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.	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: Board Meetings: **₱10,000.00** per meeting but not to exceed the maximum annual amount of **₱240,000.00** Committee meetings: **₱6,000.00** per meeting but not to exceed the maximum annual amount of **₱144,000.00**	
		The Directors furthermore are each entitled to the following: Transportation & Gasoline Allowance: **₱20,000.00** per month subject to submission of receipts, including normal/ordinary vehicle maintenance costs and gasoline expenses but not to exceed **₱240,000.00** per annum Meals and Representation Allowance: **₱20,000.00** per month subject to submission of receipts, but not to exceed **₱240,000.00** per annum Effective July 21, 2014, the Board resolved to amend the previous resolutions on the matter of Directors' reimbursable representation, transportation and communication expenses, as follows: Transportation & Gasoline Allowance: **₱1,000.00** per meeting but not to exceed **₱5,000** per month subject to submission of receipts Communication Allowance: **₱2,000.00** per month but not to exceed **₱24,000**per annum subject to submission of telephone/cellphone bills or receipts for cellphone loads	

1) Aggregate Remuneration

Accrued aggregate remuneration for 2014:

Remuneration Item	Executive Directors	Non-Executive Directors (other than independent directors)	Independent Directors
(a) Fixed Remuneration	**₱4,504,356.00**	**N/A**	**N/A**
(b) Variable Remuneration	**N/A**	**N/A**	**N/A**
(c) Per diem Allowance	**₱226,000.00**	**₱1,908,000.00**	**N/A**
(d) Bonuses	**₱385,363.00**	**N/A**	**N/A**
(e) Stock Options and/or other financialinstruments	**N/A**	**N/A**	**N/A**
(f) Others (Specify) Gas & Driver Allowance	**₱160,000.00**	**N/A**	**N/A**
Total	**₱5,275,719.00**	**₱1,908,000.00**	**N/A**

Other Benefits	Executive Directors	Non-Executive Director (other than independent directors)	Independent Directors
(a) Advances	**N/A**	**N/A**	**N/A**
(b) Credit granted	**N/A**	**N/A**	**N/A**
(c) Pension Plan/sContributions	**N/A**	**N/A**	**N/A**
(d) Pension Plans, Obligationsincurred	**N/A**	**N/A**	**N/A**
(e) Accident / Life Insurance Premium	**₱1,020.00**	**₱8,593.00**	**N/A**
(f) Hospitalization Plan (HMO)	**₱106,051.00**	**₱321,810.00**	**N/A**
(g) Car Plan	**N/A**	**N/A**	**N/A**
(h) Others (Specify) Reimbursables: Representation Transportation Communication Rice Subsidy Clothing Allowance	 **₱62,800.00** **₱219,046.00** **₱97,668.00** **₱18,000.00** **₱4,000.00**	 **₱5,594.00** **₱260,771.00** **₱32,483.00**	**N/A**
Total	**₱508,585.00**	**₱629,251.00**	