

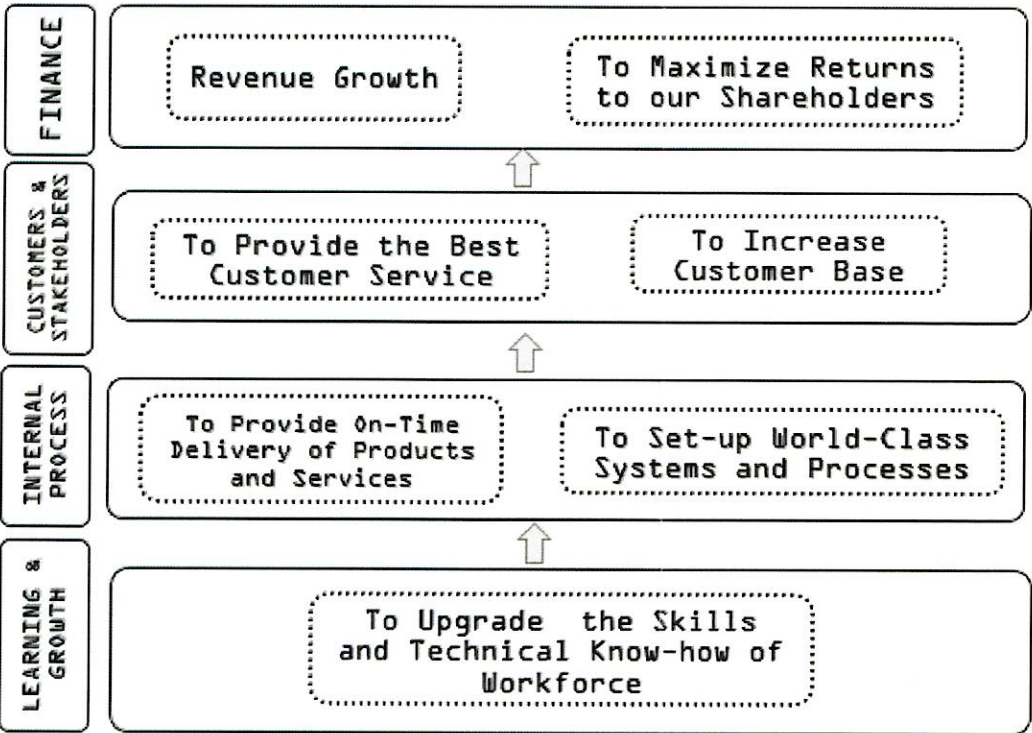
Vision
 By 2018, for APO Production Unit to have been transformed into an integral and essential component in the infrastructure providing world class total printing solutions to the National Government and its agencies. By 2020, for APO to provide cutting-edge printing services to foreign governments and international organizations.

Mission
 To meet the requirements of the National Government and its agencies for highly-sensitive security printing services by employing innovative technologies, business efficiencies and highly-competent personnel through the judicious use of the corporate form of organization

- Core Values**
- Integrity
 - Innovativeness
 - Entrepreneurial Spirit
 - Pursue Growth and Learning
 - Social Responsibility
 - Teamwork



**APO PRODUCTION UNIT, INC.
 STRATEGY MAP**



CY 2018 PERFORMANCE SCORECARD (ANNEX B)

APO PRODUCTION UNIT, INC.

		Component			Rating System	Baseline Data		Target	
		Objective/Measure	Formula	Weight		2015	2016	2017	2018
FINANCE	SO 1	Revenue Growth							
	SM 1	Revenue Growth from Previous Year							
		a. QC Plant and Lima Plant	Actual Total Revenues	20%	Actual / Target	₱1,210.6 M	₱816.20 M	₱715.7 M	₱1,072.2 M
	b. Joint Venture Company	20%		Actual / Target	-	₱1,420.6 M	₱2,000 M	₱3,000 M	
	SM 2	EBITDA	Net Income + Interest + Taxes + Depreciation	15%	Actual / Target	₱98.3	₱79.8	₱89.4 M	₱155 M
	SO 2	To Maximize Return to Our Shareholders							
	SM 3	Dividends Remittance to the National Government (NG)	Actual Remittance	15%	Actual / Target	-	₱23.9 M	₱38.68 M	₱27.082 M
		Sub-total	70%						
CUSTOMERS/ STAKEHOLDERS	SO 3	To Provide the Best Customer Service							
	SM 4	Percentage of Satisfied Customers	Number of respondents which gave at least a Satisfactory rating / Total number of respondents	5%	(Actual / Target) x Weight 0% = If less than 80%	93.75%	95.8%	94%	94%
	SO 4	To Increase Customer Base							
	SM 5	Increase in Government Agencies Served	No. of Agencies	5%	Actual / Target	74	89	93 (4 Additional Client Agencies)	97 (+4)
			Sub-total	10%					

