

PHILIPPINE NATIONAL CONSTRUCTION CORPORATION (PNCC)
Validated 2023 Performance Scorecard

	Component					PNCC Submission		GCG Validation		Supporting Documents	Remarks
	Objective/Measure	Formula	Rating Scale ^{a/}	Wt.	Target	Actual	Rating	Score	Rating		
STAKEHOLDERS	SO 1	Contribute to Economic Growth and Development									
	SO 2	Maximize Stakeholder Value									
	SM 1	Construction and Development of Real Properties	Actual Accomplishment	All or Nothing	10%	Finalized Agreement with DOTr on Bicutan Property	No accomplishment	0%	Measure excluded.	<p>- Narrative on the Progress of Negotiations with the DOTr on the Bicutan Property</p> <p>- Copies of communication exchanges between the DOTr, PNCC, and the Leighton-First Balfour Joint Venture (LFBJV)</p>	<p>The target referred to is a finalized agreement with the DOTr regarding the acquisition of Bicutan property affected by the NSCR project.</p> <p>Key communications submitted by PNCC included:</p> <ul style="list-style-type: none">• DOTr's endorsement of LFBJV as the winning contractor for the NSCR Project Package Number 03 on 4 August 2023.• LFBJV's expression of interest in leasing part of the Bicutan property on 2 August 2023.• PNCC's inquiry to DOTr on 16 October 2023 regarding a previous Notice of Taking (NoT) that restricted development on its property for two years.• DOTr's notification on 19 October 2023 of another winning bidder for the NSCR project and potential lease contracts for unaffected portions of the property.• Two Notices of Taking and a Request for Documents received by

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											<p>PNCC on 4 December 2023 regarding land necessary for the NSCR Extension Project.</p> <ul style="list-style-type: none">A follow-up clarification from DOTr received on 2 January 2024. <p>Due to the inconsistent communication with the DOTr following the 2022 Presidential Elections, the overlong rectification of the erroneous coverage of the 2nd NoT, and the lengthy evaluation of the DOTr of the Bicutan Property, PNCC was unable to achieve the target. However, it was determined that these factors are outside of PNCC's control. Therefore, it is recommended that this measure be excluded.</p>																															
	SM 2	Annual Vehicle Traffic of Metro Manila Skyway Stage 3	Actual Annual Traffic Count	Actual / Target	5%	54.5 million	56.48 million	5%	56.48 million	5%	- Skyway Stage 3 Actual Vehicle Traffic Count for the Year 2023	<table><tr><th colspan="2">Traffic Count</th></tr><tr><th>Month</th><th>2023</th></tr><tr><td>January</td><td>4,529,081</td></tr><tr><td>February</td><td>4,214,845</td></tr><tr><td>March</td><td>4,695,384</td></tr><tr><td>April</td><td>4,311,927</td></tr><tr><td>May</td><td>4,745,868</td></tr><tr><td>June</td><td>4,727,165</td></tr><tr><td>July</td><td>4,766,218</td></tr><tr><td>August</td><td>4,843,565</td></tr><tr><td>September</td><td>4,692,273</td></tr><tr><td>October</td><td>4,879,030</td></tr><tr><td>November</td><td>4,852,415</td></tr><tr><td>December</td><td>5,220,746</td></tr><tr><td>Total</td><td>56,478,517</td></tr></table> <p>The recorded annual traffic count of Metro Manila Skyway Stage 3 for 2023 was 56.5</p>	Traffic Count		Month	2023	January	4,529,081	February	4,214,845	March	4,695,384	April	4,311,927	May	4,745,868	June	4,727,165	July	4,766,218	August	4,843,565	September	4,692,273	October	4,879,030	November	4,852,415	December	5,220,746	Total	56,478,517
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											million, which is 2 million or 3.67% above the target.																					
	SM 3	Percentage of Satisfied Customers																														
		a. Partner Agencies	Number of respondents which gave <i>at least</i> a Satisfactory rating / Total number of respondents	Actual / Target <i>0% = If less than 80%</i>	5%	90%	94.66%	10%	100% <i>(Compliant)</i>	10%	- Client Satisfaction Measurement Report 2023 - Compliance Report from ARTA	<table><tr><th>SQD</th><th>Score</th></tr><tr><td>Responsiveness</td><td>100%</td></tr><tr><td>Reliability</td><td>100%</td></tr><tr><td>Access and Facilities</td><td>94.44%</td></tr><tr><td>Communication</td><td>90%</td></tr><tr><td>Costs</td><td>94.11%</td></tr><tr><td>Integrity</td><td>91.66%</td></tr><tr><td>Assurance</td><td>94.44%</td></tr><tr><td>Outcome</td><td>94.44%</td></tr><tr><td>Overall</td><td>94.66%</td></tr></table>	SQD	Score	Responsiveness	100%	Reliability	100%	Access and Facilities	94.44%	Communication	90%	Costs	94.11%	Integrity	91.66%	Assurance	94.44%	Outcome	94.44%	Overall	94.66%
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	b. Concessionaires		5%	90%						Through a letter from ARTA to the GCG dated 31 May 2024 regarding the compliance status of GOCCs covered by RA No. 10149, ARTA reported that PNCC's 2023 CSM was found to be compliant with the GCG-ARTA JMC No. 1, s. 2022 with a rating of 100%																						
Sub-total					25%			15%																								
INTERNAL PROCESS	SO 3	Improve Internal Systems and Procedures																														
	SM 4	ISO Certification	Actual Accomplishment	All or Nothing	5%	ISO 9001:2015 Certification	1 st Stage Audit	0%	1 st Stage Audit	0%	- Stage 1 Audit Report - Audit Summary Report	As of 31 December 2024, PNCC only reported the accomplishment of the 1 st Stage Audit, which was conducted on 08 November 2024. Meanwhile, the 2 nd Stage Audit was scheduled for 29-30 April 2024. PNCC eventually secured the ISO 9001:2015 Certification on 24 June 2024.																				

