

Jamie Eloise M. Agbayani, M.D.
President and Chief Executive Officer

07 June 2016

HONORABLE CESAR L. VILLANUEVA
Chairman

Governance Commission for GOCCs (GCG)
3/F Citibank Centre, Citibank Plaza,
Paseo de Roxas Cor. Villar St., Makati City



Attention: **Beatrice Alexa G. Karamihan**
Corporate Governance Officer I
Corporate Governance Office - A

Subject: **Submission of the CY 2016 1st Quarter Performance Monitoring Report (PES Form 3) for John Hay Management Corporation (JHMC)**

Dear **Chairman Villanueva**:

May we respectfully submit our FY 2016 1st Quarter Performance Scorecard (PES Form 3) relative to the GCG-JHMC Performance Agreement.

We are pleased to inform your good office that the JHMC has achieved its targets for SM 1, specifically on the Number of New Locators or Projects Signed. Allow us therefore to submit copy of the contracts signed with the following John Hay Special Economic Zone (JHSEZ) locators:

- Inbound Pacific, Inc.- Mile-Hi Center (Annex "A");
- Inbound Pacific, Inc.- Cantinetta (Annex "B"); and
- Rustan Coffee Corporation- Starbucks (Annex "C").

With assurances of my high esteem, I remain.

Very truly yours,


JAMIE ELOISE M. AGBAYANI, M.D.

John Hay Management Corporation
a member of the BCDA Group

OPCEO-OUT-2016-266

JOHN HAY MANAGEMENT CORPORATION
Performance Monitoring Report

Component						Baseline Data (Actual)			CY 2016	2016	
						2013	2014	2015	Target	Target	Actual as of 31 March 2016
	Objective/ Measure	Formula	Weight	Rating System							
SOCIAL IMPACT	SO 1	Develop Camp John Hay as a Premier Tourist and Investment Destination									
	SM 1	Number of new locators or projects signed	Number of new locators or projects	7.5%	Actual / Target x Weight	-	-	1	2	2	3 (New Lease Contracts for the following: a. Mile-Hi Center; b. Cantinetta; and c. Starbucks.)
	SM 2	Number of jobs generated in the JHSEZ	Absolute number	7.5%	Actual / Target x Weight	3,473	4,176	5,090	5,050	5,500	5,120
	SM 3	Gross sales of business enterprises within the JHSEZ	Absolute number	5%	Actual / Target x Weight	No Baseline Data Available	₱150M	₱835.69M	₱550M	₱600M	₱241 M

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JOHN HAY MANAGEMENT CORPORATION

Performance Monitoring Report

Component						Baseline Data (Actual)			CY 2016	2016				
Objective/ Measure						Formula	Weight	Rating System	2013	2014	2015	Target	Target	Actual as of 31 March 2016
SOCIAL IMPACT	SO 2	Ensure Sustainable Multiple Use of the Forest Watershed												
	SM 4	Issuance of ISO 14001 Environmental Management System	Based on milestone	10%	10%- Activity 5 7.5%- Activity 4 5%- Activity 3 2.5%- Activity 2 0%- Activity 1	No Baseline Data Available	No Baseline Data Available	a. Research and thorough study on ISO 14001 Compliance Processes, procedures and standards (in-house); and b. Establishment of the JHMC-QMS.	Formulation of the Environmental Management Plan (EMP)	Formulation of the Environmental Management Plan (EMP)	a. Activity 1- Establishment of the Manuals for Solid Waste Management and Hazardous Waste Management. This will be presented for approval by the JHMC- BOD on 28 June 2016. b. Activity 2- On-going Assessment of the Environmental Impacts of JHMC processes and activities for submission to EMB-CAR. c. Activity 4- Regulatory and Permitting Review of Projects within the JHSEZ. Communications were sent to concerned agencies such as BCDA and DENR- EMB-CO for this purpose.			

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JOHN HAY MANAGEMENT CORPORATION

Performance Monitoring Report

Component						Baseline Data (Actual)			CY 2016	2016	
Objective/ Measure						2013	2014	2015	Target	Target	Actual as of 31 March 2016
Formula	Weight	Rating System									
SM 5	Compliance of JHMC to National Ambient Air Quality Standards on particulate Matter 10 (PM10) within the JHSEZ	Number of tests which resulted in Good Air Quality (0-54µg/ncm)/Total number of tests	5%	Actual / Target x Weight	11 µg/ m ³ PM 10	22.95 µg/ m ³ PM 10	Average of 22.67 µg/ m ³ PM 10 for the year	100% (8/8) of the tests resulted in Good Quality	100% (8/8) of the tests resulted in Good Quality	Ambient Air Monitoring for the 1st Quarter was conducted on the following dates and stations: a. March 21-27, 2016 at the Mile Hi Center; and b. March 27 - April 03, 2016 at the Baguio Ayala Land Technohub. No results were issued as of the report date.	
<i>Sub-total</i>			35%								
STAKEHOLDERS	SO 3	Enforce Efficient and Effective Regulation in the JHSEZ and JHRA									
	SM 6	Stakeholder's Satisfaction Survey	Based on result of survey 90%-100% = Excellent 85%-89%=Very Satisfactory 80%-84% = Satisfactory 75%-79% = Fair 74% and below = Poor	10%	Actual / Target x Weight	80% (SEZAD)	90% (SEZAD)	96.43% (As validated by the GCG)	84%	84%	93.5% (The data for the computation covers both core and internal customers.)

