



**PHILIPPINE NATIONAL  
CONSTRUCTION CORPORATION**

28 September 2021

Ref. No.: OP-MEU-060-2021L

**MR. SAMUEL G. DAGPIN, JR.**

*Chairman*

**MR. MICHAEL P. CLORIBEL**

*Commissioner*

**MS. MARITES C. DORAL**

*Commissioner*

**GOVERNANCE COMMISSION FOR GOCCs**

3<sup>rd</sup> Floor BDO Towers Paseo, 8741 Paseo De Roxas,  
Makati City, Philippines 1226

**SUBJECT: CY 2020 CORPORATE GOVERNANCE SCORECARD ASSESSMENT**



**Gentlemen:**

In compliance with your letter dated 03 August 2021 which was received by this office dated August 31, 2021 regarding the above-stated subject, we transmit herewith the CGS Reports for CY 2020.

We trust that you will find the foregoing submission to be in order.

Thank you for your kind consideration.

Very truly yours,

  
**MIGUEL E. UMALI**  
*President and CEO* 

w/att



**PHILIPPINE NATIONAL  
CONSTRUCTION CORPORATION**

**CERTIFICATION**

This is to certify that the information provided in the Corporate Governance Scorecard (CGS) Report of the PHILIPPINE NATIONAL CONSTRUCTION CORPORATION are true and correct based on available records, disclosures and information that can be verified within the Corporation.

**DONE**, this 29<sup>TH</sup> day of **SEPTEMBER 2021** in Parañaque City, Philippines.

**MARIANO JESUS S. AVERIA**  
**Corporate Secretary**

**SUBSCRIBED AND SWORN** to before me, this 29 SEP 2021 day of \_\_\_\_\_ in TAGUIG CITY Philippines.

Doc No. 209  
Page No. 42  
Book No. IV  
Series of 2021

**ATTY. IRISH S. PRECION**  
**(Person Administering Oath)**

Roll of Attorney's No. 69281/05.31.17  
PTR No. A-5061759/01.14.2021 (Taguig City)  
IBP No. 111043/01.08.2020  
MCLE Exemption No. VI-002453 valid until 14, April 2022  
Unit 1124 Tower 2 Grace Residences Condominium  
Levi Mariano Ave. Taguig City

CORPORATE GOVERNANCE SCORECARD REPORT A									
Name of GOCC:	Philippine National Construction Corporation								
Sector: Utilities									
Date submitted:	30 September 2021								
Year being assessed:	2020								
COMPONENT					GOCC SUBMISSION			GCG VALIDATION	
GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	Comments
<b>I. Stakeholder Relationship</b>									
I	1.a	Does the GOCC disclose a policy that: Stipulates the existence and scope of its effort to address customer's welfare?	Y	<i>The GOCC must 1.) identify its stakeholders and 2.) state the policies that were created for the welfare of its customers.  The stated policies must not be ambiguous and should include their underlying principles and guidelines.</i>	<i>The Article 9 of the Revised Manual on Corporate Governance identified the various stakeholders of the Company and discussed its duties to each identified stakeholders.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/AMENDED%20REVISED%20MANUAL%20ON%20CORPORATE%20GOVERNANCE%20MANUAL%202017.pdf">http://www.pncc.ph/LINKS/PDFs/AMENDED%20REVISED%20MANUAL%20ON%20CORPORATE%20GOVERNANCE%20MANUAL%202017.pdf</a>		