INTERNAL PROCESS	SO 5	To Provide On-Time Delivery of Products								
	SM 6	Reduction of Penalties Incurred	Total Penalties/ Total Sales	5%	Actual / Target	0.01%	0.047%	0.038%	0.050%	
	SO 6	To Set Up World Class Systems and Processes								
	SM 7	ISO Certification								
		a. QC Plant	Actual Accomplishment	5%	All or Nothing	-	% Manualization of QC Plant	ISO 9001:2015 Certification	Pass Surveillance Audit (ISO 9001:2015)	
b. Lima Plant	5%	All or Nothing		-	Pass Surveillance Audit	Pass Surveillance Audit (ISO 9001:2008)	Pass Surveillance Audit (ISO 9001:2008)			
	Sub-total		15%							
LEARNING & GROWTH	SO 7	To Upgrade the Skills and Technical Know-How of Workforce								
	SM 8	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	5%	a. 2.5% b. 2.5%	N/A	N/A	Board-Approved Competency Framework	a. Board-Approved Competency Model b. Establish Baseline	
		Sub-total		5%						
	TOTAL		100%							

**APO PRODUCTION UNIT, INC. (APO-PUI)
Validated 2018 Performance Scorecard**

		Component			APO-PUI Submission			GCG Validation		Supporting Documents	Remarks												
Objective/ Measure	Formula	Weight	Rating System ^{a/}	Target	Actual	Rating	Score	Rating															
FINANCE	SO 1	Revenue Growth																					
		<i>Revenue Growth from Previous Year</i>																					
	SM 1	a. QC Plant and Lima Plant	Actual Total Revenues	20%	Actual/Target x Weight	1,072.2 M	970.0 M	18.1%	970.29 M	18.10%	<ul style="list-style-type: none"> - Certifications from Finance Manager - COA-audited 2018 APO-PUI Financial Statements 	<table border="1"> <tr> <td>QC</td> <td>₱359,059,852</td> </tr> <tr> <td>Lima</td> <td>₱611,234,708</td> </tr> <tr> <td>Total</td> <td>₱970,294,560</td> </tr> </table>	QC	₱359,059,852	Lima	₱611,234,708	Total	₱970,294,560					
		QC		₱359,059,852																			
	Lima	₱611,234,708																					
	Total	₱970,294,560																					
b. Joint Venture Company	20%	3,000 M	3,364.5 M	20%	3,378.5 M	20%	<ul style="list-style-type: none"> - APO-UGEC Security Printing Joint Venture Audited Financial Statements (Statement of Comprehensive Income) 	Total service revenue for 2018 from the APO-UGEC JV is at ₱3,378,496,567.															
SM 2	EBITDA (in Millions)	Net Income + Interest + Taxes + Depreciation	15%		155 M	289.72 M	15%	290.56 M	15%	<ul style="list-style-type: none"> - COA-audited 2018 APO-PUI Financial Statements - EBITDA Summary Computation 	<table border="1"> <thead> <tr> <th>Items</th> <th>Amount in ₱</th> </tr> </thead> <tbody> <tr> <td>Net Profit</td> <td>223,364,028</td> </tr> <tr> <td>Taxes</td> <td>51,656,111</td> </tr> <tr> <td>Interest</td> <td>1,115,928</td> </tr> <tr> <td>Depreciation</td> <td>14,421,777</td> </tr> <tr> <td>EBITDA</td> <td>290,557,845</td> </tr> </tbody> </table>	Items	Amount in ₱	Net Profit	223,364,028	Taxes	51,656,111	Interest	1,115,928	Depreciation	14,421,777	EBITDA	290,557,845
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EBITDA	290,557,845																						
SO 2	To Maximize Return to Our Shareholders																						
SM 3	Dividends Remittance to National Government (NG)	Actual Remittance	15%	Actual/Target x Weight	27.082 M	27.1 M	15%	27.1 M	15%	<ul style="list-style-type: none"> - Official Receipts issued by BTr - Schedule of Dividend Payments 	In compliance with the renegotiated payment scheme with the DOF, total dividends remitted in 2018 was at ₱27,082,951.41.												
	Subtotal		70%				68.1%		68.10%														

