



**MINUTES OF THE HYBRID MEETING OF
THE PAN COMMITTEE HELD VIA ZOOM AND
AT THE PNCC BOARD ROOM, PNCC COMPOUND,
KM. 15, EAST SERVICE ROAD, SAN MARTIN
DE PORRES, PARANAQUE, METRO MANILA;
7 DECEMBER 2022; 10:06 A.M.**


DIRECTORS PRESENT:

Miguel E. Umali	Vice-Chairman, Pres. & CEO, PNCC
Pedro B. Cabatingan, Jr.	Chairman, PAN Committee
Jonathan S. Avancena	Member, PAN Committee (<i>via Zoom</i>)
Alan R. Luga	Member, PAN Committee (<i>via Zoom</i>)
Mohamad Taha A. Guinomla	Member, PAN Committee (<i>via Zoom</i>)

ALSO PRESENT:

Mariano Jesus S. Averia	Corporate Secretary
Ms. Rose Delivios	Presenter for the 3 rd Quarter Performance Monitoring Report

I. CALL TO ORDER / ROLL CALL



Committee Chairman Pedro B. Cabatingan, Jr. called the meeting at 10:06 A.M, and presided over the same. Two (2) members of the PAN Committee namely PAN Committee Chairman Pedro B. Cabatingan, Jr. and Pres. Miguel E. Umali were physically present in the Board room. On the other hand, Director Alan R. Luga, Director Jonathan Avanceña, and Director Mohamad Taha A. Guinomla attended the meeting via the Zoom platform and stated [1] their location, [2] the device they were using for the teleconference, [3] that they can see and hear their fellow directors clearly, and [4] that they received the Agenda and materials for today's meeting within the threshold period. Atty. Mariano Jesus S. Averia, as Corporate Secretary, recorded the Minutes of the meeting and certified that five (5) Directors were in attendance thereby constituting a quorum for the transaction of business.

II. APPROVAL OF THE AGENDA

Before the Agenda was approved, PAN Committee Chairman Cabatingan moved for the revision of Item No. IV to read as *"IV. Updates on the 3rd Quarter Performance Monitoring Report"*, in lieu of *"IV. Updates on the Proposed PNCC Performance Scorecard for 2023"*. Chairman Cabatingan further moved for the revision of today's Agenda by deleting Item No. V entitled *"Report on the CY 2021 Corporate Governance Scorecard Exit Conference Held on 5 December 2022 at the PICC"* and also manifested that the latter item in the agenda can be discussed more appropriately by the Corporate Governance Committee. Pres. Umali then instructed the Secretariat to schedule a meeting of the Corporate Governance on 14 December 2022 at 9:00 A.M., which will be followed by the regular board meeting.

Upon motion of Pres. Umali and duly seconded by Director Avanceña, the Agenda for the PAN Committee meeting, as revised, was approved.

III. REVIEW AND APPROVAL OF THE MINUTES OF THE PAN COMMITTEE MEETING DATED 10 NOVEMBER 2022

Upon motion of Director Avanceña and duly seconded by Pres. Umali, the Minutes of the PAN Committee Meeting dated 10 November 2022 was approved.

IV. UPDATES ON THE 3rd QUARTER PERFORMANCE MONITORING REPORT

Ms. Rose Delivios – Presentor

The highlights of the Report of Ms. Rose Delivios are as follows:

SM1 – Construction and Development of Real Properties (FCA) Properties: Ms. Rose Delivios reported that the target for this specific measure was achieved since the lease contract for Sta. Rita, Bulacan property was signed with SMHC on May 10, 2022;

SM2 - Percentage of Satisfied Customers: It was reported that there is an on-going bidding for the selection of a 3rd party that will analyze the result of the conduct the Customer Satisfaction Survey (CSS) for 2022. It is assumed that this specific target will be achieved considering that the respondents for the current year will still be the same as last year;

