

1) Remuneration Policy and Structure for Executive and Non-Executive Directors

	Remuneration Policy	Structure of Compensation Packages	How Compensation is Calculated
Executive Directors	Follows Company's salary structure and benefit packages	Compensation / salary package is composed of basic salary pay plus allowances.	Directors who assume executive positions follow the salary structure in place for corresponding positions.
Executive Directors, Non-Executive Directors	The Board adopts and complies with Executive (E.O.) 24, series of 2011, prescribing rules to govern the compensation of members of the board of directors.	<p>Effective 01 June 2013, the Governance Commission for Government Owned or Controlled Corporation (GOCC), in its letter dated 27 May 2013 determined PNCC to be under classification "D". The entitlement of the members of the Board of Directors for actual attendance of meeting are as follows:</p> <p><u>Board Meetings:</u> ₱10,000.00 per meeting but not to exceed the maximum annual amount of ₱240,000.00.</p> <p>The Board in its meeting dated May 18, 2016 adopted the provision of GCG Memorandum Circular No.2016-01 dated May 10, 2016, to increase by 20% the per diem of Chairman of the Board.</p> <p><u>Committee meetings:</u> ₱6,000.00 per meeting but not to exceed the maximum annual amount of ₱144,000.00. The Board in its meeting dated May 18, 2016 adopted the provision of GCG Memorandum Circular No.2016-01 dated May 10, 2016, to increase by 20% the per diem of Chairpersons of the different Board Committees.</p>	
		<p>Effective August 15, 2017, the Board resolved to adopt the guidelines in the implementation of GCG Memorandum Circular No. 1, series of 2016, taken in conjunction with Executive Order No. 24, s. 2011 as follows:</p> <p>(1) Maintain the maximum monthly limit of P22,000 for the monthly reimbursable expenses to cover communication, transportation and representation expenses of the Offices of the Directors including those incurred during business meetings related to PNCC matters outside of the board/committee meetings, subject to liquidation of the corresponding receipts and proofs of such meetings</p>	