

NORTHERN FOODS CORPORATION (NFC)
Validated 2020 Performance Scorecard

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks									
	Objective/Measure		Formula	Wt.	2020	Actual	Rating	Score			Rating								
SOCIAL IMPACT / CUSTOMERS / STAKEHOLDERS	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%	44.77% (4,018 tons / 8,975 tons)	72.78% (2,807.07 tons / 3,858 tons)	15%	72.78% (2,808 tons / 3,858 tons)	15%	• Market Share Schedule CY 2020 The actual sales and imports are both significantly lower than the projected sales and imports for the year due to restrictions brought about by the COVID-19 pandemic.									
	SO 2	Increased Participation for Farmers																	
	SM 2	Net Income per Hectare	Total income of farmers / Total hectareage planted with tomatoes	10%	₱41,859	₱41,859	10%	₱57,382.74	10%	• Historical Farmers' Net Income per Hectare Schedule The net income per hectare (in million ₱) is computed as follows: <table><tr><td>Gross Income</td><td>83.373</td></tr><tr><td>Less: Production and Labor Cost</td><td>50.722</td></tr><tr><td>Net Income</td><td>32.651</td></tr><tr><td>Divided by: Area devoted to Tomato Farming</td><td>569</td></tr><tr><td>Net Income per Hectare</td><td>0.057</td></tr></table>	Gross Income	83.373	Less: Production and Labor Cost	50.722	Net Income	32.651	Divided by: Area devoted to Tomato Farming	569	Net Income per Hectare
Gross Income	83.373																		
Less: Production and Labor Cost	50.722																		
Net Income	32.651																		
Divided by: Area devoted to Tomato Farming	569																		
Net Income per Hectare	0.057																		

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks		
	Objective/Measure	Formula	Wt.	2020	Actual	Rating	Score	Rating				
SOCIAL IMPACT / CUSTOMERS / STAKEHOLDERS	SO 3	Improved Stakeholders' Satisfaction										
	SM 3	Percentage of Satisfied										
		a. Customers	Number of respondents which gave <i>at least</i> a Satisfactory rating / Total number of respondents	7.5%	90%	Customer Satisfaction Survey was not conducted due to strict travel restrictions in CALABARZON areas and Ilocos provinces	0%	-	0%	• <i>None.</i>	The Customer Satisfaction Survey of NFC for 2020 was not conducted due to travel restrictions and lockdowns brought about by the pandemic.	
		b. Farmers		7.5%	90%			-	0%			
	Sub-total			40%			25%		25%			
FINANCE	SO 4	Improved Profitability										
	SM 4	EBITDA Margin	Amount of EBITDA based on the Profit and Loss Statement	10%	₱3.544M	₱(16.405) M	0%	₱(16.404) M	0%	• CY 2020 EBITDA Schedule	The CY 2020 EBITDA (in million ₱) is computed as follows:	
											Net Sales	148.155
											Cost of Sales	(138.866)
Subtotal			10%			0%		0%			Gross Profit	9.289
											Operating Expenses	(18.613)
											Selling Expenses	(7.080)
											EBITDA	(16.404)

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks																					
	Objective/Measure		Formula	Wt.	2020	Actual	Rating	Score			Rating																				
INTERNAL PROCESS	SO 5	Improve Plant Efficiency																													
	SM 5	Conversion Rate (fruits-to-paste)	Net Fruit Processed divided by Net Paste Produced	10%	6.5 (25,350 / 3,900)	7.06 (18,888 / 2,674)	9.14%	7.06 (18,888 / 2,674)	9.14%	<ul style="list-style-type: none">2020 Fruit-to-Paste Conversion Schedule <table><tr><td>Month</td><td>Net Fruit Processed</td><td>Total Paste Produced</td></tr><tr><td>Jan</td><td>-</td><td>-</td></tr><tr><td>Feb</td><td>3,509</td><td>490</td></tr><tr><td>Mar</td><td>7,851</td><td>1,123</td></tr><tr><td>Apr</td><td>7,528</td><td>1,061</td></tr><tr><td>May</td><td>-</td><td>-</td></tr><tr><td>Total</td><td>18,888</td><td>2,674</td></tr></table>	Month	Net Fruit Processed	Total Paste Produced	Jan	-	-	Feb	3,509	490	Mar	7,851	1,123	Apr	7,528	1,061	May	-	-	Total	18,888	2,674
	Month	Net Fruit Processed	Total Paste Produced																												
	Jan	-	-																												
	Feb	3,509	490																												
	Mar	7,851	1,123																												
	Apr	7,528	1,061																												
	May	-	-																												
	Total	18,888	2,674																												
	SM 6	Plant Downtime	Plant Downtime Hours (affecting plant rate) divided by Total Plant Operating hours	10%	2.17% (27.9 / 1,286)	2.13% (18.58 hours)	10%	2.13% (18.59 / 871)	10%	<ul style="list-style-type: none">2020 Plant Downtime Report <table><tr><td>Month</td><td>Plant Downtime</td><td>Operating Hours</td></tr><tr><td>Jan</td><td>-</td><td>-</td></tr><tr><td>Feb</td><td>4.23</td><td>167</td></tr><tr><td>Mar</td><td>3.88</td><td>341</td></tr><tr><td>Apr</td><td>10.48</td><td>363</td></tr><tr><td>May</td><td>-</td><td>-</td></tr><tr><td>Total</td><td>18.59</td><td>871</td></tr></table>	Month	Plant Downtime	Operating Hours	Jan	-	-	Feb	4.23	167	Mar	3.88	341	Apr	10.48	363	May	-	-	Total	18.59	871
Month	Plant Downtime	Operating Hours																													
Jan	-	-																													
Feb	4.23	167																													
Mar	3.88	341																													
Apr	10.48	363																													
May	-	-																													
Total	18.59	871																													

