



06 February 2019

MR. MARIÒ K. ESPINOSA
 President & CEO
PHILIPPINE NATIONAL CONSTRUCTION CORPORATION (PNCC)
 KM. 15 East Service Road, Bicutan,
 Parañaque City

RE: TRANSMITTAL OF 2019 PERFORMANCE SCORECARD

Dear Pres. Espinosa,

This is to formally transmit the Charter Statement and Strategy Map (**Annex A**) and 2019 Performance Scorecard (**Annex B**) of PNCC. The same is to be posted in PNCC's website, in accordance with Section 43 of GCG Memorandum Circular (M.C.) No. 2012-07.¹

The PNCC-proposed Charter Statement, Strategy Map and Performance Scorecard submitted on 30 August 2018² were **MODIFIED** based on the discussions made during the Technical Panel Meeting (TPM) held on 11 October 2018 and evaluation of revised documents submitted through a letter dated 19 December 2018.³

We take this opportunity to **REMIND** PNCC that Item 5 of GCG Memorandum Circular No. 2017-02⁴ mandates GOCCs to submit Quarterly Monitoring Reports and upload the same in the GOCC's website within thirty (30) calendar days from the close of each quarter.

FOR YOUR COMPLIANCE.

Very truly yours,

SAMUEL G. DAGPIN JR.
 Chairman

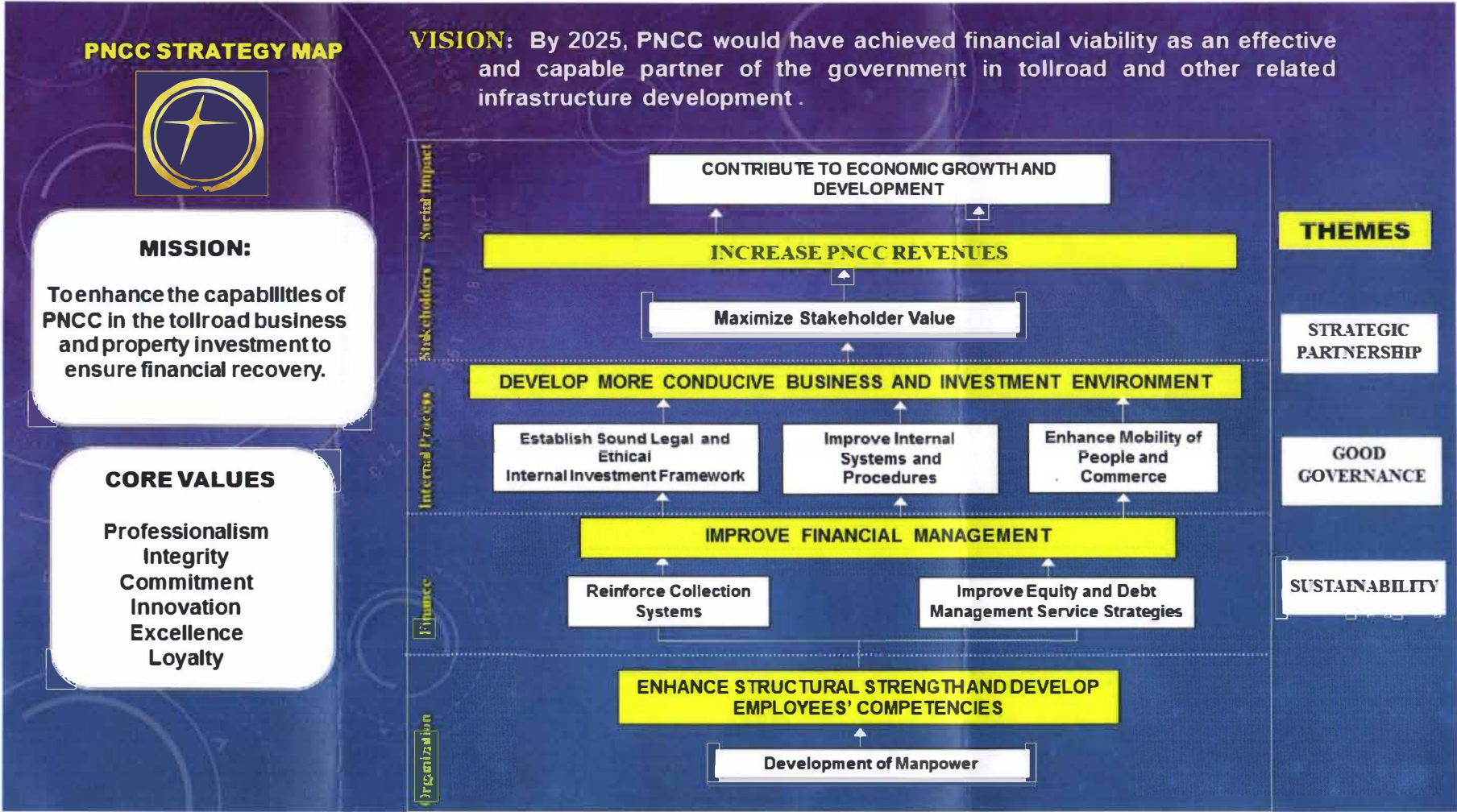
MICHAEL P. CLORIBEL
 Commissioner

MARITES CRUZ-DORAL
 Commissioner

¹ CODE OF CORPORATE GOVERNANCE FOR GOCCs, dated 28 November 2012.
² Officially received by the Governance Commission on 30 August 2018.
³ Officially received by the Governance Commission on 21 December 2018.
⁴ INTERIM PES FOR THE GOCC SECTOR, dated 30 June 2017.