I	1.b	Does the GOCC disclose a policy that: Elaborates its efforts to interact with the communities in which they operate?	Y	<i>The GOCC must clearly identify its policy on interacting with the communities around it.  The identified policy must not be ambiguous and should include its principles and guidelines.</i>	<i>The Corporate Social Responsibility Policy states how the Company shall interact with the communities where it operates.</i>	Y	<a href="http://www.pncc.ph/cg_csr.htm">http://www.pncc.ph/cg_csr.htm</a>		
I	1.c	Does the GOCC disclose a policy that: Ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Y	<i>The GOCC must clearly identify its policy on 1) keeping its value chain environmentally friendly or 2) promoting sustainable development.  The identified policy must not only show how the GOCC complies with existing environmental regulations but should also show how it employs value processes that reduce waste and damage to the environment. The policy should also not be ambiguous and should include its principles and guidelines.</i>	<i>The Corporate Social Responsibility Policy identified its policy in keeping its value chain environmentally friendly and promotes sustainable development. The underlying principles are detailed in the Safety, Health and Environment Code of PNCC.</i>	Y	<a href="http://www.pncc.ph/cg_csr.htm">http://www.pncc.ph/cg_csr.htm</a>		
I	2.a	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Customer health and safety)	Y	<i>The GOCC must state the activities it has undergone during the year being assessed to implement its policies on customer health and safety.  The GOCC must state the dates when the aforementioned activities took place.</i>	<i>PNCC in its website under the Company Policies identified the activities undertaken to implement its health and safety policies / protocols.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Safety%20Health%20and%20Environment%20Activities.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Safety%20Health%20and%20Environment%20Activities.pdf</a>		
I	2.b	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Interaction with the communities)	Y	<i>The GOCC must state the activities it has undergone during the year being assessed to implement its policies on community interaction.  The GOCC must state the dates when the aforementioned activities took place.</i>	<i>PNCC states in its website the activities undergone to implement its policies on community interaction.</i>	Y	<a href="http://www.pncc.ph/cg_csr.htm">http://www.pncc.ph/cg_csr.htm</a>		
I	2.c	Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies? (Environmentally-friendly value chain)	Y	<i>The GOCC must state the activities it has undergone during the year being assessed to implement its policies on promoting sustainable development and/or environmentally-friendly value chain.  The GOCC must state the dates when the aforementioned activities took place.</i>	<i>PNCC states in its website the activities undergone to implement its policies on promoting sustainable development and/or environmentally-friendly value chain.</i>	Y	<a href="http://www.pncc.ph/cg_csr.htm">http://www.pncc.ph/cg_csr.htm</a>		

