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31 July 2017

MR. RAMON M. LOPEZ
DTI Secretary and Chairman
MS. MA. LOURDES F. REBUENO
General Manager
NATIONAL DEVELOPMENT COMPANY
 116 Tordesillas Street,
 Salcedo Village, Makati City

RE : TRANSMITTAL OF CY 2017 PERFORMANCE SCORECARD

Dear Secretary Lopez and General Manager Rebueno:

This is to formally transmit the Charter Statement and Strategy Map (**Annex A**) and 2017 Performance Scorecard (**Annex B**) of NDC.

The NDC proposed Charter Statement, Strategy Map and Performance Scorecard submitted last 07 April 2017 were **MODIFIED** based on the discussions made during the technical working group (TWG) meeting last 18 April 2017. During the TWG meeting, NDC was requested to submit documents that would support the proposed performance measures and targets. On 03 May 2017, NDC submitted the revised documents which were also validated and further discussed with NDC during the ocular visit conducted last 29 May 2017.

The Governance Commission takes this opportunity to remind that the CY 2017 Charter Statement, Strategy Map and Performance Scorecard shall take effect **IMMEDIATELY**. NDC is reminded to submit the applicable quarterly monitoring reports and upload the same in the GOCC website.

FOR YOUR COMPLIANCE.

Very truly yours,

SAMUEL G. DAGPIN, JR.
Chairman

MICHAEL P. CLORIBEL
Commissioner

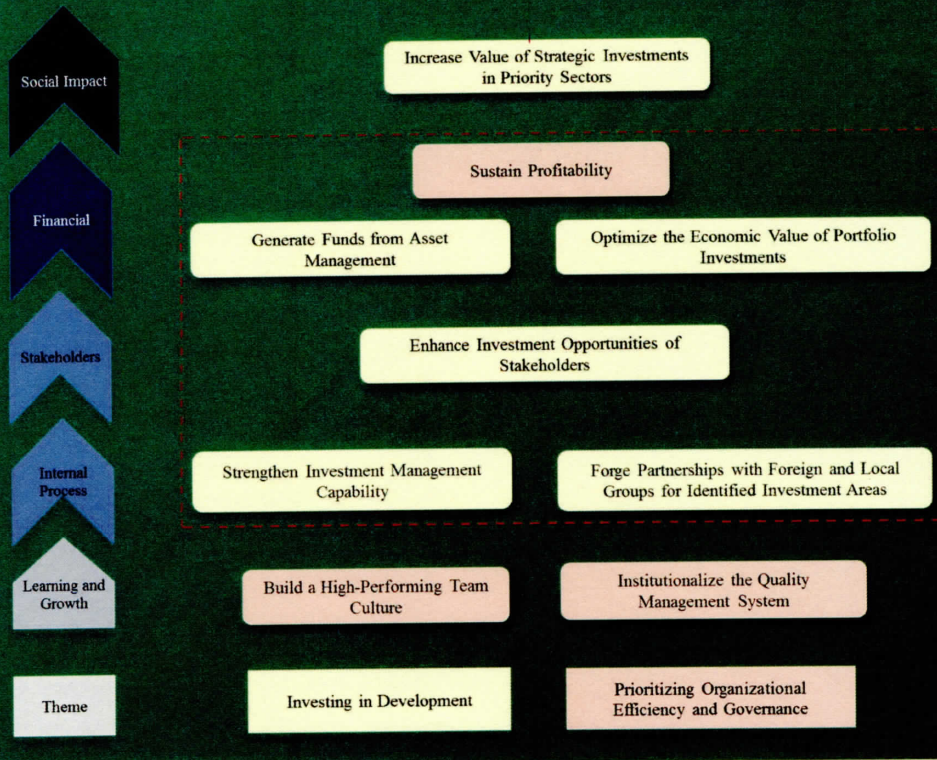
MARITES CRUZ-DORAL
Commissioner

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NDC STRATEGY MAP

By 2019, NDC will be the preferred government investment arm, serving as an effective catalyst for inclusive growth.

- NDC invests in select strategic areas where supply chain gaps exist.
- NDC manages a financially sustainable investment portfolio responsive to public interest and priorities.
- NDC undertakes joint venture agreements to promote and enhance the competitiveness in the industry and agriculture sectors.



NATIONAL DEVELOPMENT COMPANY

Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	
SOCIAL IMPACT	SO 1	Increase Value of Strategic Investments in Priority Sectors						
	SM 1	Increase 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	100%	100%	75%
		Sub-total		20.00%				
	SO 2	Sustain Profitability						
SM 2	Net profit margin	Net income / Total revenues	15.00%	Actual / Target x Weight	94.00%	50.62%	45%	
FINANCIAL	SO 3	Generate Funds from Asset Management						
	SM 3	Sales proceeds for the year	Actual amount of sales proceeds	5.00%	Actual / Target x Weight	₱4.6 Billion	₱95.83 Million	₱8.7 Million
	SM 4	Lease income	Actual amount of lease income	5.00%	Actual / Target x Weight	₱120 Million	₱150 Million	₱150 Million
	SO 4	Optimize the Economic Value of Portfolio Investments						
	SM 5	Return on investments	Amount of returns / Total investment infused net of allowance for impairment and	10.00%	Actual / Target x Weight	19.43%	153.00%	33%

Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	
		excluding companies for dissolution and pre-operating expenses						
		Sub-total	35.00%					
STAKEHOLDERS	SO 5	Enhance Investment Opportunities of Stakeholders						
	SM 6	Percent of stakeholders who rated NDC as good or better	Number of stakeholders who rated NDC good or better as a partner / Total number of stakeholders surveyed	5.00%	All or nothing	-	-	100%
		Sub-total		5.00%				
INTERNAL PROCESS	SO 6	Strengthen Investment Management Capacity						
	SM 7	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% 95-99% = 10% 90-94% = 5% <90% = 0%	0.43%	100.00%	100%
	SO 7	Forge Partnerships with Foreign and Local Groups for Various Investment Areas						
	SM 8	Percentage of agreements signed after compliance with all the legal requirements of both parties within the applicable time	Request processed within 15 working days / Total number of requests	10.00%	Actual / Target x Weight	-	-	100%
		Sub-total		25.00%				

Component					Baseline Data		Target	
	Objective/Measure	Formula	Weight	Rating System	2015	2016	2017	
LEARNING AND GROWTH	SO 8	Build a High Performing Team Culture						
	SM 9	Implementation of a Knowledge Management Information System	Knowledge Management Information System implemented	5.00%	All or nothing	-	-	100% of the Deliverables accomplished based on the Terms of Reference
	SM 10	Establishment of a Competency Model	Baseline of the competency model established	5.00%	All or nothing	-	Board-Approved Competency Framework	Establish Baseline
	SO 9	Institutionalize the Quality Management System						
	SM 11	ISO 9001:2015 Certification	ISO 9001:2015 Certification	5.00%	All or nothing	ISO 9001:2008 Re-certification	ISO 9001:2008 Re-certification	ISO 9001:2015 Certification
		Sub-total		15.00%				
	TOTAL		100.00%					