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Objective/Measure	Formula	Rating Scale ^{a/}	Wt.	Target	Actual	Rating	Score	Rating			
SO 4	Enhance Mobility of People and Commerce										
SM 5	Construction and Development of Expressway Projects										
	a. Lucena to Matnog Expressway (TR5)	Actual Accomplishment	Actual / Target	7%	70% Completion of Detailed Engineering Design (DED)	98.50%	7%	98.50%	7%	- SMC Infrastructure Report re: Various Projects – Updated as of the 4th Quarter of 2023 - PNCC PPT on 2023 Performance Scorecard Validation	According to the SMC Infrastructure report, the DED completion rate of the project was at 98.50%, exceeding the target of 70%.
	b. Pasig River Expressway Project (PAREX)	Actual Accomplishment	Actual / Target	7%	50% Completion of Detailed Engineering Design (DED)	88.89%	7%	88.89%	7%	- SMC Infrastructure Report re: Various Projects – Updated as of the 4th Quarter of 2023 - PNCC PPT on 2023 Performance Scorecard Validation	According to the SMC Infrastructure report, the DED completion rate of the project was at 88.89%, exceeding the target of 50%.
	c. Greater Capital Region Integrated Expressways Network Project [formerly Integrated Airport Toll Expressways Network (IATEN)]										
	1. Northern Access Link (NALEX)	Actual Accomplishment	Actual / Target	7%	50% Completion of Detailed Engineering Design (DED)	29.41%	4.11%	29.41%	4.12%	- SMC Infrastructure Report re: Various Projects – Updated as of the 4th Quarter of 2023 - PNCC PPT on 2023 Performance Scorecard Validation	According to the SMC Infrastructure report, the DED completion rate of the project was at 29.41%, falling below the target of 50%.
3%				50% Completion on Advance Work – Construction of 15 Piers Viaduct	80.01%	3%	80.1%	3%	- SMC Infrastructure Report re: Various Projects – Updated as of the 4th Quarter of 2023	According to the SMC Infrastructure report, the Advance Work on 15 Piers Viaduct completion rate was at 80.01%, exceeding the target of 50%.	

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										- PNCC PPT on 2023 Performance Scorecard Validation	
	2. Southern Access Link (SALEX)			5%	60% Completion of Detailed Engineering Design	86.37%	5%	86.37%	5%	- SMC Infrastructure Report re: Various Projects – Updated as of the 4th Quarter of 2023 - PNCC PPT on 2023 Performance Scorecard Validation	According to the SMC Infrastructure report, the DED completion rate of the project was at 86.37%, exceeding the target of 60%.
	3. Central Access Link		All or Nothing	1%	Completion of STOA Negotiation	No accomplishment	0%	No accomplishment	0%	- Narrative with the STOA [of CALEX] concerning the PPP Code - PNCC PPT on 2023 Performance Scorecard Validation	PNCC attributed the lack of progress to the passage of R.A. No. 11966, which PNCC believes undermines its franchise and compromises its authority to negotiate the STOA. Despite PNCC's argument that the new law does not explicitly repeal its franchise and despite its ongoing inquiries with the OGCC, no STOA negotiations occurred, and the target remained unaccomplished. Moreover, no progress being made in the first 11 months of the year to accomplish the target.
	d. C6 Project (FTI-Bicutan)	Actual Accomplishment	Actual / Target	7%	50% Completion of Detailed Engineering Design (DED) for Section 2 Realignment	97%	7%	97%	7%	- SMC Infrastructure Report re: Various Projects – Updated as of the 4th Quarter of 2023 - PNCC PPT on 2023 Performance Scorecard Validation	According to the SMC Infrastructure Report, the DED completion rate of the project was at 97%, exceeding the target of 50%.
	Sub-total				42%			33.11%		33.12%	