I	3	Does the GOCC have a separate corporate social responsibility (CSR) report/section or sustainability report/section?	Y	<i>The GOCC must identify both (1) the social and environmental issues of its stakeholders and (2) the activities it undertook to address the said issues during the year being assessed.</i>  <i>No points will be given if only the stakeholders and their CSR issues are identified.</i>	PNCC identified the social and environmental issues of its stakeholders and activities undertaken to address the said issues.	Y	<a href="http://www.pncc.ph/cg_csr.htm">http://www.pncc.ph/cg_csr.htm</a>			
I	4	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights. Does the GOCC provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers,	Y	<i>The GOCC must have contact details (phone number or email address) specifically for concerns and/or complaints.</i>	PNCC has provided the contact details (phone number and email address) for concerns and/or complaints of stakeholders.  <i>A social media account was created to further give other stakeholders to address their concerns and or complaints.</i>	Y	<a href="http://www.pncc.ph/contact_us.htm">http://www.pncc.ph/contact_us.htm</a>  <a href="https://www.facebook.com/Phil-Natl-Const-Corp-PNCC-114191231979667">https://www.facebook.com/Phil-Natl-Const-Corp-PNCC-114191231979667</a>			
I	5.a	Performance-enhancing mechanisms for employee participation should be permitted to develop. Does the GOCC explicitly mention the health, safety and welfare policy for its employees?	Y	<i>The GOCC must clearly identify its policy on employee health, welfare and safety.</i>  <i>The identified policy must not be ambiguous and should include its principles and guidelines.</i>	PNCC clearly identified its policy on health, welfare and safety.	Y	<a href="http://www.pncc.ph/cg_company_policies.htm#SHE">http://www.pncc.ph/cg_company_policies.htm#SHE</a>			
I	5.b	Does the GOCC publish data relating to health, safety and welfare of its employees?	Y	<i>The GOCC must publish data related to health, safety and welfare of its employees such as, but not limited to, absenteeism and occupational injuries/diseases.</i>						
I	5.c	Does the GOCC have training and development programmes for its employees?	Y	<i>The training and development programs for employees must have occurred during the year being assessed and there should be a brief description describing each of the programs.</i>	<i>The training and development programmes for its employees for 2020 were limited to trainings/orientation programs essential in performing the assigned tasks them. All other trainings/seminars projected for the year was put hold hold in view of the restrictions implemented by the Government brought about by COVID-19 pandemic.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Performance%20Enhancing%20Mechanism%20for%20Employee%20Participation.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Performance%20Enhancing%20Mechanism%20for%20Employee%20Participation.pdf</a>			
I	5.d	Does the GOCC publish data on training and development programmes for its employees?	Y	<i>The GOCC must give the name of the program and either the 1.) number of participants per program or 2.) average hours per training held</i>	PNCC has provided the name of the program and number of participants and inclusive dates when the trainings/seminars were held.	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Performance%20Enhancing%20Mechanism%20for%20Employee%20Participation.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Performance%20Enhancing%20Mechanism%20for%20Employee%20Participation.pdf</a>			
I	6.a	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this. Does the GOCC have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	Y	<i>The GOCC must disclose the actual procedures of their whistleblowing policy for their employees or grievance machinery. Merely stating that they have a policy will not suffice.</i>	PNCC's Whistle Blowing Policy details the procedures on whistle blowing for employees and grievance machinery.	Y	<a href="http://www.pncc.ph/LINKS/PDFs/WHISTLEBLOWING-POLICY.pdf">http://www.pncc.ph/LINKS/PDFs/WHISTLEBLOWING-POLICY.pdf</a>			
I	6.b	Does the GOCC have procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?	Y	<i>The GOCC should explicitly disclose the procedures/mechanism in place that protects the whistleblower from retaliation</i>	PNCC's Whistle Blowing Policy details the procedures on whistle blowing for employees and grievance machinery and the protection of whistleblower from retaliation.	Y	<a href="http://www.pncc.ph/LINKS/PDFs/WHISTLEBLOWING-POLICY.pdf">http://www.pncc.ph/LINKS/PDFs/WHISTLEBLOWING-POLICY.pdf</a>			
<b>COMPONENT</b>					<b>GOCC SUBMISSION</b>			<b>GCG VALIDATION</b>		
<b>GRP</b>	<b>ITEM</b>	<b>QUESTION</b>	<b>ANS</b>	<b>GUIDE</b>	<b>COMPLIANCE</b>	<b>ANS</b>	<b>REFERENCE LINK/SUPPORTING DOCUMENTS</b>	<b>ANS</b>	<b>REMARKS</b>	
<b>II. Disclosure and Transparency</b>										
II	7.a	Does the GOCC's website disclose the following items: Corporate objectives	Y	<i>The GOCC's corporate objectives must be specific, measurable, achievable, realistic and timely. Showing the GOCC's performance scorecard will also be given points.</i>	PNCC's specific, measurable, achievable, realistic and timely corporate objectives were incorporated in its Performance Scorecard as approved by GCG	Y	<a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/GCG%20Transmittal%20of%202020%20Performance%20ScoreCard.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/GCG%20Transmittal%20of%202020%20Performance%20ScoreCard.pdf</a>			

