

PHILIPPINE NATIONAL OIL COMPANY
Interim Performance Scorecard

Performance Measures			Targets	Accomplishment		CGO-B Validation		Supporting Documents	Remarks
Description	Formula	Weight	2015	Actual	Rating	Score	Rating		
SO 1: Provided Vital Energy Infrastructure for the Development of the Energy Industry									
SM 1: Establishment of the Country's Natural Gas Infrastructure									
a. BatMan Pipeline Project	90% = Completion of DFS 95% = PNOB Board Approval of DFS 100% = Certification of DOE on the PNOB Approved DFS	20.00%	30% Completion of the BatMan 1 DFS approved by the PNOB Board and such approval certified by the DOE	PNOB Board Approved BatMan 1 DFS certified by the DOE	20.00%	100%	20.00%	<ul style="list-style-type: none"> Certification issued by the DOE dated 26 June 2015 Secretary's Certificate signed on 24 June 2015 DFS of the BatMan 1 natural gas pipeline project 	<ul style="list-style-type: none"> The presented validating documents attest that the DFS of the said project (developed by the Rebel Group) was approved during the PNOB Board meeting on 28 April 2015. The DFS was received by the PPP Center on 20 May 2015. It was learned that the project is pending evaluation of NEDA – ICC
b. Spur Lines	Pass or Fail	10.00%	10% Inclusion of the preliminary study in the PNOB Board approved DFS	Inclusion of the preliminary study in the PNOB Board approved DFS	10.00%	100%	10.00%	<ul style="list-style-type: none"> Section 8 of the approved DFS 	<ul style="list-style-type: none"> The supporting documents confirm that the preliminary study for the envisaged spur lines to selected economic zones was included in Section 8 of the approved feasibility study of the BatMan 1 natural gas pipeline project.
SM 2: Establishment of the Country's Strategic Petroleum Reserve	Pass or Fail	10.00%	Submission of a concept paper for SPR (Board Approved)	Concept paper for SPR Approved by the Board	10.00%	100%	10.00%	<ul style="list-style-type: none"> Secretary's Certificate signed on 18 Dec. 2015 Concept Paper on the Establishment of a Strategic Petroleum Reserve (SPR), approved in principle on 16 Dec. 2015 	<ul style="list-style-type: none"> The Secretary's Certificate verifies that during its meeting on 16 Dec. 2015, the PNOB BOD has approved in principle the Concept Paper on the establishment of SPR, subject to the preparation and submission of proposed TOR for the conduct of a more comprehensive study.
Sub-total		40.00%			40.00%		40.00%		
SO 2: Operated in an Environment of Fairness and Transparency in our Dealing with Stakeholders									
SM 3: Stakeholder Satisfaction Rating	Outstanding = 100% VS = 95% S = 90% Based on average of survey results	5.00%	Average of at least satisfactory rating (DOE, CSC, Congress, PNOB-EC, PNOB-RC &	PNOB achieved the highest adjectival rating of "very satisfactory" in the survey (with average	5.00%	4.59/5.00 = 91.8% or Satisfactory	5.00%	<ul style="list-style-type: none"> Survey report entitled "Customer Feedback Survey on the Philippine National Oil Company" prepared by PIA on January 2016. 	<ul style="list-style-type: none"> As tabulated from the survey conducted, PNOB obtained an average mean of 4.59/5.00 or 91.8% rating (adjectival rating of very satisfactory). Breakdown of survey results shows: <ul style="list-style-type: none"> Compliance with oversight agencies' requirements: mean score of 4.7 Monitoring and Evaluation of Subsidiaries: mean score of 4.06.

