

NORTHERN FOODS CORPORATION (NFC)
Interim Performance Scorecard

Indicator	Weight	Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks
	2014	2014	Actual	Rating	Score	Rating		
SO 1 – Increased Market Share								
SM 1: Percent share of NFC sales to total tomato paste domestic supply (in metric tons)	10%	35% (3,691 tons/ 10,506 tons)	35% (4,269/ 12,211.79)	10%	34.96% (4,268.72/ 12,211.79)	9.99%	<ul style="list-style-type: none"> • Details of 2014 sales • Extracted Sales Receipt Prooflist (monthly) • Summary of imports (28-30 brix) • Sample sales invoice • Sample PCCI invoice 	Data for imports (28-30 brix) were obtained from the Philippine Chamber of Commerce and Industry (PCCI).
SO 2 - Increased Participation of Farmers								
SM 2 No. of hectares devoted to tomatoes by participating farmers	10%	730 ha (1,825 farmers)	704 ha (1,737)	9.6%	704.15 ha (1714)	9.65%	<ul style="list-style-type: none"> • On site: Transplanting master list, Supply and Market Agreement, Master list of the farmers • Sampling: Accomplishment Report 	1,714 farmers entered into an agreement denominated as the "Supply and Marketing Agreement" with NFC whereby the former shall commit a designated area where tomatoes will be planted. The area planted with tomatoes shall be called as the "Transplanted Area." Each farm has an appointed "Project Management Officer" who shall be responsible for collating and monitoring the transplanted areas.

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SO 3 – Increased Income Generating Projects for Ancillary Industries																																			
SM 3 Payments made to families in ancillary industries	10%	₱ 9.676 M (367 families and contract laborers)	₱ 11.220M (369 families and contract laborers)	10%	₱ 11.220 M (369 families and contract laborers)	10.00%	<ul style="list-style-type: none"> Summary list of the Income Generating Projects for Ancillary Industries On site: Vouchers, Acknowledgment receipt 	<table border="1"> <thead> <tr> <th>Ancillary Industry</th> <th>Pax</th> <th>Income (Php)</th> </tr> </thead> <tbody> <tr> <td>Basket Weaving</td> <td>96</td> <td>1,041,112</td> </tr> <tr> <td>Hauling</td> <td>67</td> <td>6,801,848</td> </tr> <tr> <td>Seed Farm</td> <td>150</td> <td>2,535,480</td> </tr> <tr> <td>Research & Development</td> <td>36</td> <td>293,499</td> </tr> <tr> <td>Drum Refurbishing</td> <td>12</td> <td>411,127</td> </tr> <tr> <td>Truck Helpers</td> <td>2</td> <td>97,654</td> </tr> <tr> <td>Plant Pakyaw Labor</td> <td>6</td> <td>39,722</td> </tr> <tr> <td>Total:</td> <td>369</td> <td>11,220,442</td> </tr> </tbody> </table>	Ancillary Industry	Pax	Income (Php)	Basket Weaving	96	1,041,112	Hauling	67	6,801,848	Seed Farm	150	2,535,480	Research & Development	36	293,499	Drum Refurbishing	12	411,127	Truck Helpers	2	97,654	Plant Pakyaw Labor	6	39,722	Total:	369	11,220,442
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SO 4 – Provide Opportunities to Fresh Graduates to Gain Experience in Manufacturing																																			
SM 4 No. of jobs generated (excluding farmers)	0%	N/A	Fresh graduates= 33 OJT= 8	0%	0	0%	<ul style="list-style-type: none"> List of the Actual count of fresh graduates as On-Job-Trainees 	<p>The measure was formulated in order to provide opportunities to graduates to experience manufacturing in NFC. However, the measure was marked as "N/A" due inability to quantify the measure. NFC does not have the control as to the choices of the fresh graduates to choose to work or experience manufacturing.</p> <p>Some of the jobs made available to fresh graduates are as follows:</p> <ul style="list-style-type: none"> - Labor crew - Farm Technical aid - Production checker 																											