					PNCC's Performance Scorecard has been recalibrated in view of the circumstances brought about by the COVID-19 pandemic.		<a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/2020%20Recalibrated%20Performance%20Scorecard.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/2020%20Recalibrated%20Performance%20Scorecard.pdf</a>							
II	7.b	Does the GOCC's website disclose the following items: Financial performance indicators	Y	Apart from declaring the financial performance indicators in the annual report and audited financial statements, declaring the financial strategic measures in the GOCC's performance scorecard will also merit points.	PNCC discloses the quarterly performance report on financial strategic measures in the Performance Scorecard.	Y	<a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%201Q%20and%202Quarter%202020.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%201Q%20and%202Quarter%202020.pdf</a> <a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%203Q%202020.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%203Q%202020.pdf</a> <a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%202020%204Q.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%202020%204Q.pdf</a>							
II	7.c	Does the GOCC's website disclose the following items: Non-financial performance indicators	Y	Apart from declaring the non-financial performance indicators in the annual report and accomplishment reports, declaring the non-financial strategic measures in the GOCC's performance scorecard will also merit points.	PNCC discloses the quarterly performance report on non-financial strategic measures in the Performance Scorecard.	Y	<a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%201Q%20and%202Quarter%202020.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%201Q%20and%202Quarter%202020.pdf</a> <a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%203Q%202020.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%203Q%202020.pdf</a> <a href="http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%202020%204Q.pdf">http://www.pncc.ph/LINKS/TRANSPARENCY%20SEAL/PE S%20Monitoring%20Report%202020%204Q.pdf</a>							
II	7.d	Does the GOCC's website disclose the following items: Details of whistle-blowing policy	Y	The GOCC must disclose the actual procedures of their whistleblowing policy for their stakeholders. Merely stating that they have a whistleblowing policy will not suffice.	Actual procedures in Whistleblowing has been stated in its policy.	Y	<a href="http://www.pncc.ph/LINKS/PDEs/WHISTLEBLOWING-POLICY.pdf">http://www.pncc.ph/LINKS/PDEs/WHISTLEBLOWING-POLICY.pdf</a>							
II	7.e	Does the GOCC's website disclose the following items: Biographical details (at least age, qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of directors/commissioners	Y	All of the biographical details of ex officio and appointive directors being asked by the item must be provided, otherwise no point will be given should there be a missing detail.	Biographical details of all appointive directors including the ex-officio director has been disclosed in the company website.	Y	<a href="http://www.pncc.ph/home_our_company_BOD.htm">http://www.pncc.ph/home_our_company_BOD.htm</a>							
II	7.f	Does the GOCC's website disclose the following items: Training and/or continuing education programme attended by each director/commissioner	Y	All the trainings of Appointive Directors up until the year being assessed must be disclosed. If the Appointive Director did not attend a meeting on the year being assessed, a statement regarding his lack of training must be made in order to garner points for this item.										
II	9	Does the GOCC's website contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	Y	The GOCC must state that it <b>fully complies</b> with the code of corporate governance and if there is non-compliance, it must explain the reason for the non-compliance.  Merely stating that the GOC "generally complies" with the code of corporate governance will not be taken as full compliance and will not garner any points										
<b>COMPONENT</b>					<b>GOCC SUBMISSION</b>					<b>GCG VALIDATION</b>				