	Objective/ Measure	Component			APO-PUI Submission		GCG Validation		Supporting Documents	Remarks		
		Formula	Weight	Rating System ^{a/}	Target	Actual	Rating	Score			Rating	
CUSTOMERS/ STAKEHOLDERS	SO 3	To Provide the Best Customer Service										
	SM 4	Percentage of Satisfied Customers	Number of respondents which gave at least a Satisfactory rating / Total number of respondents	5%	Actual/ Target x Weight 0% = If less than 80%	94% <i>(Using the Standard Methodology and Questionnaire developed by GCG)</i>	90%	4.79%	-	0%	- Report on the Customer Satisfaction Survey for APO-PUI by Carmelita Nuguid Ericta	Out of the 30 respondents surveyed, 27 or 90% provided at least a satisfactory rating for APO-PUI. However, the conducted survey for APO-PUI did not fully comply with the prescribed guidelines on the GCG Standard Methodology for the GOCCs' Customer Satisfaction Survey (CSS), particularly on the required sample size, survey methodology, sampling procedure, and data collection quality control. As such, the result of the CSS is deemed not accepted.
	SO 4	To Increase Customer Base										
	SM 5	Increase in Government Agencies Served	No. of Agencies	5%	Actual/ Target x Weight	97 (+4)	154	5%	154	5%	- Certified List of Clients Directory in 2018	Forty-eight (48) client agencies were added in 2018. The revised baseline of 106 is based on APO-PUI's 2017 validated accomplishment.
			Subtotal	10%				10%		5%		
INTERNAL PROCESS	SO 5	To Provide On-Time Delivery of Products										
	SM 6	Reduction of Penalties Incurred	Total Penalties/ Total Sales	5%	Actual/ Target x Weight	0.050%	0.023%	5%	0.023%	5%	- Schedule of Penalties on Late Deliveries	In 2018, total penalties incurred was at ₱223,261, as against the total Sales Revenue of ₱970,294,560.

	Objective/ Measure	Component			Target	APO-PUI Submission		GCG Validation		Supporting Documents	Remarks	
		Formula	Weight	Rating System ^{a/}		Actual	Rating	Score	Rating			
INTERNAL PROCESS	SO 6	To Set-up World Class Systems and Processes										
	SM 7	ISO Certification										
		a. QC Plant	Actual Accomplishment	5%	All or Nothing	Pass Surveillance Audit (ISO 9001:2015)	On-going	0%	Not Accomplished	0%	- Short Narrative	APO-PUI failed to procure a third-party consultant in 2018 for its ISO Certification.
		b. Lima Plant		5%	All or Nothing	Pass Surveillance Audit (ISO 9001:2008)	Passed Surveillance Audit (ISO 9001:2008)	5%	Passed Surveillance Audit (ISO 9001:2015)	5%	- SGS Management System Certification: Audit Summary Report	Lima Plant was upgraded to the ISO 9001:2015 standard, per SGS Audit Report dated 04-05 June 2018 with zero (0) non-conformities identified.
	Subtotal		15%				10%		10%			
LEARNING AND GROWTH	SO 7	To Upgrade the Skills and Technical Know-How of Workforce										
	SM 8	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	5%	a. 2.5% b. 2.5%	a. Board-Approved Competency Model b. Establish Baseline	On-going	-	Not accomplished	0%	- Short Narrative	No actions were undertaken towards the accomplishment of this measure in 2018.
	Subtotal		5%				0%		0%			
TOTAL		100%				88.10%		83.10%				

a/ But not to exceed the weight assigned per indicator.