

BOARD ACCOMPLISHMENTS FOR 2021 – WORK DONE AND ISSUES ADDRESSED

| NAME OF COMMITTEE/S | WORK DONE | ISSUES ADDRESSED |
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| Finance, Audit, and Legal & Compliance Committees | <ul style="list-style-type: none"> • Disposal of shares at Architectural Centre Club (ACCI), Metropolitan Club, Inc. (MCI), and Puerto Azul Beach & Country Club, Inc. (PABCCI), whether thru bidding or negotiated sale. | <ul style="list-style-type: none"> • The Company is no longer active in the construction business and has since then commenced disposing its membership shares in these various club organizations; • Likewise, the Company's club shares were seldom used by PNCC while the privileges from other club memberships were not availed of anymore and were previously offered for sale through bidding but the proposed sale failed as there were no interested bidders. |
| Finance, Audit, and Legal & Compliance Committees | <ul style="list-style-type: none"> • Derecognition of PNCC's non-proprietary share in Mimosa Golf and Country Club (MGCC). | <ul style="list-style-type: none"> • The said PNCC share at MGCC had already been delisted and is therefore worthless and unrecoverable; • The derecognition of said investment be implemented |

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| | | in accordance with the prevailing accounting and auditing rules and procedures. |
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| Business Development Committee | <ul style="list-style-type: none"> Adoption and approval of the Terms of Reference (TOR) and other bid documents submitted by the Management/BAC for the proposed lease of the Sta. Rita Property through open bidding, subject to the revisions and comments on the draft lease contract. | <ul style="list-style-type: none"> Immediate implementation of the open bidding for the lease of the Sta. Rita Property. |
| Board Action | <ul style="list-style-type: none"> Amendment of Board Resolution No. 26-2020 dated 13 August 2020 which mandated that Management should seek prior board approval in case of conversion of an investment from time deposit to other types of investments, as well as the transfer of funds from one bank to another bank. | <ul style="list-style-type: none"> It gave more flexibility to the President by allowing the President / CEO to transfer Company funds from one bank to another, or convert investments from time deposit to other types of investments without securing prior board approval provided such action is deemed advantageous and |

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| | | beneficial to the interest of the Company; |
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| Audit Committee | <ul style="list-style-type: none"> Adoption and approval of the Audit Plan for 2021 | <ul style="list-style-type: none"> The Company was equipped with an Audit Plan for 2021 |
| Board Action | <ul style="list-style-type: none"> Resetting of the PNCC annual stockholders' meeting at a future date to be decided by the board and that the appropriate notice of postponement of stockholders' meeting be effected by the Corporate Secretary. | <ul style="list-style-type: none"> The resetting was effected due to the resurgence of the COVID-19 pandemic and the unavailability of some important / necessary documents by the 4th Tuesday of March 2021 (23 March 2021). |
| | <ul style="list-style-type: none"> Authority of Atty. Mariano Jesus S. Averia, Corporate Secretary, to accomplish the Sworn Application for the issuance of a Tax Clearance Certificate-GOCC (TCC-GOCC) pursuant to Revenue Memorandum Circular No. 32-2021 of the Bureau of Internal Revenue. | <ul style="list-style-type: none"> Revenue Memorandum Circular No. 32-2021 requires, among others, a GOCC's Authorized Officer to accomplish a Sworn Statement for the issuance of a TCC-GOCC, which is a pre-requisite for the application on the grant of Interim Performance-Based Bonus to qualified GOCCs pursuant to |

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| Board Action | <ul style="list-style-type: none"> • Designation of Atty. Mariano Jesus S. Averia, Corporate Secretary, to represent the Corporation and act for it in the submission of reportorial requirements with the SEC through the Online Submission Tool (OST). | <p>GCG Memorandum Circular (MC) No. 9019-02</p> <ul style="list-style-type: none"> • This is in compliance with SEC Memorandum Circular No. 3 Series of 2021 entitled <i>“Schedule and Procedure for the Filing of Annual Financial Statement, General Information Sheet and Other Covered Reports”</i> which aims to: [1] implement an electronic filing and monitoring system, [2] adopt a zero-contact policy under Section 12 of RA No. 11032 otherwise known as the <i>“Ease of Doing Business and Efficient Government Service Delivery Act of 2018”</i>, [3] develop the necessary software and technology-neutral platforms as required by R.A No. 11032, [4] adhere to sustainable practices such as using less paper and reducing energy |