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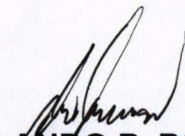
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	Objective/Measure	Formula	Rating Scale ^{a/}	Wt.	Target	Actual	Rating	Score	Rating									
FINANCE	SO 5	Reinforce Collection Systems																
	SM 6	Percentage of Receivables Collected	Actual Collection	Actual / Target	10%	Collection of the Consigned amount of ₱18 Million by Ley Construction and Development Corporation	No accomplishment	0%	Not accomplished.	0%	<p>- Executive Summary of PNCC vs LCDC Civil Case for Unlawful Detainer and Damages</p> <p>Three Motions for Early Resolution had already been submitted to the MTC between July 2023 and May 2024, but none had been responded to.</p> <p>The protracted nature and unpredictable outcome of cases are well-known. The fact therefore that PNCC's ejectment case against LCDC has remained pending in court is not a valid basis to exclude this measure from PNCC's 2023 scorecard. It is noted that it was PNCC itself who proposed this measure in its scorecard.</p> <p>In sum, PNCC failed to meet its target of collecting the ₱18 million unpaid rental.</p>							
	SO 6	Improve Equity and Debt Management Service Strategies																
	SM 7	Revenues	Service Income + Lease Income + Share in JVs + Dividend Income + Interest Income	Actual / Target	10%	₱686.61 Million	₱779.86 Million	10%	₱779.86 Million	10%	<p>- Revenues & Expenses report (Unaudited)</p> <p>- COA-audited FS uploaded on PNCC's website</p> <table><thead><tr><th>Revenue</th><th>Amount (P)</th></tr></thead><tbody><tr><td>2022</td><td>499,252,647</td></tr><tr><td>2023</td><td>779,859,370</td></tr><tr><td>% Inc</td><td>56.21%</td></tr></tbody></table> <p>PNCC exceeded the target by ₱93.24 million or 13.58% and reported an increase from the 2022 accomplishment by ₱280.31 million or 56.21%.</p>	Revenue	Amount (P)	2022	499,252,647	2023	779,859,370	% Inc
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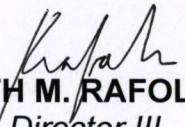
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	SM 8	Conversion of Debt-to-Equity	Actual Accomplishment	All or Nothing	1%	Finalization of Debt Payment Scheme with PMO	No accomplishment	0%	No accomplishment	0%	- PNCC PPT on 2023 Performance Scorecard Validation	PNCC is currently awaiting the verdict of the Office of the President (OP) on the Motion for Reconsideration and Supplemental Motion for Reconsideration submitted on 22 July 2022 and 16 February 2024, respectively. However, given that this target has been set since 2019 and PNCC made no progress in 2023, it has been determined that the target was not accomplished.																				
	SM 9	Budget Utilization Rate (BUR)	Actual Disbursement / Scheduled Disbursement (Net of PS Cost)	Actual / Target	7%	90%	57.71%	4.48%	25.64%	1.99%	- Revenues & Expenses report (Unaudited) - 2023 COB - SAAODBD as 31 December 2023	<table><tr><th>2022</th><th colspan="2">(in P millions)</th></tr><tr><td></td><th>Budget</th><th>Utilized</th></tr><tr><td>MOOE</td><td>112.40</td><td>109.80</td></tr><tr><td>FinEx</td><td>258.01</td><td>0.01</td></tr><tr><td>CO</td><td>.914</td><td>0.00</td></tr><tr><td>Total</td><td>370.41</td><td>109.80</td></tr><tr><td>BUR</td><td colspan="2">25.64%</td></tr></table>	2022	(in P millions)			Budget	Utilized	MOOE	112.40	109.80	FinEx	258.01	0.01	CO	.914	0.00	Total	370.41	109.80	BUR	25.64%
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Sub-total				28%			14.48%		11.99%																							
LEARNING AND GROWTH	SO 7	Development of Manpower																														
	SM 10	Percentage of Employees Meeting Required Competencies	Actual Accomplishment	All or Nothing	5%	Establish Baseline	13 out of 57 or 22.81% of Employees	5%	13 out of 57 or 22.41% of Employees	0%	- Memo from MISD to PCEO re: Result of Competency Assessment - PNCC PPT on 2023 Performance Scorecard Validation	It should be clarified that the target to "establish a baseline" should be based on the number of employees meeting the competencies required for their positions divided by the total plantilla employees, after assessing the competencies of all employees. As noted, PNCC conducted competency profiling of only 13 employees out of a total workforce of 57 as of year-end 2023. Therefore, PNCC failed to achieve the "Establish																				

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											Baseline" target, given that only 22.41% of permanent employees were assessed.
Sub-total				5%			5%		5%		
Excluded Weights				(10%)					(10%)		
VALIDATED TOTAL				100%			67.59%	60.11 / 90 = 66.79%			

Annex A Reviewed and Certified Correct by:


ATTY. ORLANDO P. POLINAR
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 Corporate Governance Office B


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