

DUTY FREE PHILIPPINES CORPORATION (DFPC)

| | | Component | | | | Baseline Data | | Target | |
|----------------------|-------------|---|---|------------|---|------------------|------------------|---------------|--|
| | | Objective/Measure | Formula | Weight | Rating System | 2016 | 2017 | 2018 | 2019 |
| SOCIAL IMPACT | SO 1 | Showcase Premium Local Products to International Travelers | | | | | | | |
| | SM 1 | Increase Percentage Sales of Local Products | Sales from Local Products/Total Sales | 5% | (Actual / Target) x Weight | 1.00% | 2.90% | 3.00% | 3.50% |
| | SO 2 | Contribute to Tourism Programs and Projects | | | | | | | |
| | SM 2 | Percentage of Net Profit Remitted to Department of Tourism | Amount of fund remitted to DOT / Applicable year's Net Profit | 10% | All or Nothing | - | - | ₱95 Million | At least 50% of previous year's net profit |
| | | Sub-total | | 15% | | | | | |
| FINANCE | SO 3 | Achieve Continuous Growth and Sustainability | | | | | | | |
| | SM 3 | Increase Total Revenues | Absolute Amount | 10% | \$280 Million and Above = 10% \$254 Million to \$279 Million = 8% \$229 Million to \$253 Million = 5% Less than \$229 Million = 0% | \$218.23 Million | \$213.57 Million | \$260 Million | \$280 Million |
| | SM 4 | Improve EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) | Absolute Amount | 10% | ₱265 Million and Above = 10% ₱215 Million to ₱264 Million = 8% ₱165 Million to ₱214 Million = 5% Less than ₱165 Million = 0% | ₱165.15 Million | ₱171.16 Million | ₱205 Million | ₱265 Million |

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| | Objective/Measure | Formula | Weight | Rating System | 2016 | 2017 | 2018 | 2019 | |
| | SM 5 | Improve Budget Utilization Rate | Total Obligations (net of PS) / Total DBM-Approved COB (net of PS) | 5% | All or Nothing | 85.00% | 90.07% | Not less than 90% but not more than 100% | Not less than 90% but not more than 100% |
| | | Sub-total | | 25% | | | | | |
| | SO 4 | Enhance the DFPC Brand as a Standard for Quality and Sustainable Shopping Experience | | | | | | | |
| | SM 6 | Improve Top of Mind Awareness Rating (Market Survey) | Absolute figure | 5% | All or Nothing | - | - | Establish Baseline | Baseline + 1% |
| | | Percentage of Satisfied Customer | | | | | | | |
| | SM 7 | Increase Rating on Overall Customer Satisfaction Survey | 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% | - | 49% | 93.50% | 94% |
| | | Increase Rating on Availability of Promo Items | | 2.5% | | - | 46% | 93.50% | 94% |
| | | Increase Rating on Value for Money of Products | | 2.5% | | - | 49% | 93.50% | 94% |
| | | Increase Rating on Competitive Prices | | 2.5% | | - | 45% | 91.50% | 92% |
| | SO 5 | Address Customer Needs and Expectations | | | | | | | |
| | 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% | - | 10% | 11% |
| | SM 9 | Increase Average Purchase per Customer | Total Dollar Net Sales / Total Pax Count | 10% | (Actual / Target) x Weight If less than \$114 = 0% | \$125.94 | \$114.03 | \$140 | \$150 |
| | | Sub-total | | 40% | | | | | |

CUSTOMERS

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|-------------------|-------------------|---|--|---------------|--|--|---|--|---|
| | | Formula | Weight | Rating System | 2016 | 2017 | 2018 | 2019 | |
| INTERNAL PROCESS | SO 6 | Enhance Marketing Strategies | | | | | | | |
| | SM 10 | Ensure Positive Return on Marketing Investment | (Current Year's Gross Profit on Sales – Previous Year's Gross Profit on Sales) / Previous Year's Marketing Investments | 5% | (Actual / Target) x Weight If less than 140% = 0% | - | - | 140% | 703% |
| | SM 11 | Improve Business Model | Actual Accomplishment | 5% | All or Nothing | - | - | Acceptance by Project Study Committee (PPP Center, DFPC and DOT) of Feasibility Study and Market Sounding Report | Instruction to Bidders including Draft Concessions Agreement |
| | SO 7 | Enhance Quality Management System | | | | | | | |
| | SM 12 | Attain ISO 9001:2015 Certification | Actual Accomplishment | 5% | All or Nothing | ISO 9001:2008 Certification Maintained | ISO 9001:2015 on all sites, all processes | Pass Surveillance Audit for ISO 9001:2015 | Pass Surveillance Audit for ISO 9001:2015 for all sites and processes |
| | | Sub-total | | 15% | | | | | |
| LEARNING & GROWTH | SO 8 | Build a Team of Highly Motivated, Competent and Productive Employees | | | | | | | |
| | SM 13 | Increase Human Capital Value Added (HCVA) | [(Net Income + Personnel Cost ¹) / Total Number of Employees] | 5% | (Actual / Target) x Weight | ₱686,032 | ₱704,216 | ₱61,000 ² | ₱838,840 |
| | | | Sub-total | 5% | | | | | |
| | | TOTAL | | 100% | | | | | |

¹ Sum of Personal Services (PS) Cost and Salaries and Wages for Job Order and Contract of Service Employees

² Target was divided by 12 to reflect monthly HCVA.