amount	10%	\$260 Million and Above = 10% \$241 Million to \$259 Million = 7% \$221 Million to \$240 Million = 5% \$220 Million and Below = 0%	\$226 Million	\$218.23 Million	\$230 Million	\$260 Million
	SM 4	Improve EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)	Absolute Amount	10%	₱205 Million and Above = 10% ₱188 Million to ₱ 205 Million = 7% ₱171 Million to ₱ 187 Million = 5% ₱170 Million and Below = 0%	₱200.33 Million	₱165.15 Million	₱220 Million	₱205 Million

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SM 5	Improve Budget Utilization Rate	Total Obligations (Net of PS) / Total DBM Approved Corporate Operating Budget (Net of PS)	5%	All or Nothing	N/A	85%	Not Less Than 90% But Not More Than 110%	Not Less Than 90% But Not More Than 100%
	<b>Sub-total</b>		<b>25%</b>					
<b>SO 4</b>	<b>Enhance the DFPC Brand as a Standard for Quality and Sustainable Shopping Experience</b>							
SM 6	Improve Top of Mind Awareness Rating	Market Survey Result	5%	All or Nothing	N/A	N/A	Establish Baseline	Establish Baseline
SM 7	Percentage of Satisfied Customers on <sup>1</sup> :							
	Increase Overall Satisfaction	Total Number of Respondents who gave a Rating of at least Satisfactory / Total Number of Respondents	7.5%	(Actual / Target) x Weight If Less Than 90% = 0%	96% (Top 2 Box)	96% (Top 2 Box)	60% (Top Box)	93.50% (Top 2 Box)
	Increase Availability of Promo Items	Total Number of Respondents who gave a Rating of at least Satisfactory for Availability of Promo Items / Total Number of Respondents	2.5%	(Actual / Target) x Weight If Less Than 90% = 0%	88% (Top 2 Box)	88% (Top 2 Box)	52% (Top Box)	93.50% (Top 2 Box)
	Ensure Value for Money of Products	Total Number of Respondents who gave a Rating of at least Satisfactory for Value for	2.5%	(Actual / Target) x Weight If Less Than 90% = 0%	89% (Top 2 Box)	83% (Top 2 Box)	50% (Top Box)	93.50% (Top 2 Box)

CUSTOMERS

<sup>1</sup> 2017 Baseline using Top 2 Box: Overall Satisfaction = 93%; Increase Availability of Promo Items = 93%; Value for Money of Products = 93%; and Competitive Prices = 91%

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		Component			Baseline Data		Target	
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	Money of Products / Total Number of Respondents							
Offer Competitive Prices	Total Number of Respondents who gave a Rating of at least Satisfactory for Competitive Pricing / Total Number of Respondents	2.5%	(Actual / Target) x Weight If Less Than 90% = 0%	89% (Top 2 Box)	83% (Top 2 Box)	47% (Top Box)	91.50% (Top 2 Box)	
<b>SO 5</b>	<b>Address Customer Needs and Expectations</b>							
SM 8	Increase Market Penetration Rate	Customer Count / Total International Travelers (Arrivals and Departures)	10%	(Actual / Target) x Weight If Less Than 8% = 0%	8%	8%	10%	10%
	<b>Sub-total</b>		<b>30%</b>					
<b>SO 6</b>	<b>Enhance Marketing Strategies</b>							
SM 9	Ensure Positive Return on Marketing Investment	(Previous Year's Gross Profit on Sales - Current Year's Gross Profit on Sales) / Marketing Investment	5%	(Actual / Target) x Weight If Less Than 65% = 0%	(7%)	24%	N/A	140%
SM 10	Increase Average Purchase per Customer	Absolute Amount	10%	(Actual / Target) x Weight If Less Than \$130 = 0%	\$133.02	\$125.94	\$140	\$140
SM 11	Improve Business Model	Actual Accomplishment	5%	All or Nothing	N/A	N/A	Submit to the Appropriate Body the Board Approval determining the Appropriate Privatization Mode based on the	Acceptance by Project Study Committee (PPP Center, DFPC, and DOT) of Feasibility

INTERNAL PROCESS

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		Component				Baseline Data		Target	
Objective/Measure		Formula	Weight	Rating System	2015	2016	2017	2018	
							Results of the Feasibility Study	Study and Market Sounding Report	
	<b>SO 7</b>	<b>Enhance Quality Management System</b>							
	SM 12	Attain ISO 9001:2015 Certification	Actual Accomplishment	5%	All or Nothing	ISO 9001:2008 Certification	ISO 9001:2008 Recertification	ISO 9001:2015 Certification	Pass Surveillance Audit for ISO 9001:2015
		<b>Sub-total</b>		<b>25%</b>					
<b>LEARNING &amp; GROWTH</b>	<b>SO 8</b>	<b>Build a Team of Highly Motivated, Competent and Productive Employees</b>							
	SM 13	Increase Human Capital Value Added	(Net Income + PS Cost) / Total Number of Employees	5%	All or Nothing	₱63,702.51	₱57,169.51	N/A	₱61,000
		<b>Sub-total</b>		<b>5%</b>					
		<b>TOTAL</b>		<b>100%</b>					