GRP	ITEM	QUESTION	ANS	GUIDE	COMPLIANCE	ANS	REFERENCE LINK/SUPPORTING DOCUMENTS	ANS	REMARKS
<b>III. Board Responsibility</b>									
III	11.a	Has the Board of Directors reviewed the vision and mission/ strategy in the last financial year?	Y	<i>The GOCC must disclose that the Board has reviewed the mission, vision and strategy during the year being assessed. The date of review must also be indicated. Merely stating the GOCC's mission, vision and strategy, and posting documents (strategy map and scorecard) will not be given points.</i>	<i>On annual basis, the Board through its PAN Committee reviews its mission, vision and strategies. Prior submission to the GCG, the Board shall approve the mission, vision and strategies upon the recommendation of the PAN Committee.</i>	Y	See attached Board Resolution on the approval of the 2020 Performance Scorecard where it includes its vision, mission and strategies. (Annex "A")		
III	11.b	Does the Board of Directors monitor/oversee the implementation of the corporate strategy?	Y	<i>There should be a disclosure on how the Board oversees the implementation of the corporate strategy.</i>	<i>The Board through its PAN Committee requires the Management to present its accomplishment on the Performance Scorecard on a quarterly basis.</i>	Y	See the attached excerpts minutes of meetings of PAN Committee meeting when accomplishment on strategic measures on Performance Scorecard was presented by Management (Annex "B")		
III	13.a	Are the details of the code of ethics or conduct disclosed?	Y	<i>The details of the Code of Ethics or Conduct must be disclosed. Merely stating that the GOCC has a Code of Ethics without divulging information on the coverage of the Code or how breaches are handled will not suffice.</i>	<i>PNCC details its Code on Employees Conduct and Discipline</i>	Y	<a href="http://www.pncc.ph/cg_cced.htm">http://www.pncc.ph/cg_cced.htm</a>		
III	13.b	Does the GOCC disclose that all Directors/Commissioners, senior management and employees are required to comply with the code?	Y	<i>It must be explicitly stated that all the Directors, senior management and the employees are required to comply with the Code. If the Code is only for employees, the item will be marked as "N."</i>	<i>PNCC explicitly stated in its website that all Directors, senior management and employees are required to comply with the Code of Ethics or Conduct</i>	Y	<a href="http://www.pncc.ph/cg_cced.htm">http://www.pncc.ph/cg_cced.htm</a>		
III	13.c	Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	Y	<i>Examples of activities done in order to implement or monitor compliance with the Code of Ethics/Conduct are:  -communicating the code to all existing and new employees and directors - making the code available on the company intranet for ease of access - requiring all parties to declare annually that they have complied with the code of ethics or conduct</i>					
III	14	Does the Board appoint a Nomination Compensation / Remuneration Committee?	Y	<i>The GOCC must disclose the names of all of the members of its Nomination, Compensation / Remuneration Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.</i>	<i>PNCC disclosed the names of all the members of Corporate Governance Committee (CGC). The is also CGC assumes the responsibilities of the Nomination, Compensation and Remuneration Committee.</i>	Y	<a href="http://www.pncc.ph/cg_board_committees.htm#CGC">http://www.pncc.ph/cg_board_committees.htm#CGC</a>		
III	15	Did the Nomination Compensation/Remuneration Committee meet at least twice during the year?	Y	<i>The GOCC must publish the meeting attendance records during the year being assessed.</i>	<i>PNCC published the meeting attendance records of the Corporate Governance Committee which assumes the the responsibilities of the Nomination Committee.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Corporate%20Governance%20Attendance.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Corporate%20Governance%20Attendance.pdf</a>		
III	16	If yes, is the report of the Nomination Compensation/Remuneration Committee publicly disclosed?	Y	<i>The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.</i>	<i>PNCC published the accomplishment report of the Corporate Governance Committee.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Corporate%20Governance%20Committee%20Accomplishment.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Corporate%20Governance%20Committee%20Accomplishment.pdf</a>		
III	17	Does the Board appoint an Audit Committee?	Y	<i>The GOCC must disclose the names of all of the members of its Audit Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.</i>	<i>PNCC disclosed the names of all the members of Audit Committee for 2020.</i>	Y	<a href="http://www.pncc.ph/cg_board_committees.htm#Audit">http://www.pncc.ph/cg_board_committees.htm#Audit</a>		
III	18	If yes, is the report of the Audit Committee publicly disclosed?	Y	<i>The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.</i>	<i>PNCC published the accomplishment report of the Audit Committee.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Audit%20Committee%20Accomplishment.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Audit%20Committee%20Accomplishment.pdf</a>		