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| | | consumption, [5] prevent and minimize the spread of emerging infectious diseases such as COVID-19, and to [6] maintain an organized and orderly filing in 2021 of the Annual Financial Statements (AFS), General Information Sheet (GIS), General Form for Financial Statements (GFFS), Industry-specific Special Form for Financial Statements (SFFS) and other covered reports through the use of the Online Submission Tool (OST). |
| Corporate Governance Committee | <ul style="list-style-type: none"> The Committee recommended to the Board the approval of the Competency Framework. | <ul style="list-style-type: none"> Approval of the Competency Framework |
| Business Development Committee | <ul style="list-style-type: none"> Extension of the Lease Contract over the Porac Property by 9 ½ months. | <ul style="list-style-type: none"> The period during which Tokagawa was unable to use and operate the PNCC property, that is March 16, 2020 to May 31, 2020 equivalent to two and half (2 ½) months when the enhanced community |

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| | | <p>quarantine (ECQ) was imposed and November 2020 to May 2021 equivalent to seven (7) months when Tokagawa had no access to the only pathway going to the property and the concerned local government unit had not issued the permit for Tokagawa's quarrying operation without Tokagawa's fault, was moved to the latter portion of the lease term thereby extending the expiration date of the Contract of Lease with Tokagawa dated 31 January 2019 by nine and half (9 ½) months;</p> <ul style="list-style-type: none">• The moving of the said lease period shall be conditioned on the submission of Tokagawa of the certifications that Tokagawa did not use and operate the leased property and a Certification |
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| | | <p>from the local government unit and/or the concerned government agency that no quarry permit was issued authorizing Tokagawa to operate the property from November 2020 to May 2021;</p> <ul style="list-style-type: none"> • Denial of Tokagawa’s request for extension of the lease agreement by ten (10); • Designation / Authority of PNCC President and CEO to sign and execute an amended contract of lease with Tokagawa, embodying the aforesaid resolutions and such other terms and conditions in relation thereto as may be deemed necessary and appropriate under the premises. |
| | <ul style="list-style-type: none"> • There is a need to redeem the the Company’s PLDT shares and unclaimed and accrued dividends, and to correct / | <ul style="list-style-type: none"> • The Board approved and authorized the correction of PNCC’s corporate name appearing in the Stock |

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| | <p>amend the name in the Stock Certificates from Construction Development Corporation of the Philippines (CDCP) to Philippine National Construction Corporation (PNCC) and authorize PNCC officers to execute and sign the necessary documents for the redemption;</p> | <p>Certificates enumerated Board Resolution No. 12-2021 covering 22,720 shares of PLDT 10% Cumulative Convertible Preferred Stock (<i>the "SIP Stock Certificate" and the "SIP Shares" respectively</i>), to <u>PHILIPPINE NATIONAL CONSTRUCTION CORPORATION;</u></p> <ul style="list-style-type: none"> • The Board also authorized the Company to execute an Indemnity Agreement, saving PLDT, RCBC (as stock transfer agent of PLDT), and their respective directors, officers and employees from any claim, action liability, loss, damage, or suit arising from the correction of PNCC's corporate name in the SIP Stock Certificates; • In connection with the redemption by Philippine Long Distance Telephone |
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| | | Company (PLDT) of its outstanding shares of 10% Cumulative Preferred Stock issued pursuant to PLDT's Subscriber Investment Plan (the SIP Shares), the Company was further authorized to surrender and deliver the stock certificates representing the SIP Shares owned on record by CDCP / PNCC |
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| Audit and Finance Committees | <ul style="list-style-type: none"> • Deliberation on the Company's 2020 Financial Statement and subsequent recommendation for its approval and transmittal thereof to the COA for final audit. | <ul style="list-style-type: none"> • Adoption by the Board of the joint committees' recommendation to approve the transmittal of the 2020 Financial Statement to the COA for final audit. |
| Board Action | <ul style="list-style-type: none"> • In order to convey the sentiments and appreciation of the Board, it was deemed appropriate to honor the exemplary performance of Mr. Herculano C. Co, Jr. as Chairman of the Board of | <ul style="list-style-type: none"> • A plaque of appreciation was given to Chairman Herculano C. Co, Jr. in honor of his exemplary performance as Chairman of the Board of PNCC from 16 November 2017 until 17 August 2021. |