PHILIPPINE NATIONAL CONSTRUCTION CORPORATION
 Office of the President
 Received by: VEM
49-046
 Cont. No. 155871
 Date 2/26/2019

PHILIPPINE NATIONAL CONSTRUCTION CORPORATION (PNCC)



2019 PERFORMANCE SCORECARD (ANNEX B)

PHILIPPINE NATIONAL CONSTRUCTION CORPORATION (PNCC)

	Objective/Measure	Component			Baseline Data			Target	
		Formula	Weight	Rating System ^{a/}	2016	2017	2018	2019	
CUSTOMERS/ STAKEHOLDERS	SO 1	Maximize Stakeholder Value							
		<i>Construction and Development of Real Properties</i>							
	SM 1	a. Porac	Actual Accomplishment	4%	All or Nothing	N/A	N/A	N/A	Signed Lease Contract for Porac Property
		b. FCA		4%		N/A	N/A	N/A	Signed Lease Contract for the 3 Areas in FCA Property
		c. Bicutan		4%		N/A	N/A	N/A	Disposition of Bicutan Property
	SM 2	Percentage of Satisfied Customers		8%	Actual / Target x Weight 0% = If less than 80%	N/A	N/A	N/A	90%*
		Sub-total	20%						
INTERNAL PROCESS	SO 2	Establish Sound Legal and Ethical Internal Investment Framework							
	SM 3	Expansion of Presidential Decree (P.D.) 1894	Actual Accomplishment	5%	All or Nothing	NA	NA	NA	Filing of Bill for the Amendment of P.D. 1894
	SO 3	Improve Internal Systems and Procedures							
	SM 4	ISO Certification	Actual Accomplishment	6%	All or Nothing	NA	NA	NA	ISO 9001:2015 Certification

* Using the Standard Methodology and Questionnaire developed by GCG.

	Objective/Measure	Component			Baseline Data			Target	
		Formula	Weight	Rating System ^{a/}	2016	2017	2018	2019	
SO 4	Enhance Mobility of People and Commerce								
INTERNAL PROCESS	<i>Construction and Development of Expressways</i>								
	SM 5	a. Pasig River Expressway Project (PAREX)	Actual Accomplishment	5%	All or Nothing	NA	NA	NA	Memorandum of Agreement on PAREX Submitted to the NEDA and GCG for Approval
		b. Lucena-Matnog Expressway/SLEX TR5	Actual Accomplishment	5%	All or Nothing	NA	NA	NA	Approval of Joint Investment Proposal
		c. Bulacan-Tuguegarao Expressway (BUTEX)	Actual Accomplishment	5%	All or Nothing	NA	NA	NA	Signed Memorandum of Agreement (MOA) on BUTEX
	SM 6	Increased Annual Daily Traffic							
		a. Buendia-Dilao	Actual Accomplishment	a. i. 1% ii. 1% iii. 1% iv. 1% b. 5%	All or Nothing	NA	NA	NA	a. Completion of Segmental Works: i. San Juan River ii. Section 3 iii. Section 4 iv. Balintawak b. Actual Toll Operation
		b. FTI-Bicutan	Actual Accomplishment	5%	All or Nothing	NA	NA	NA	5% of Segment 1 Completed
		Sub-total	40%						

	Objective/Measure	Component			Baseline Data			Target	
		Formula	Weight	Rating System ^{a/}	2016	2017	2018	2019	
FINANCE	SO 5	Reinforce Collection Systems							
	SM 7	Percentage of Receivables Collected	Actual Accomplishment	5%	(Actual / Target) x Weight	NA	NA	NA	Collection of at Least 10% of Judgment/ Monetary Award
	SO 6	Improve Equity and Debt Management Service Strategies							
	SM 8	Revenues	Service Income + Rental Lease Income + Share in JVs + Dividend Income + Interest Income	10%	(Actual / Target) x Weight	₱308.87 M	₱328.93 M	-	8% Increase from 2018 Revenues
	SM 9	Lease Income	Actual Amount	5%	(Actual / Target) x Weight	₱107.74 M	₱125.34 M	-	13% Increase from 2018 Lease Income
	SM 10	Earnings before Interest, Tax, Depreciation, and Amortization (EBITDA)	Net Income (before Other Comprehensive Income/Loss, Gains and Other Non-Operating Income) + Depreciation + Income Taxes + Interest Expense	10%	(Actual / Target) x Weight	(₱43 M)	(₱26.62 M)	-	Positive EBITDA
	SM 11	Conversion of Debt-to-Equity	Actual Accomplishment	3%	All or Nothing	NA	NA	NA	Negotiation of Terms of Debt Payment with PMO
				Sub-total	33%				

	Objective/Measure	Component	Baseline Data			Target			
		Formula	Weight	Rating System ^{a/}	2016	2017	2018	2019	
LEARNING & GROWTH	SO 7	Development of Manpower							
	SM 12	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	7%	All or Nothing	NA	NA	NA	Board-approved Competency Framework
			Sub-total	7%					
			TOTAL	100%					

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