

## **PSALM BOARD REVIEW AND APPROVAL OF PSALM'S VISION AND MISSION STATEMENTS, CORPORATE OBJECTIVES AND STRATEGIES**

On 22 July 2020, the PSALM Board through Board Resolution 2020-0722-04 approved PSALM's CY 2021 Charter Statement and Strategy Map (PES Form 1) consisting of PSALM's (i) Mission, (ii) Vision, (iii) Core Values consistent with its mandates, and (iv) the Strategy Map that illustrates the integrated set of strategic choices or objectives concerning (a) Financial, (b) Customers/Stakeholder, (c) Internal Processes, and (d) Learning and Growth Perspectives to attain the twin objectives of Liability Management and Asset Management and Privatization.

The PSALM Board approved and confirmed the following documents and their submission to the Government Commission for GOCCs (GCG) in compliance with the GCG's Performance Evaluation System (PES):

### **1. GCG PES Forms:**

1.1 PES Form 1: Charter Statement and Strategy Map

1.2 PES Form 2: Proposed 2021 Corporate Performance Scorecard

1.3 PES Form 3: Strategic Initiative Profile

### **2. Other Documentary Requirements:**

2.1 Indicative Privatization Schedule for PSALM's Remaining Assets

2.2 Briefers on the following:

- Highlights of FY 2021 Corporate Operating Budget (COB) as submitted to the Department of Budget and Management (DBM);
- Actions to be undertaken by the State in order for the performance Targets of PSALM to be realizable; and
- PSALM's official representatives for its PES submission

3. Restated 2020 target on the EBITDA Margin of 5.84% from the original 10% target approved by the GCG under the 2020 Performance Scorecard.

4. Board Resolution approving the Proposed CY 2020 Performance Scorecard and the foregoing documents for consideration of the GCG.

The PSALM Board likewise oversees the implementation of PSALM's strategies. To ensure the successful sale of the Malaya Thermal Power Plant, the PSALM Board approved the recommendation of PSALM Management to procure a third-party consultant to revalue the plant and to conduct another negotiated sale process with

longer time to allow more bidders more time to evaluate acquisition of the plant and re-apply the 10% downward adjustment on the value of the plant's structures and machineries, consistent with the existing guidelines/issuances of the Commission on Audit (COA) on appraisal and disposal of government property.

For its Paco-Manila Property, the PSALM Board approved the provision of "No conflict Rule" in the Bidding Procedures to make it general and to allow more interested bidders/parties to join and participate in the bidding process. Likewise, PSALM considered the unsolicited offer from the interested party to come up with the final minimum offer price for the asset.

The PSALM Board likewise oversaw the bidding for PSALM's Bataan Properties to consider higher offers and the expressed interest of the private sector to acquire the Properties through public bidding.

This is the first time that PSALM successfully privatized the assets in just one round of public bidding notwithstanding several asset-specific issues such as presence of illegal settlers, portions are traversed and occupied by transmission facilities and public roads, three (3) outstanding legal cases, titling and booking issues, and real property tax concerns.

The PSALM Board also regularly monitored the status of PSALM's receivables, legal cases and other disputes, asset management, Universal Charges and tariff concerns, and risk management/mitigation.