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| | Directors of PNCC through a plaque of appreciation. | |
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| Board Action | <ul style="list-style-type: none"> The Corporate Secretary was authorized to write a letter to the GCG on behalf of the PNCC Board of Directors, and seek guidance on whether or not the PNCC Board can appoint or select an Acting Chairman other than the Vice-Chairman, pending the selection or appointment of a permanent PNCC Chairman by the Office of the President. | <ul style="list-style-type: none"> It resolved the variance of opinion from amongst the Directors on whether or not the Board can appoint an Acting Chairman other than the Vice-Chairman pending the selection or appointment of a permanent Chairman by the Office of the President. |
| Board Action | <ul style="list-style-type: none"> The Legal Department was requested to come up with a legal opinion on whether or not the PNCC Board can appoint or select an Acting Chairman other than the Vice-Chairman, pending the selection or appointment of a permanent PNCC Chairman by the Office of the President. | <ul style="list-style-type: none"> It resolved the variance of opinion from amongst the Directors on whether or not the Board can appoint an Acting Chairman other than the Vice-Chairman pending the selection or appointment of a permanent Chairman by the Office of the President. |

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| Board action | <ul style="list-style-type: none"> The Board authorized Pres. and CEO Miguel E. Umali to enter into new Service Contracts with Atty. Mariano Jesus S. Averia as Corporate Secretary and Mr. Renato M. Monsanto as Assistant Corporate Secretary starting August 18, 2021 until their successors are elected and qualified. | <ul style="list-style-type: none"> There is a need to continue with the services of the Corporate Secretary and Assistant Corporate Secretary in order to ensure that the Company stays in compliance with both regulatory and statutory requirements, among others; |
| Board Action | <ul style="list-style-type: none"> The Board authorized President / CEO Miguel E. Umali to sign for and on behalf of PNCC, the Supplemental Toll Operations Agreement for the Pasig River Expressway Corporation (PAREX). | <ul style="list-style-type: none"> It resolved the authorized signatory in connection with the series of negotiations between the Technical Working Groups of PNCC, SMHC and the TRB re the provisions of the Supplemental Toll Operations Agreement (STOA) for the PAREX Corp |
| Board Action | <ul style="list-style-type: none"> Approval of PCPI's request to extend the two-year construction grace period under the Lease Contract dated 19 October 2021 | <ul style="list-style-type: none"> The requests of PCPI as stated addressed the continuing impact of the COVID-19 pandemic. |

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| | <p>between PCPI and PNCC for one year from 15 October 2021 to 15 October 2022 and the retention of the existing lease rate for the one-hectare portion of the property for the same period of one year on account of the continuing impact of the COVID-19 pandemic as contained in PCPI's letters dated 24 August 2021 and 14 September 2021;</p> <ul style="list-style-type: none">• Approval / Grant of PCPI's request to extend the expiration of the Lease Contract by one year to compensate for the loss of one year due to the pandemic;• Authority of PNCC President and CEO to sign and execute and perform the necessary actions for the execution of an amended lease contract with PCPI, embodying the | |
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| | aforesaid resolutions and such other terms and conditions in relation thereto as may be deemed necessary and appropriate under the premises. | |
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| Board Action | <ul style="list-style-type: none"> • Authority of AVILA PRINTING PRESS, represented by Ma. Frenylyn F. Avila, with address at Block 142, Lot 53, San Diego St., Central Bicutan, Taguig City, to print the Official Receipts / Billing Invoices of PNCC. | <ul style="list-style-type: none"> • Under existing regulations promulgated by the BIR (specifically RR 18-2021 and RMC 44-2013), an Authority To Print (ATP) from the client is a pre-condition that the printer has to comply with in rendering its services to a particular client. |
| PAN Committee | <ul style="list-style-type: none"> • Approval of the 3rd Quarter Performance Monitoring Report, and submission thereof to the GCG on or before the deadline on 31 October 2021. | <ul style="list-style-type: none"> • The Board acted on the recommendation of the PAN Committee to approve and submit the 3rd Quarter Performance Monitoring Report to the GCG on or before 31 October 2021, after an evaluation and scrutiny thereof. |
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| Board Action | <ul style="list-style-type: none"> • Adoption and approval of the Quality Manual as documented and presented by PNCC Management constituting PNCC's Quality Management System, with an undertaking to support and commit to the said Quality Management System. | <ul style="list-style-type: none"> • This is in compliance with Executive Order No. 605, S. 2007 which institutionalized the structure, mechanisms and standards to implement the Government Quality Management Program, amending for the purpose administrative Order No. 161, S. 2006. |
| | <ul style="list-style-type: none"> • Authority of the Office of the Government Corporate Counsel (OGCC) or any of its lawyers to represent and appear on behalf of PNCC or any of its directors, officers, agents, or representatives, in the case captioned as "<i>Wellex Petroleum Inc. Petitioner, versus PNCC, Respondents;</i>" docketed as SEC Case No. 09-21-529 and in other case/action that may arise from the captioned-case, with full power, as ample and broad as may be necessary under Philippine laws, to do | <ul style="list-style-type: none"> • PNCC is a respondent in a case filed with the Securities and Exchange Commission (SEC), entitled "<i>Wellex Petroleum Inc., Petitioner, versus Philippine National Construction Corporation, Respondent;</i>" docketed as SEC Case No. 09-21-529, and the SEC issued summons to PNCC, PNCC Board Directors and corporate officers requiring the addressees to submit a verified answer on the petition in the aforesaid case; |