III	19	Does at least one member of the Audit Committee have an audit, accounting or finance background (qualification or experience)?	Y	<i>The educational qualifications and/or work experience of the Audit Committee Members should be disclosed. At least one of the Audit Committee Members must have an audit, accounting or finance educational or work background in order to garner points for this item.</i>	<i>The educational qualifications and work experience of the members of the Audit Committee has been disclosed in the website. Two (2) members of the Audit Committee have an audit, accounting and finance educational and work background.</i>	Y	<a href="http://www.pncc.ph/home_our_company_BOD.htm#Guinomla">http://www.pncc.ph/home_our_company_BOD.htm#Guinomla</a> <a href="http://www.pncc.ph/home_our_company_BOD.htm#Mercedo">http://www.pncc.ph/home_our_company_BOD.htm#Mercedo</a>		
III	20	Did the Audit Committee meet at least four times during the year?	Y	<i>The GOCC must disclose all the audit committee meetings held during the year being assessed.</i>	<i>PNCC disclosed in it website attendance meetings of the members of the Audit Committee held in 2020.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Audit%20Committee%20Attendance.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Audit%20Committee%20Attendance.pdf</a>		
III	21	Does the Board appoint a Risk Management Committee?	Y	<i>The GOCC must disclose the names of all of the members of its Risk Management Committee during the year being assessed. Merely stating the name of the office/agency of the Ex Officio Member will not suffice and will not garner any points.</i>	<i>PNCC disclosed the names of all the members of Audit Committee for 2020. The Audit Committee assumes the responsibilities of the Risk Management Committee.</i>	Y	<a href="http://www.pncc.ph/cg_board_committees.htm#Audit">http://www.pncc.ph/cg_board_committees.htm#Audit</a>		
III	22	If yes, is the report on Risk Management Committee publicly disclosed?	Y	<i>The GOCC must publish an accomplishment report of the committee and/or minutes of the meetings held.</i>	<i>PNCC published the accomplishment report of the Audit Committee. The Audit Committee assumes the responsibilities of the Risk Management Committee.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%20Audit%20Committee%20Accomplishment.pdf">http://www.pncc.ph/LINKS/PDFs/2020%20Audit%20Committee%20Accomplishment.pdf</a>		
III	23	Does at least one member of the Risk Management Committee have a background in finance and investments?	Y	<i>The educational qualifications and/or work experience of the Risk Management Committee Members should be disclosed. At least one of the Risk Management Committee Members must have an investment and finance educational or work background in order to garner points for this item.</i>	<i>The educational qualifications and work experience of the members of the Audit Committee has been disclosed in the website. Two (2) members of the Audit Committee have an audit, accounting and finance educational and work background.</i>	Y	<a href="http://www.pncc.ph/home_our_company_BOD.htm#Guinomla">http://www.pncc.ph/home_our_company_BOD.htm#Guinomla</a> <a href="http://www.pncc.ph/home_our_company_BOD.htm#Mercedo">http://www.pncc.ph/home_our_company_BOD.htm#Mercedo</a>		
III	24.a	Are the Board of Directors meetings scheduled at the beginning of the year? (end of Q1)	Y	<i>The GOCC must explicitly disclose that the meetings held on the year being assessed were scheduled well in advance and when they were scheduled.</i>					
III	24.b	Does the Board of Directors meet at least monthly?	Y	<i>The GOCC must show its attendance records that there were monthly meeting held.</i>	<i>PNCC disclosed in its website the attendance records of the meetings of the Board.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020 Board Meeting Attendance.pdf">www.pncc.ph/LINKS/PDFs/2020 Board Meeting Attendance.pdf</a>		
III	24.c	Did the Board of Directors meet on at least 75% on their scheduled meetings?	Y	<i>In order to garner points for this item, the GOCC must be able to first prove that meetings were scheduled in advance (Q. 24.a.) Afterwhich, a schedule of actual meetings held must be shown to prove that the Board met on at least 75% of their scheduled meetings.</i>		Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020 Board Meeting Attendance.pdf">www.pncc.ph/LINKS/PDFs/2020 Board Meeting Attendance.pdf</a>		
III	24.d	Has each of the directors/commissioners attended at least 90% of all the board meetings held during the year?	Y	<i>All of the attendance of Appointive and Ex Officio/Alternate Directors must be considered and all of them should have attended at least 90% of the board meetings held during the year in order to garner points for this item.</i>		Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020 Board Meeting Attendance.pdf">www.pncc.ph/LINKS/PDFs/2020 Board Meeting Attendance.pdf</a>		
III	24.e	Did the Board of Directors meet separately at least once during the year without the President/CEO present?	Y	<i>The GOCC must explicitly state a meeting held on a specific date wherein the Board met without the President/CEO present.</i>	<i>The Board did not meet separately without the President and CEO</i>	N			
III	25.a	Does the GOCC have a policy that stipulates board papers for Board of Directors/Commissioners meetings be provided to the Board at least three (3) working days in advance of the board meeting?	Y	<i>The GOCC must clearly disclose that the Board was provided with the board papers for the upcoming meeting at least 3 working days in advance of the said meeting.</i>					
III	25.b	Is the Board Secretary trained in legal, accountancy or company secretarial practices?	Y	<i>The GOCC should disclose the educational and work background of the Corporate Secretary. In order to garner points for this item, there should be proof that the Corporate Secretary has legal, accountancy or secretarial educational/work background.</i>	<i>The Corporate Secretary has legal work background as disclosed in his resume.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2017%2011November%2023%20Apoinment%20of%20Mr.%20Mariano%20Jesus%20Averia.pdf">http://www.pncc.ph/LINKS/PDFs/2017%2011November%2023%20Apoinment%20of%20Mr.%20Mariano%20Jesus%20Averia.pdf</a>		

