

**NORTHERN FOODS CORPORATION (NFC)**  
**2017 Performance Scorecard**

SOCIO-ECONOMIC IMPACT	Component			Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.	2017	Actual	Rating	Score	Rating			
	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 imports (28/30% grade) + 30/32 % and 36-38% grade) for the same year	15%	13.35%	15.3% <u>3,257</u> 21,283	15%	14.91% <u>3,254.76</u> 21,833.05	15%	<ul style="list-style-type: none"><li>• Market Share Calendar Year 2017</li><li>• Industry Commodity Experts (ICEs) Report Forms issued by Philippine Chamber of Commerce and Industry (PCCI)</li><li>• Sales Invoice and Delivery Receipts</li></ul> NFC supplies tomatoes only under the 28-30% category.	
	SO 2	Increase Participation of Farmers									
	SM 2	No. of hectares devoted to tomatoes by participating farmers	Absolute number	10%	813 ha	684 ha	8.41%	677.38 ha	8.33%	<ul style="list-style-type: none"><li>• Crop 2017 Farmers' Master List</li><li>• Accomplishment Report from Project Management Officers</li></ul>	
	SO 3	Improve Stakeholders' Satisfaction									
	SM 3	Satisfaction rating:									
		a. Customers	Average rating of respondents	5%	90%	90.6% 4.53% (VS)	5%	90.6%	5%	<ul style="list-style-type: none"><li>• Memorandum of Agreement with MMSU-CBEA</li><li>• Result of Survey</li></ul>	Survey was conducted by the Mariano Marcos State University (MMSU) on a total of 27 customer firms and 603 tomato farmers, mostly based in Metro Manila & CALABARZON.
		b. Farmers	Average rating of respondents	5%	90%	90.2% 4.51% (VS)	5%	90.2%	5%		
Sub-total			35%			33.41%		33.33%			



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FINANCE	SO 4	Improve Profitability																													
	SM 4	EBITDA margin	Amount of EBITDA based on the Profit and Loss Statement	20%	₱3.154M	₱5.354M	20.0%	₱5.161M	20%	<div><div>• Profit and loss statement (annualized using calendar year from fiscal year)</div><div>• EBITDA schedule</div></div> <table><tr><td></td><td>2017</td><td>2016</td></tr><tr><td>Net Sales</td><td>169,779</td><td>176,186</td></tr><tr><td>Cost of Sales</td><td>135,812</td><td>141,312</td></tr><tr><td>Gross Profit</td><td>33,967</td><td>34,874</td></tr><tr><td>Ope Exp*</td><td>(22,383)</td><td>(23,610)</td></tr><tr><td>Selling Exp*</td><td>(6,423)</td><td>(4,741)</td></tr><tr><td>EBITDA</td><td>5,161</td><td>6,523</td></tr></table> <div>*exclusive of interest, taxes, depreciation, and amortization</div>		2017	2016	Net Sales	169,779	176,186	Cost of Sales	135,812	141,312	Gross Profit	33,967	34,874	Ope Exp*	(22,383)	(23,610)	Selling Exp*	(6,423)	(4,741)	EBITDA	5,161	6,523
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INTERNAL PROCESS	SO 5	Improve Plant Efficiency																													
	SM 5	Conversion rate (fruits-to-paste)	Net fruit processed divided by net paste produced	10%	6.80	6.79 <div>25,085 mton 3,696 mton</div>	10%	6.79 <div>25,085 3,696</div>	10%	<div><div>• Production Operations Report 2017</div><div>• Daily Production Report</div></div>																					
	SM 6	Plant downtime	Plant downtime hours (affecting plant rate) divided by total plant operating hours	10%	4.21%	3.86%	10%	3.86%	10%	<div><div>• Plant Processing Rate Matrix</div><div>• CY 2017 Production Downtime Report</div><div>• CY 2017 Equipment Downtime Summary</div><div>• Equipment Monitoring Log</div></div> <div>Total Plant Operating hours is the sum of processing hours and plant downtime</div> <div>• Downtime – 49.8 hours</div> <div>Total Plant Processing Hours – 1,291 hours</div>																					
	SM 7	Product preservation:  Reprocessing	Tomato paste stocks, within current processing season or past year crop, that undergo reprocessing over total production	7.5%	0.32%	0.32% <div>13.30 mton 4,158 mton</div>	7.5%	0.32% <div>13.30 mton 4,158 mton</div>	7.5%	<div><div>• Production Operations Daily Report</div><div>• Permits to Reprocess</div></div>																					



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INTERNAL PROCESS	SM 7	Spoilage	Tomato paste stocks unfit for consumption, including customer returns over total production	7.5%	0.18%	7.5%	0.20%	6.67%	•Product Preservation: Spoilage 2017 •Crop 2017 for Disposal Packs	
	Sub-total		35%			35%		34.17%		
LEARNING AND GROWTH	SO 6	Enhance Competence and Professionalism in the Work Force								
	SM 8	Percentage of personnel with required competencies met	Milestone	2.5%	Establish baseline	Established baseline	2.5%	0	0%	•Qualification Standards and Specifications per Position NFC profiled employees using the job descriptions, and not the identified required competencies.
	SO 7	Maintain Food Safety and Quality Management System Certifications								
	SM 9	Certifications:								
		ISO 9001 (Quality Mgt. System)	Milestone	2.5%	Passed Surveillance Audit	Passed Surveillance Audit	2.5%	Passed Surveillance Audit	2.5%	•Certification by Certification International
		ISO 22000 (Food Safety Mgt. System)	Milestone	2.5%	Passed Surveillance Audit	Passed Surveillance Audit	2.5%	Passed Surveillance Audit	2.5%	•Certificate
		Halal (Product)	Milestone	2.5%	Passed IDCP yearly Audit	Halal Certified	2.5%	Halal Certified	2.5%	•Certification by IDCP
	Sub-total		10%			10%		7.5%		
	TOTAL		100%			98.41%		95.00%		