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			SC 38 Consortium)	mean score of 4.59 out of 5)					<ul style="list-style-type: none"> - Compliance with its duties and obligations in the joint tender partnership: mean score of 5 • Based on the given formula agreed in this measure, PNOC's rating fall within the satisfactory level (90%-94.99%). However, according to PIA, the 4.59 score of PNOC is equivalent to an adjectival rating of "very satisfactory" using the Likert scale.
Sub-total		5.00%			5.00%		5.00%		
SO 3: Ensure Sound Financial Condition									
SM 4: Net Income (excluding all income or dividends received from operating subsidiaries and Banked Gas) Based on profitability formula on Item 6 in the GCG MC 2014-05 (Re-Issued)	$\frac{\text{Actual Net Income}}{\text{Target Net Income}}$	10.00%	P 130 million	P323.47 million	10.00%	248.82%	10.00%	<ul style="list-style-type: none"> • Unaudited 2015 Statement of Comprehensive Income 	<ul style="list-style-type: none"> • Unaudited SCI shows a net profit of P323,470,310.00 (excluding all income or dividends received from operating subsidiaries and Banked Gas)
Sub-total		10.00%			10.00%		10.00%		
SO 4: Ensure Optimal Use of Assets									
SM 5: Sale of Banked Gas	Gross Sales	10.00%	Signed Joint Tender Agreement (JTA)	JTA signed	10.00%	Signed JTA	10.00%	<ul style="list-style-type: none"> • Secretary's Certificate issued on 24 June 2015 • JTA between PNOC and SC No. 38 members (Shell, Chevron Malampaya, and PNOC EC), signed on 30 Mar 2015 	<ul style="list-style-type: none"> • The validating documents confirms approval of the JTA, which states the agreement, and the responsibilities of the parties in undertaking the joint sale of their [PNOC and SC 38 members] combined natural gas volumes through a competitive, fair, transparent and efficient bidding process.
Sub-total		10.00%			10.00%		10.00%		
SO 5: Build Operating Company Capabilities									
SM 6: % Implementation of the PNOC Reorganization Plan	Pass or Fail	5.00%	Execution of an Agreement with Development Academy of the Philippines (DAP)	Executed a Memorandum of Agreement with DAP	5.00%	Executed a Memorandum of Agreement with DAP	5.00%	<ul style="list-style-type: none"> • MOA entered into by and between PNOC and DAP, executed on 21 Sept. 2015 • Report conducted by DAP entitled: <i>A Strategic Review of PNOC Operations and Organization and the Design of a</i> 	<ul style="list-style-type: none"> • The MOA was signed on 21 Sept. 2015, attesting that DAP was engaged by PNOC to provide technical and advisory services in the strategic review and reorganization of the company.

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SM 7: % Completion of the Transition Plans	100% = 15/18 95% = 13-14 90% = 11-12 85% = 10 or less	15.00%	83% completed (15/18 activities assumed from PDMC based on Transition Plan submitted)	21 activities assumed from PDMC based on Transition Plan submitted PNOC Transition Task Force has also completed the turnover & assumption of PNOC-AFC's functions except those subject to COA and NAP requirements.	15.00%	100% (18/18 activities were assumed from PDMC based on Transition Plan submitted)	15.00%	100% (18/18 activities were assumed from PDMC based on Transition Plan submitted)	15.00%	<ul style="list-style-type: none"> Validating documents confirm the completion of assumption of activities from PDMC to PNOC. According to PNOC, 21 transition activities from PDMC were completed. However based on the transition plan dated 26 Feb 2015, only 18 general activities (real property management, records management, etc.) were listed in the said plan. The difference pertains only to specific items already included in the general activities (i.e., turn-over of titles of investment properties for administration, turn-over of titles to inventories, turn-over of titles to socialized housing project, assumption of functions and administration, and maintenance of inventory, all under real property management activity).
SO 6: Develop Full Employee Potential		Sub-total			20.00%		20.00%		20.00%	
SM 8: % Implementation of the Strategic Performance Management System (SPMS) in 2016	100% = x/n 95% = x/n 90% = x/n 85% = x/n or less	5.00%	90% of issues addressed	PNOC Performance Management Team has resolved 7 out of 7 issues identified (100%)	5.00%	100% of issues addressed (7/7)	5.00%	100% of issues addressed (7/7)	5.00%	<ul style="list-style-type: none"> The supporting documents certify the conducted evaluation of the OPCR forms/ ratings of various departments/offices vis-à-vis actual accomplishments. In addition, the resolutions showed that all (seven) identified issues during the evaluation of OPCR forms/rating were resolved.
SM 9: Competency Framework	100% = 90 & above of employees 95% = 85%-89% 90% = 80-84% 85% = <80%	10.00%	100% of employees provided with a development intervention based on current TO	94.23% (98/104) of employees provided with a development intervention	10.00%	100%	10.00%	100%	10.00%	<ul style="list-style-type: none"> The presented validating documents attest that 98 of 104 employees (94.23%) attended capability enhancement trainings in 2015. Said accomplishment of PNOC is still equivalent to 100% based on the rating scale provided in this measure.

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				based on current TO						
	Sub-total	15.00%			15.00%		15.00%		15.00%	<ul style="list-style-type: none"> Managerial, Admin, Wellness, In-house, Conference/ Convention) Sampling of training attendance vis-a-vis training participants listed in the 2015 matrix also confirmed actual participation in trainings/seminars.
SO 7: Develop a Professional Culture and Better Employee Morale										
SM 10: Pass the ISO 9001:2008 surveillance audit for PNOC										
			N/A	N/A	0	N/A	N/A	N/A	N/A	No target has been set for this measure
TOTAL OF WEIGHTS:		100.00%			100.00%					