III	26.a	Does the company have a separate internal audit function?	Y	<i>There should be a clear showing that there is a separate internal audit function in the GOCC, whether it be a singular internal auditor, an entire internal audit department or an external firm. If it is a secondary function of an existing staff or department, the GOCC will not garner points for this item.</i>	<i>There is a separate internal audit function in PNCC. Ms. Regine F. Sto. Domingo was appointed as Internal Auditor.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/2020%2001January%2031%20Appointment%20of%20Internal%20Auditor.pdf">http://www.pncc.ph/LINKS/PDFs/2020%2001January%2031%20Appointment%20of%20Internal%20Auditor.pdf</a>		
III	26.b	Does the appointment and removal of the internal auditor require the recommendation of the Audit Committee?	Y	<i>The GOCC should explicitly state that the appointment and removal of the internal auditor require the approval of the Audit Committee. Should the charter of the GOCC provide for another mode of appointment/removal of the internal auditor, this should also be stated in order for the assessors to consider such issue.</i>	<i>The appointment and removal of the internal auditor requires the recommendation of the Audit Committee as stated in their charter.</i>	Y	<a href="http://www.pncc.ph/LINKS/PDFs/Audit%20Committee%20Charter.pdf">http://www.pncc.ph/LINKS/PDFs/Audit%20Committee%20Charter.pdf</a>		
III	27.a	Does the company disclose the internal control procedures/risk management systems it has in place?	Y	<i>The GOCC must name all the key internal control procedures and its risk management system. There should also be an assignment of responsibilities in order to garner points for this item</i>	<i>PNCC discloses its key internal control procedures and its risk management system.</i>	Y	<a href="http://www.pncc.ph/cg_erm.htm">http://www.pncc.ph/cg_erm.htm</a>		
III	27.b	Does the Annual Report disclose that the board of directors/commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	Y	<i>The GOCC's annual report must explicitly state that the Board conducted a review of the company's risk management system and material controls during the year being assessed.</i>					
III	27.c	Does the company disclose how key risks are managed?	Y	<i>The GOCC must disclose all of its key risks (operational, compliance and financial) and how they are being managed. Merely disclosing a list of risks will not garner any points.</i>	<i>PNCC discloses its key risks and how they are being managed.</i>		<a href="http://www.pncc.ph/cg_erm.htm">http://www.pncc.ph/cg_erm.htm</a>		
III	27.d	Does the Annual Report contain a statement from the Board of Directors or Audit Committee commenting on the adequacy of the GOCC's internal controls/risk management systems?	Y	<i>The GOCC's Board or Audit Committee must explicitly state that the GOCC's risk management systems and internal controls are adequate</i>					
III	28	Do different persons assume the roles of Chairman and CEO?	Y	<i>The GOCC's PCEO and Chairman during the year being assessed must be clearly identified in the website. An N/A rating will be given should the GOCC's charter provide that the Chairman and PCEO positions must be held by a single person.</i>	<i>PNCC's PCEO and Chairman during the year being assessed was clearly identified in the website</i>	Y	<a href="http://www.pncc.ph/home_our_company_BOD.htm">http://www.pncc.ph/home_our_company_BOD.htm</a>		
III	29.a	Does the GOCC have orientation programs for new Directors?	Y	<i>The GOCC must not only state that it has an orientation programs for Directors. Details and/or coverage of the orientation program must be disclosed in order to garner points for this item.</i>					
III	29.b	Does the GOCC have a policy that encourages Directors/Commissioners to attend on-going or continuous professional education programs?	Y	<i>Apart from stating the GOCC's training policy and continuous education programs for its Directors, the GOCC may also state that it has a training budget allocated for the Directors on the year being assessed.</i>					
III	29.c	Did all Appointive Directors attend at least 1 training for the calendar year?	Y	<i>The GOCC must disclose that each Appointive Director attended at least one (1) training during the year being assessed. If there is an Appointive Director who did not attend at least one (1) training the GOCC will not garner points for this item.</i>					
III	30.a	Is an annual performance assessment conducted of the Board of Directors?	Y	<i>The GOCC should conduct its own Board Appraisal which is different from GCG's internet-Based Performance Evaluation for Directors (iPED). It must be readily apparent when the said Board Appraisal was conducted in order to garner points for this item.</i>					
III	30.b	Does the GOCC disclose the process followed in conducting the Board assessment?	Y	<i>The GOCC must disclose the entire process involved in undertaking the Board Appraisal.</i>					



III	30.c	Does the GOCC disclose the criteria used in the Board assessment?	Y	<i>The GOCC should clearly state all the criteria that the Board Members used in their Board Appraisal.</i>					
III	31	Is an annual performance assessment conducted of the Board of Directors Committees?	Y	<i>The GOCC should conduct an Appraisal of its Committees' performance during the year being assessed. It must be readily apparent when the said Committee Appraisal was conducted in order to garner points for this item.</i>					