



NATIONAL POWER CORPORATION

Role of the Board in corporate strategy – 2018

NPC's main mandates include Enhanced Missionary Electrification, Watershed and Dams Management in support of Power Generation and Operation and Maintenance of the Remaining Power Generating Assets in the Main Grid. Pursuant to these mandates and as provided under Section 5.b of the NPC Corporate Governance Manual, the National Power Board is responsible for providing policy direction, monitoring and overseeing the implementation of the corporate strategies and Management actions.

The Board monitors and oversees the implementation of the corporate strategy through the annual review and approval of the strategic plan, corporate operating budget, corporate performance scorecard targets and accomplishments among others.

During its meeting held on 28 February 2018, the Board reviewed and approved NPC's Plans and Programs as it requested for the realignment of Php 3.272 Billion for its OMA functions and Php 28.192 Billion for its Non-OMA functions. On 26 April 2018, the Board reviewed and approved the Management's CY 2017 Performance Scorecard Accomplishment Report for submission to the Governance Commission for GOCCs. The Performance Scorecard discussed the corporation's Vision, Mission, strategic objectives, strategic measures, targets and accomplishments with a rating of 90.97%. Based on the satisfactory performance and full compliance with the good governance requirements, the Board further approved NPC's request for authorization from GCG for the grant of the Performance-Based Bonus (PBB) to qualified officers and employees.

On 31 July 2018, the Board, acting on the letter from GCG, reviewed and made modifications on some of the Strategic Measures, Targets and Relative Weights in the CY 2018 Performance Scorecard particularly on Measure 1 (Supply), Measure 13a (Fixed Cost Efficiency Ratio) and Measure 16 (EBITDAS Margin with UCME). It also approved and endorsed to GCG, after reviewing the Goals, Strategic Initiatives and Programs of the Corporation, the CY 2019 Proposed Performance Scorecard which includes the Charter Statement and Strategy Map (with Vision, Mission, Core Values, Strategic Objectives).

In line with its oversight function over the operation and management of the Corporation, the Board approved on 7 December 2018 the strategies of NPC to accelerate the rehabilitation of NPC-managed watershed reservations with the end in view of reducing the dependence of the corporation from the Universal Charge for the Environment. It also approved the proposed power generation, transmission line and substation projects for CY 2020-2024 to ensure that the Corporation remains faithful to its missionary electrification mandate enshrined under Republic Act No. 9136.