

Performance Scorecard 2016

NATIONAL DEVELOPMENT COMPANY

	Component	Objective/Measure	Formula	Weight	Rating Scale	Baseline Data			Target	
						2012	2013	2014	2015	2016
Social Impact	<b>SO 1</b>	<b>Increase Value of Strategic Investment</b>								
	SM 1	Increase investment funds in Priority Areas, such as power and logistics per annum	Amount of investments in Priority Areas, such as power and logistics per annum / Total amount of investments for the year	15%	Actual / Target x Weight	0%	18%	65%	70%	75%
	SM 2	Cumulative total value of projects preferably in Priority Areas	Actual cumulative value of projects endorsed to the Board for approval	15%	Actual Increase / Target Increase x Weight	₱7 M	₱500 M	₱1.2 B	₱2.7 B	₱4.2 B
		<i>Sub-total</i>			30%					
Financial	<b>SO 2</b>	<b>Sustain Profitability</b>								
	SM 3	Net profit margin		10%	Actual / Target x Weight	40%	57.18%	28.15%	24.81% (65.44% if net of impairment loss)	a) If Dividend Income of Semirara is included, it should be 40.4% b) If Semirara is disposed, then 94.52%
	<b>SO 3</b>	<b>Generate Funds from Asset Management</b>								
	SM 4	Sales proceeds for the year	Actual amount of sales proceed	5%	Actual / Target x Weight	₱0.5 M	₱55.5 M	₱0.46 M	₱73.5 M	a)Semirara is not disposed, ₱33.62 M

	Component				Baseline Data			Target		
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									b) If Semirara is disposed, ₱4.4 B	
	SM 5	Lease income	Actual amount of lease income	5%	Actual / Target x Weight	₱84.4 M	₱114.5 M	₱131 M	₱176 M	₱152 Mn
	<b>SO 4</b>	<b>Optimize the Economic Value of Portfolio Investments</b>								
	SM 6	Return on investments	Amount of Returns / Total Investment infused net of allowance for impairment and excluding companies for dissolution and pre-operating expenses	10%	Actual / Target x Weight	22.19%	22.67%	20.95%	32.34%	a) If Dividend Income of Semirara is included, it should be 22.8% b) If Semirara is disposed, then 8.10%
		<i>Sub-total</i>		<b>30%</b>						
Internal Process	<b>SO 5</b>	<b>Strengthen Investment Management Capability</b>								
	SM 7	Increase the utilization rate of budgeted investment funds for Board-approved projects	Amount utilized for the year / Amount Budgeted for the year	10%	Actual / Target x Weight	-	-	-	7.69%	70%
	<b>SO 6</b>	<b>Forge Partnerships with Foreign and Local Groups for Identified Investment Areas</b>								
	SM 8	Average TAT for JV or partnership agreements for signing after approval of the NDC Board	Average processing time	10%	(1- (Actual - Target) / Target) x Weight	-	-	-	-	45 calendar days
		<i>Sub-total</i>		<b>20%</b>						

	Component				Baseline Data			Target		
	Objective/Measure	Formula	Weight	Rating Scale	2012	2013	2014	2015	2016	
Learning and Growth	<b>SO 7</b>	<b>Build a High Performing Team Culture</b>								
	SM 9	PGS Certification	Milestone/s achieved	5%	All or nothing	-	Initiation	Compliance	Passing the pre-audit assessment for proficiency	Proficiency
	SM 10	Establishment of a Competency Model	Milestone/s achieved	5%	All or nothing	-	-	-	-	Board approved Competency Model
	<b>SO 8</b>	<b>Institutionalize the Quality Management System</b>								
	SM 12	ISO Certification for all process	Milestone/s achieved	5%	All or nothing	-	Re-certified	Re-certified	Re-certification	Re-certification
		<i>Sub-total</i>								
	<b>TOTAL</b>									