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| | <p>and perform on behalf of PNCC any act and deed relating to the captioned case.</p> | <ul style="list-style-type: none"> Hence, the need for legal representation for PNCC and the addressees of the summons to adequately protect their rights and interest in relation to the case. |
| <p>Business Development Committee</p> | <ul style="list-style-type: none"> Awarding of the lease of the Sta. Rita Property to San Miguel Holdings Corporation; referral of the Lease Contract to OGCC for its review and approval. | <ul style="list-style-type: none"> SMHC submitted the required three (3) envelopes for the bidding containing its pre-qualification documents, as well as its technical and financial proposals; After a thorough evaluation of the documents submitted by SMHC, it was determined by the BAC that SMHC adequately complied with the requirements for the lease of the Sta. Rita Property; Hence, the BAC recommended to the Business Development Committee in a Memorandum dated 18 October 2021 to recommend |

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| | | to the Board the award of the lease of the Sta. Rita Property of PNCC to the winning bidder, San Miguel Holdings Corporation (SMHC); |
| Board action | <ul style="list-style-type: none"> • Filling up of Directors' seats in JV Companies left Vacant by Chairman Herculano C. Co, Jr. | <ul style="list-style-type: none"> • The Board of Directors saw it fit to designate a nominee / director in the board seats of JV Companies that were vacated by then Chairman Herculano C. Co, Jr., albeit in a temporary capacity pending the selection of a permanent Chairman by the Office of the President of the Philippines; • In this connection, the Board resolved that for the JV Companies with single seat nominee from PNCC that were previously occupied by Chairman Herculano C. Co Jr., such as the [a] SMC Skyway Corporation (<i>formerly CMMTC / Skyway Stage 1 and 2</i>) and [b] SMC Skyway Stage 4 Corporation (<i>formerly CITI</i>), it |

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| | | <p>will be Vice-Chairman, Pres. & CEO Miguel E. Umali that will take over the seat vacated by Chairman Herculano C. Co, Jr. albeit in a temporary capacity until a permanent Chairman is selected by the OP, pursuant to prevailing Company policy that the Chairman and /or President / CEO shall be nominated to occupy the directorial seats in JV companies;</p> <ul style="list-style-type: none"> • Insofar as the JV Companies with two (2) seats are concerned, it will be Vice-Chairman, President / CEO Miguel E. Umali plus one (1) Director that shall occupy the same |
| Audit and Finance Committees | <ul style="list-style-type: none"> • Approval of the proposed Corporate Operating Budget for 2022 as presented by Management. | <ul style="list-style-type: none"> • Deliberation, scrutiny, and approval of the proposed COB for 2022 during the joint meeting of the Finance and Audit Committees held on November 3 and 24, 2021; |

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| | <p>Realignment of the total amount of PESOS: One Million Seven Hundred Forty Seven Thousand Seven Seven Hundred Twelve (PHP1,747,712.00) which were not factored in the 2021 COB, to be sourced from the unused budget intended for salaries and wages for unfilled vacancies under the 2021 COB, in order to cover the expenses for the increase in SSS / EC contributions amounting to PHP178,355.00; salaries of security guards amounting to P1,395,357.00; and the anniversary bonus as provided under A.O No. 263, S. 1996 in the total amount of PHP174,000.00, subject to the usual accounting and auditing rules and regulations.</p> | <p>Management's request for adjustments / realignment is brought about by the increase in SSS / EC contributions amounting to PHP178,355.00; salaries of security guards amounting to P1,395,357.00; and the anniversary bonus as provided under A.O No. 263, S. 1996 which is given every five (5) years to every employee in the total amount of PHP174,000.00 for all the employees;</p> |
| | <p>RESOLVED, AS IT IS HEREBY RESOLVED, that the Legal Department be directed to conduct the appropriate study and prepare a legal opinion on the request of Atty. Rey Nathaniel Ifurung, Compliance Officer, for a salary adjustment;</p> | |

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| | RESOLVED FINALLY, that the legal opinion as prepared by the Legal Department be thereafter submitted to the Corporate Governance and Legal & Compliance for evaluation and final disposition. | |
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