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								- Logistics assistant - Scale house data engineer - Fruit quality checker												
Sub-total:	30%			29.60%		29.64%														
SO 5 – Improve Stakeholder's Satisfaction																				
SM 5 Satisfaction Rating: a. Customers b. Farmers	0% 0%	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A		Applicable for the CY 2015 Scorecard												
SM 6 Credit Facilitation to farmers	10%	38% (P10.37 M of P27.03 M)	39% (P9.46M of P23.82M)	10%	39.70% (P9.46M of P23.83 M)	10.00%	<ul style="list-style-type: none"> Summary of Credit Facilitation for FY 2014 On site: Statement of accounts provided by lending institutions 	<p>NFC facilitates cash advances to farmers from rural banks and cooperatives to assist them in the farm production.</p> <p>Total credit facilitated totaled P9.4 M was generated from consolidation of reports from lending institutions as follows:</p> <table border="1"> <thead> <tr> <th>Lending Institution</th> <th>Credit (P)</th> </tr> </thead> <tbody> <tr> <td>Cooperative Bank of Ilocos Norter</td> <td>4,473,400.00</td> </tr> <tr> <td>NFC Employee Multipurpose Cooperative</td> <td>872,107.25</td> </tr> <tr> <td>San Joaquin Multipurpose Cooperative</td> <td>3,729,264.00</td> </tr> <tr> <td>S'namnama</td> <td>385,769.76</td> </tr> <tr> <td>Total:</td> <td>9,460,541.01</td> </tr> </tbody> </table>	Lending Institution	Credit (P)	Cooperative Bank of Ilocos Norter	4,473,400.00	NFC Employee Multipurpose Cooperative	872,107.25	San Joaquin Multipurpose Cooperative	3,729,264.00	S'namnama	385,769.76	Total:	9,460,541.01
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SO 6 – Improve Profitability								
SM 7 EBITDA Margin	10%	₱2.373 M	₱8.784 M	10%	₱8.784 M	10.00%	<ul style="list-style-type: none"> Income Statement Schedule of Expenses 	
SM 8 Reconciliation of outstanding loan with creditors	0%	N/A	N/A	N/A	N/A	N/A	N/A	Applicable for the CY 2015 Scorecard
Sub-total:	10%			10%		10.00%		
SO 7 – Improve Plant Efficiency								
SM 9 Conversion rate (fruits-to-paste)	7.5%	6.41 tons (22,435 / 3,500)	6.94	6.9%	6.94 (25,373 / 3,658)	7.50%	<ul style="list-style-type: none"> CY 2014 Production Data Production Operations Daily Report 	In computing the conversion rate, <i>plant rejects</i> are excluded from the fresh fruits received and returned to the supplier. The plant rejects are fruits which are not within the standards of NFC in terms of color, %NTSS, viscosity, aerobic plate count, yeast and mold count, and <i>E-coli</i> .
SM 10 Plant downtime	7.5%	4.8% (64.6 hours)	9.5% (92 hours)	4.3%	7.49% (92.2 hours)	4.30%	<ul style="list-style-type: none"> Plant Downtime Analysis Plant Rate Equivalent Table Operators' logbook Aseptic Operations Logsheet Plant Downtime Affecting Plant Rate 	The primary reasons for the downtime are Aseptic slowdown due to high viscous product (37.2hrs), low evaporation rate (16.3hrs), and aseptic system product line leak (13.5 hours). The downtime hours of 92.2 was divided by the total operating hours of 1,231.
SM 11 Product preservation: a. Reprocessing b. Spoilage	7.5% 7.5%	79 tons 7.10 tons	74 tons 5.4 tons	7.5% 7.5%	55.40 tons 6.76 tons	7.50% 7.50%	<ul style="list-style-type: none"> Spoiled Tomato Paste Summary Spoiled Packs Evaluation 	The submission of 7.4 tons includes the stocks tagged as For-reprocessing (FR). FR stocks are yet to be reprocessed and

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								those that are not reprocessed are considered as spoiled. Therefore, only the stocks actually reprocessed should be included. It was noticed that the submission of NFC only counted the spoiled stocks that were manufactured for the year 2014 and excluded 2012 and 2013. The expiration of tomato pastes is normally 2 years so stocks from 2012 so they should be included.
SO 8 – Effect Timely Payment to Farmers for Their Fruit Deliveries								
SM 12 Days gap from collection to payment of farmers	0%	N/A	N/A	N/A	N/A	N/A	N/A	Applicable for the CY 2015 Scorecard
SO 9 – Develop an Alternative Strategic Business Model								
SM 13 Privatization/Dispositive Actions on NFC	0%	N/A	N/A	N/A	N/A	N/A	N/A	Applicable for the CY 2015 Scorecard
Sub-total:	30%			26.2%		26.80%		
SO 10 – Enhance Competence and Professionalism in Work								
SM 14 Competency Framework	0%	N/A	N/A	N/A	N/A	N/A	N/A	Applicable for the CY 2015 Scorecard
SO 11 – Establish Food Safety System, Maintain Quality Management System and Product Certifications								
SM 15 Certifications: a. ISO 9001 (Quality Mgt. System)	10%	Passed Surveillance Audit	Passed Surveillance Audit	10%	Passed Surveillance Audit	10.00%	• Certificate of Registration	ISO Certification is valid until 20 May 2016. Third surveillance audit was conducted on 30 October 2014.

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b. ISO 22000 (Food Safety Mgt. System)	0%	N/A	N/A	N/A	N/A	N/A	<ul style="list-style-type: none"> Letter of Continued Certification dated 4 Dec 14 	Applicable for the CY 2015 Scorecard
c. Halal (Product)	10%	Halal Certified	Halal Certified	10%	Halal Certified	10.00%	<ul style="list-style-type: none"> HALAL Product Certificate 	HALAL Certificate dated 28 Feb 2014 was renewed based on the audit conducted on 20 Feb 2014. Validity of the certification is from 8 March 2015 to 17 March 2015.
Sub-total:	20%			20%		20.00%		
<u>TOTAL:</u>	<u>100%</u>			<u>95.8%</u>		<u>96.44%</u>		