JOHN HAY MANAGEMENT CORPORATION

Performance Monitoring Report

Component					Baseline Data (Actual)			CY 2016	2016 1st Quarter		
	Objective/ Measure	Formula	Weight	Rating System	2013	2014	2015	Target	Target	Actual as of 31 March 2016	
FINANCIAL	SO 4 Increase JHMC Revenues to Attain Financial Viability										
	SM 7	Revenue generated by JHSEZ	Actual amount in Million Pesos	7.5%	Actual / Target x Weight	₱78.37M	₱70.79M	₱71M	₱72M	₱18M (Quarterly)	₱18.4M
	SM 8	Zone Revenue Collection Efficiency	Actual Collection / Total Zone Revenue for the year	7.5%	Actual / Target x Weight	61%	84%	85%	86%	21.5% (Quarterly)	25.22%
	<i>Sub-total</i>			<i>15%</i>							
INTERNAL PROCESS	SO 5 Improve Efficiency and Effectiveness										
	SM 9	Issuance of Permit to Operate (PTO) for Business Enterprises in the JHSEZ from the date of receipt of complete requirements	Average processing time for renewal	7.5%	Actual / Target x Weight	20 mins. for renewal	30 mins. for renewal	15.2 mins. For renewal	15 mins. for renewal	15 mins. for renewal	8.18 mins. for renewal
			Average processing time for start-up	7.5%	Actual / Target x Weight	10 calendar days for start-up	10 calendar days for start-up	No PTO issued for start-up business in CY 2015	7 calendar days for start-up	7 calendar days for start-up	Three (3) calendar days for start-up
	SM 10	Asset Disposition Manual	Milestone achieved	7.5%	All or nothing	-	-	None Existing	Board Approved Manual for the Asset Disposition	Board Approved Manual for the Asset Disposition	The Asset Disposition Manual is under study by JHMC Management. This will be presented to the JHMC- BOD in 3rd Quarter of the year.
<i>Sub-total</i>			<i>22.5%</i>								

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JOHN HAY MANAGEMENT CORPORATION

Performance Monitoring Report

	Component	Objective/ Measure	Formula	Weight	Rating System	Baseline Data (Actual)			CY 2016	2016	
						2013	2014	2015	Target	1st Quarter	
									Target	Actual as of 31 March 2016	
LEARNING GROWTH	SO 6	Establish Quality Management System									
	SM 11	ISO Certification for all processes	Based on milestones	5%	All or nothing	4 processes documented	6 out of 6 documented	ISO Certification 9001:2008 of all services and process of JHMC	Passed Surveillance Audit	Passed Surveillance Audit	Surveillance audit will be conducted on 20 February 2017.
	SO 7	Improve Technology and Infrastructure Support									
	SM 12	Number of processes automated	Based on milestones	7.5%	All or nothing	1 (Document Management System)	1 (Special Economic Zone Information System)	2 (Human Resource Information System and Network Management System)	SEZAD Information System (Phase 2)	SEZAD Information System (Phase 2)	The Completed Staff Work (CSW) is under study by JHMC due to the increase in the cost for the development of the system.
	SO 8	Improve Knowledge and Skills, Professionalism and Career Development									
	SM 13	Establishment of a Competency Model	Based on milestones	5%	All or nothing	-	-	Average of 54.41 training hours per employee for the year	Board-approved Competency Model	Board-approved Competency Model	The Terms of Reference (TOR) is under study by the JHMC.
		<i>Sub-total</i>		18.0%							
		TOTAL		100%							

Note: The Objectives/Measures, Formula, Weight, Rating System and CY 2016 Targets are based on the Summary of Agreement signed on 23 November 2015.

Prepared:

[Signature]
LANIE ROSE D. ROMERO
 Corporate Planning Assistant/ Clerk
 Date: 06 June 2016

Certified Correct:

[Signature]
BEVIENNE M. APALING
 Corporate Planning Manager
 Date: 07 June 2016

[Signature]
RONALD B. ZAMBRANO
 Finance Manager
 Date: _____

Approved by:

[Signature]
JAMIE ELOISE M. AGBAYANI, M.D.
 President and CEO
 Date: 07 JUNE 2016

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