

## PNOC - EXPLORATION CORPORATION (PNOC EC)

		Component			Baseline		Target		
		Objective/Measure	Formula	Wt.	Rating System	2015	2016	2017	2018
CUSTOMERS / STAKEHOLDERS	SO 1	<b>Operate in a Regime of Transparency and Fairness in our Dealings with our Business Partners</b>							
	SM 1	Percentage of Satisfied Customers	Percentage of customers with at least satisfactory rating	5.00%	(Actual/Target) If less than 80%= 0%	Excellent	Excellent	Very Satisfactory	90% <sup>i</sup>
	SO 2	<b>Become the Partner of Choice of Other Energy Enterprises in Energy Exploration and Production</b>							
	SM 2	No. of JV Partnerships	No. of new JV partnership as a result of farm-in/ farm-out activities	0.00%	Actual over Target	1	0	1	1
	<b>Subtotal</b>			<b>5.00%</b>					
FINANCE	SO 3	<b>Ensure Profitability in a Sustainable Manner</b>							
	SM 3	NET INCOME before FOREX Gain/Loss and Petroleum Exploration Cost	Amount of Annual NET INCOME before FOREX gain/loss and exploration costs	15.00%	Actual over Target	1.37 Billion	934 Million	600 Million	770.76 Million <sup>ii</sup>
	<b>Subtotal</b>			<b>15.00%</b>					

<sup>i</sup> Using the Standard Methodology and Questionnaire developed by GCG.<sup>ii</sup> Income from SC 38 (Malampaya) shall be based on actual pricing reflected in the invoice.

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INTERNAL PROCESS	<b>SO 4</b>	<b>Focus Exploration for the Discovery of Potential Petroleum and Coal Resources for the Country</b>							
	SM 4	No. of Line-Kilometers of Seismic Data Interpreted in SCs	Total no. of line-kilometers of seismic data interpreted	10.00%	Actual over Target	4354	3384	3000	3000
	SM 5	Aerial Photographic Interpretation and Analysis	Total no. of hectares mapped	5.00%	Actual Over Target	N/A	N/A	N/A	5000
	SM 6	Coal Bed Methane Assessment	No. of coal seams evaluated	5.00%	Actual over Target	N/A	N/A	N/A	2
	<b>SO 5</b>	<b>Pursue Partnership with Other Energy Enterprises as Risk Management Strategy</b>							
	SM 7	No. of Companies who Signified Interest to Partner in Projects	No. of signed Confidentiality Agreements	10.00%	Actual over Target	8	6	4	4

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INTERNAL PROCESS	SO 6	<b>Determine the Prospectivity of the Areas Covered by the Service Contracts and Coal Operating Contracts</b>							
	SM 8	No. of Geological Evaluation for Petroleum	No. of Geologic Evaluation Report/s validated by DoE	8.00%	Actual over Target	4	2	2	2
	SM 9	No. of Geophysical Evaluation for Petroleum	No. of Geophysical Interpretation Report/s validated by DoE	8.00%	Actual over Target	4	2	2	2
	SM 10	No. of Geologic Survey for Coal	No. of Geologic Survey validated by DoE	8.00%	Actual over Target	3	1	1	1
	SM 11	Methane Gas Resource Assessment	No. of Methane Gas Resource Assessment validated by DoE	8.00%	Actual over Target	N/A	N/A	N/A	1
	SM 12	No. of Coal Mine Development Plan	No. of Coal Mine Development Plan validated by DoE	8.00%	Actual over Target	N/A	1	1	1
	<b>Subtotal</b>			<b>70.00%</b>					

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LEARNING AND GROWTH	SO 7	<b>Achieve Operational Excellence Through Establishment and Implementation of Internationally-Accepted Quality Standards</b>							
	SM 13	Compliance to Quality Standards	ISO 9001 Audit Results	5.00%	All or Nothing	Compliant (9001:2008)	Compliant (9001:2008)	Maintained Certification	Recertified to ISO 9001:2015
	SO 8	<b>Provide our People with Appropriate Training and Exposure to New Developments in the Industry</b>							
	SM 14	Percentage of Employees with Required Competencies Met	No. of Employees with Required <u>Competencies Met</u> Total Employees	5.00%	Actual over Target	Completed PNOCEC's Manpower Development Program and Competency Development Framework	1.4%	3.4%	5% increase in Competency Level
				<b>Subtotal</b>	<b>10.00%</b>				
			<b>TOTAL</b>	<b>100.00%</b>					