

NATIONAL DEVELOPMENT COMPANY (NDC)

|               |   | COMPONENT   |   |               |                          | Annual Target | 2 <sup>nd</sup> Quarter |         |
|---------------|---|---|---|---------------|--------------------------|---------------|-------------------------|---------|
|               | Strategic Objective (SO) / Strategic Measure (SM) | Formula   | Weight  | Rating System | Target                   |               | Actual                  |         |
| SOCIAL IMPACT | <b>SO 1</b>                                       | <b>Increase Value of Strategic Investments in Priority Sectors</b>                |   |               |                          |               |                         |         |
|               | SM1   | Increase of investment funds in priority areas (agriculture and renewable energy) | Amount of investments in priority areas per annum / Total amount of investments for the year          | 20.00%        | Actual / Target x Weight | 75%           | -                       | -       |
|               |   | <i>Sub-total</i>  |   | <b>20.00%</b> |                          |               |                         |         |
| FINANCIAL     | <b>SO 2</b>                                       | <b>Sustain Profitability</b>  |   |               |                          |               |                         |         |
|               | SM2   | Net Profit Margin   | Net Income / Total revenues   | 15.00%        | Actual / Target x Weight | 45%           | -                       | 64.00%  |
|               | <b>SO 3</b>                                       | <b>Generate Funds from Asset Management</b>                                       |   |               |                          |               |                         |         |
|               | SM3   | Sales proceeds for the year   | Actual amount of sales proceeds   | 5.00%         | Actual / Target x Weight | ₱8.7 M        | ₱3.5 M                  | ₱3.5 M  |
|               | SM4   | Lease income  | Actual amount of lease income   | 5.00%         | Actual / Target x Weight | ₱150.0 M      | ₱87.14M                 | ₱87.14M |
|               | <b>SO 4</b>                                       | <b>Optimize the Economic Value of Portfolio Investments</b>                       |   |               |                          |               |                         |         |
|               | SM5   | Return on Investments   | Amount of returns / Total investments infused net of allowance for impairment and excluding companies | 10.00%        | Actual / Target x Weight | 33.00%        | -                       | 30.00%  |

| COMPONENT   |                  |  |  |              | Annual Target  | 2 <sup>nd</sup> Quarter |   |   |
|---|------------------|--|--|--------------|--|-------------------------|---|---|
| Strategic Objective (SO) / Strategic Measure (SM) | Formula          | Weight   | Rating System  | Target       |  | Actual                  |   |   |
|   |                  | for dissolution and pre-operating expenses   |  |              |  |                         |   |   |
|   | <b>Sub-total</b> |  | <b>35.00%</b>  |              |  |                         |   |   |
| <b>STAKEHOLDERS</b>                               | <b>SO 5</b>      | <b>Enhance Investment Opportunities of Stakeholders</b>                                |  |              |  |                         |   |   |
|   | SM6              | Percent of stakeholders who rated NDC as good or better                                | Number of stakeholders who rated NDC good or better partner as a partner / Total number of stakeholders surveyed | 5.00%        | All or nothing   | 100.00%                 | - | - |
|   |                  | <b>Sub-total</b>   |  | <b>5.00%</b> |  |                         |   |   |
| <b>INTERNAL PROCESS</b>                           | <b>SO 6</b>      | <b>Strengthen Investment Management Capacity</b>                                       |  |              |  |                         |   |   |
|   | SM7              | Increase the utilization rate of budgeted investment funds for Board-approved projects | Amount utilized for the year / Amount budgeted for the year  | 15.00%       | 100% = 15%<br>95-99% = 10%<br>90-94% = 5%<br><90% = 0% | 100.00%                 | - | - |
|   | <b>SO 7</b>      | <b>Forge Partnerships with Foreign and Local Groups for Various Investment Areas</b>   |  |              |  |                         |   |   |
|   | SM8              | Percentage of agreements signed after  | Request processed within 15 working days / Total   | 10.00%       | Actual / Target x Weight                               |                         | - | - |

|                     |   | COMPONENT   |  |                |                | Annual Target  | 2 <sup>nd</sup> Quarter |                         |
|---------------------|---|---|--|----------------|----------------|--|-------------------------|-------------------------|
|                     | Strategic Objective (SO) / Strategic Measure (SM) | Formula   | Weight                                       | Rating System  | Target         |  | Actual                  |                         |
|                     |   | compliance with all the legal requirements of both parties within the applicable time | number of requests                           |                |                |  |                         |                         |
|                     |   | <b>Sub-total</b>  |  | <b>25.00%</b>  |                |  |                         |                         |
| LEARNING AND GROWTH | <b>SO 8</b>                                       | <b>Build a High Performing Team Culture</b>   |  |                |                |  |                         |                         |
|                     | SM9   | Implementation of a Knowledge Management Information System                           | KMIS implemented                             | 5.00%          | All or nothing | 100% of the Deliverables accomplished based on the TOR | -                       | -                       |
|                     | SM 10   | Establishment of a Competency Model   | Baseline of the competency model established | 5.00%          | All or nothing | Establish Baseline                                     | -                       | -                       |
|                     | <b>SO 9</b>                                       | <b>Institutionalize the Quality Management System</b>                                 |  |                |                |  |                         |                         |
|                     | SM 11   | ISO 9001:2015 Certification   | ISO 9001:2015 Certification                  | 5.00%          | All or nothing | ISO 9001:2015 Certification                            | ISO 9001:2015 Certified | ISO 9001:2015 Certified |
|                     |   | <b>Sub-total</b>  |  | <b>10.00%</b>  |                |  |                         |                         |
|                     |   | <b>TOTAL</b>  |  | <b>100.00%</b> |                |  |                         |                         |