SM3 – ISO Certification: Ms. Delivios reported that the target for SM3 will not be achieved. Although PNCC is ready for the certification audit, the selection of the Certifying Body (CB) is still on-going after the conduct of two (2) biddings for the procurement of the services of a CB failed;

SM4 – this specific measure is divided into three (3) projects, namely:

[a] Lucena-Matnog Expressway / SLEX TR5: It was reported that our target for this specific measure in June 2022 was given an assigned weight of 5% which was achieved as the negotiation on STOA was completed and it was signed by the President of the Philippines in June 2022;

[b] Pasig River Expressway (PAREX) – it was reported that as early as the 1st Quarter of 2022, PNCC already achieved the target for this strategic measure. The weight assigned is 12%;

[c] Greater Capital Region Integrated Expressways Network (formerly Integrated Airport Toll Expressways Network [IATEN]): This project has three (3) components, namely: (1) NALEX – the target is the completion of STOA negotiation, which was achieved as the President of the Philippines signed the STOA in May 2022. The assigned weight for this strategic measure is 3%; (2) SALEX – the completion of STOA negotiation is likewise the strategic target for SALEX, which was achieved in since the STOA was signed by the President of the Philippines in June 2022. It has an assigned weight of 1%; and (3) CALEX – the strategic target is the completion of the STOA negotiation. This has yet to be achieved because PNCC is still waiting for the notice of negotiation from TRB;

SM5 – Increased Annual Average Daily Traffic: this strategic measure is subdivided into two projects, namely: [1] the Metro Manila Skyway Stage 3 and [2] the C6

Project. For the Metro Manila Skyway Project, the Total Monthly Vehicle Count is 30.83 Million. It should have been 38.25 Million, which is short by 7.41 Million; For the C-6 Project, PNCC will not achieve the target for this strategic measure. Based on the Progress Report of SMC, only 1% of Section 1 was accomplished;

SM6 – Reinforce Collection System: It was reported that PNCC achieved its target for this strategic measure. Out of the PHP90 Million collateral that was held by the LBP, the amount of PHP86 Million was already released to PNCC in April 2022;

SM7 – Revenues: the total revenue for the 3rd Quarter of 2022 translates to 68.65% of the total projected revenue. By 3rd Quarter, the revenue should have been 75% of the projected revenue, which is equivalent to PHP390.765;

SM 8 – Conversion of debt-to-equity: Ms. Delivios reported that PNCC will not achieve its target for this strategic measure as it is still waiting for the resolution of the MR that it (PNCC) filed from the OP Decision dated 7 July 2022;

SM 9 – Budget Utilization Rate: As of the 3rd Quarter of 2022, PNCC marked a 51.21% BUR. To date, it cannot be determined if PNCC will be able to achieve its target for this specific measure;

SM 10 – Percentage of Employees Meeting Required Competencies: there is an on-going review of job descriptions (JD) of employees; out of 58 employees, only six (6) positions or 10% were profiled to follow the assessment of competency for the said positions.

Upon motion duly made and seconded, the PAN Committee noted the Report rendered by Ms. Rose Delivios

V. ADJOURNMENT

There being no other matters to take up, the PAN Committee meeting adjourned at 10:46 A.M.

ATTESTED BY:



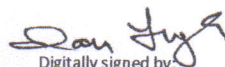
Digitally signed by:
MIGUEL E. UMALI
President and CEO, PNCC



Digitally signed by:
PEDRO B. CABATINGAN, JR.
Chairman, PAN Committee



Digitally signed by:
JONATHAN S. AVANCENA
Member, PAN Committee

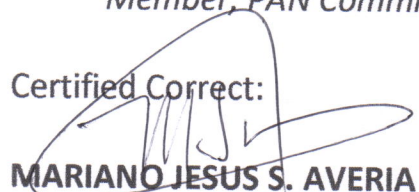


Digitally signed by:
ALAN R. LUGA
Member, PAN Committee



Digitally signed by:
MOHAMAD TAHA A. GUINOMLA
Member, PAN Committee

Certified Correct:



MARIANO JESUS S. AVERIA
Corporate Secretary