

PNOC EXPLORATION CORPORATION (PNOC EC)

Component					Baseline			Targets		
	Objective/Measure	Formula	Wt. (2025)	Rating System	2021	2022	2023	2024	2025	
CUSTOMERS / STAKEHOLDERS	<b>SO 1</b>	<b>Operate In a Regime of Transparency and Fairness in our Dealings with our Business Partners</b>								
	SM 1	Customer Satisfaction Survey (CSS)	No. of Satisfied Respondents over Total No. of Respondents	5%	(Actual / Target) x Weight (If less than 80%= 0%)	100%	99%	97.87%	90%	90% <sup>1</sup>
	<b>SO 2</b>	<b>Become the Partner of Choice of Other Energy Enterprises in Energy Exploration and Production</b>								
	SM 2	No. of JV Partnerships Resulting from Farm-In/ Farm-Out Activities	No. of new JV partnership as a result of farm-in/ farm-out activities	0%	(For monitoring)	Excluded	Excluded	1	1	1
	<b>Subtotal</b>			<b>5%</b>						
FINANCE	<b>SO 3</b>	<b>Ensure Profitability in a Sustainable Manner</b>								
	SM 3	NET INCOME before FOREX Gain/Loss and Petroleum Exploration Cost (in Billion pesos)	Amount of Annual NET INCOME before FOREX gain/loss and exploration costs	10%	(Actual / Target) x Weight	0.659 Billion	1.811 Billion	1.078 Billion	0.763 Billion	0.417 Billion
	SM 4	Budget Utilization Rate	Actual disbursement of capital expenditure and MOOE over Approved corporate operating budget for Capital Outlay and MOOE	5%	(Actual / Target) x Weight	N/A	35.74%	57.75%	90%	90%
	<b>Subtotal</b>			<b>15%</b>						

<sup>1</sup> Based on GCG-ARTA Joint Memorandum Circular No. 1, s. 2023. Covers external customers only.

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<b>SO 4</b>	<b>Focus Exploration for the Discovery of Potential Petroleum and Coal Resources for the Country</b>								
SM 5	No. of Kilometers of Seismic Data Interpreted in SCs	Total no. of kilometers of seismic data interpreted	10%	(Actual / Target) x Weight	2,903 line-km	2,020 line-km	6,036 line-km	3,000 line-km	1,500 sq.km.
SM 6	Implementation of Well Drilling Programs	No. of Drilled Wells	10%	(Actual / Target) x Weight	N/A	N/A	N/A	100% Completion of Target Deliverables: a) Geomechanical Study, Geotechnical Survey, Predelivery Inspection of LLIs b) Road and Drill Site Preparation c) Exploration Drilling	3 Well Drilling Programs
SM 7	Length of COC 41 Mine Development Meterage	Total length of development meterage as validated by DOE	6.5%	(Actual / Target) x Weight	Excluded	379 meters	N/A	300 meters	800 meters
<b>SO 5</b>	<b>Pursue Partnership with Other Energy Enterprises as Risk Management Strategy</b>								
SM 8	No. of Due Diligence or Evaluation Reports of Areas under consideration	No. of Due Diligence or Evaluation Reports of Areas under consideration validated by DOE	10%	All or Nothing	1	1	1	1	1
<b>SO 6</b>	<b>Determine the Prospectivity of the Areas Covered by the Service Contracts and Coal Operating Contracts</b>								
SM 9	No. of Geological & Geophysical Evaluation for Petroleum	No. of Geological and Geophysical Evaluation Report/s validated by DOE	15%	(Actual / Target) x Weight	3	2	3	3	3

INTERNAL PROCESS

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INTERNAL PROCESS	SM 10	No. of Geologic Evaluation Coal	No. of Geologic Evaluation Report validated by DOE	5%	All or Nothing	1	1	1	1	1
	<b>Subtotal</b>			<b>56.5%</b>						
LEARNING AND GROWTH	<b>SO 7 Achieve Operational Excellence through Establishment and Implementation of Internationally-Accepted Quality Standards</b>									
	SM 11	Disaster Risk Reduction and Management Plan	Actual Accomplishment	5%	All or Nothing	N/A	N/A	N/A	N/A	Board-approved Public Service Continuity Plan (PSCP)
	SM 12	Adherence to Company Safety Programs	a. Actual Number of PNO C EC Employees with Fatal LTA	2.5%	All or Nothing	0	0	0	0	0
			b. Actual Number of PNO C EC Employees with Non-Fatal LTA	2.5%	≤ 2 = 100% 3 to 4 = 80% 5 to 6 = 60% 7 to 8 = 40% 9 to 11 = 20% ≥ 12 = 0%	0	0	2	≤ 2	≤ 2 LTA frequency rate on non-fatal incident (with zero number of fatal LTA)
SM 13	Compliance to Quality Standards (ISO QMS)	Actual Accomplishment	6%	All or Nothing	Surveillance Audit Passed	Surveillance Audit Passed	Surveillance Audit Passed	Recertification Audit Passed	ISO 9001:2015 Certification	

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LEARNING AND GROWTH	SM 14	Percentage of Implementation of ISSP	Number of Deliverables Due for 2025 Completed over Total number of Deliverables Due for 2025 <sup>2</sup> 2.5%	(Actual / Target) x Weight	N/A	N/A	N/A	N/A	100% attainment of 2025 Deliverables based on 2023-2025 ISSP
	SO 8	Provide our People with Appropriate Training and Exposure to New Developments in the Industry							
	SM 15	Percentage of Employees with Required Competencies Met	No. of Employees with Required Competencies Met over Total Employees 5%	All or Nothing	27.42%	33.33%	38.94%	Increase from 2023 Competency Level	Increase from 2024 Competency Level
		<b>Subtotal</b>	<b>23.5%</b>						
		<b>TOTAL</b>	<b>100%</b>						



<sup>2</sup> Deliverables refers to systems/applications.

<b>BONUS STRATEGIC MEASURES AND TARGETS</b>									
<b>Component</b>					<b>Baseline</b>			<b>Targets</b>	
	<b>Objective/Measure</b>	<b>Formula</b>	<b>Wt.</b>	<b>Rating System</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>FINANCIAL</b>	GAD Budget Utilization Rate	Actual Accomplishment	1%	All or Nothing	N/A	N/A	N/A	N/A	5% of Total Budget
	ISO Certification on any of the following standards:								
<b>INTERNAL PROCESS</b>	Environmental Management System Certification	Actual Accomplishment	1%	All or Nothing	N/A	N/A	N/A	N/A	ISO 14001:2015 Certification
	Business Continuity Management System (BCMS)	Actual Accomplishment		All or Nothing	N/A	N/A	N/A	N/A	ISO 22301:2019 Certification

**For GCG:**

  
**ATTY. MARIUS P. CORPUS**  
*Chairperson*

**For PNOC EC:**

  
**ATTY. ADRIAN FERDINAND S. SUGAY**  
*President and CEO (PCEO)*