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks																														
	Objective/Measure	Formula	Wt.	2020	Actual	Rating	Score	Rating																																
INTERNAL PROCESS	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%	0.458% (24.8 tons)	0.56% (23.50 tons)	7.5%	0.56% (23.50 / 4,190)	5.82%	<ul style="list-style-type: none">Production Preservation: Reprocessing Schedule <table><thead><tr><th>Month</th><th>Reprocessed</th></tr></thead><tbody><tr><td>Jan</td><td>-</td></tr><tr><td>Feb</td><td>6.41</td></tr><tr><td>Mar</td><td>5.18</td></tr><tr><td>Apr</td><td>11.91</td></tr><tr><td>May</td><td>-</td></tr><tr><td>Total</td><td>23.50</td></tr></tbody></table> <p>Of the 4,190 tons in total stocks, 1,516 tons are from the prior year's crop while the remaining 2,674 tons are from the current year.</p>	Month	Reprocessed	Jan	-	Feb	6.41	Mar	5.18	Apr	11.91	May	-	Total	23.50																
		Month	Reprocessed																																					
	Jan	-																																						
Feb	6.41																																							
Mar	5.18																																							
Apr	11.91																																							
May	-																																							
Total	23.50																																							
b. Spoilage	Percentage of tomato paste spoilage from beginning inventory and current production	7.5%	0.135% (7.33 tons)	0.263% (11.01 tons)	0.43%	0.263% (11.02 / 4,190)	0.39%	<ul style="list-style-type: none">Product Preservation – Spoilage Schedule <table><thead><tr><th>Month</th><th>Spoilage</th><th>Month</th><th>Spoilage</th></tr></thead><tbody><tr><td>Jan</td><td>-</td><td>Jul</td><td>0.67</td></tr><tr><td>Feb</td><td>-</td><td>Aug</td><td>0.68</td></tr><tr><td>Mar</td><td>-</td><td>Sep</td><td>0.45</td></tr><tr><td>Apr</td><td>0.45</td><td>Oct</td><td>0.67</td></tr><tr><td>May</td><td>0.91</td><td>Nov</td><td>1.80</td></tr><tr><td>Jun</td><td>0.45</td><td>Dec</td><td>4.94</td></tr><tr><td>Total</td><td colspan="3">11.02</td></tr></tbody></table>	Month	Spoilage	Month	Spoilage	Jan	-	Jul	0.67	Feb	-	Aug	0.68	Mar	-	Sep	0.45	Apr	0.45	Oct	0.67	May	0.91	Nov	1.80	Jun	0.45	Dec	4.94	Total	11.02		
Month	Spoilage	Month	Spoilage																																					
Jan	-	Jul	0.67																																					
Feb	-	Aug	0.68																																					
Mar	-	Sep	0.45																																					
Apr	0.45	Oct	0.67																																					
May	0.91	Nov	1.80																																					
Jun	0.45	Dec	4.94																																					
Total	11.02																																							
	Subtotal		35%			27.07%		25.35%																																

Component				Target	GOCC Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.	2020	Actual	Rating	Score	Rating			
LEARNING AND GROWTH	SO 6	Enhance Competence and Professionalism in the Workforce									
	SM 8	Percentage of Personnel with Required Competencies Met	Milestone	2.5%	5% improvement from the 2019 score	200% (20 employees were assessed with closed competency gaps)	2.5%	16.03% Improvement from the 2019 score	2.5%	<ul style="list-style-type: none">Competency Assessment Result CY 2020 75% (60/80) of personnel met the required competencies of their respective positions which is a 27.63% increase from the 2019 validated score of 47.37% and 16.03% higher than the 2019 rebased score of 58.97%.	
	SO 7	Maintain Food Safety and Quality Management Certifications									
	SM 9	Certifications:									
		a. ISO 9001 (Quality Mgt. System)	Milestone	5%	Passed Surveillance Audit	Passed Surveillance Audit	5%	Passed Surveillance Audit	5%	<ul style="list-style-type: none">Letter from Certification International Phil., Inc. (CIPi) dated 17 Aug 2020	ISO 9001:2015 Certificate for the scope of activities in the “Manufacture of Tomato Paste.”
		b. ISO 22000 (Food Safety Mgt. System) [Strategic Initiative Profile]	Milestone	5%	Passed Surveillance Audit	Passed Surveillance Audit	5%	Passed Surveillance Audit	5%	<ul style="list-style-type: none">Letter from CIPi dated 03 Sep 2020	CIPi noted that findings that remained open during the audit shall be reassessed during the next audit season.
		c. Halal (Product)	Milestone	2.5%	Halal Certified	-	2.5%	Halal Certified	2.5%	<ul style="list-style-type: none">Certification by IDCP	Halal Product Certificate is effective until 15 March 2021.
	Sub-total			15%			15%		15.00%		
TOTAL			100%			67.07%		65.35%			