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*J. S. P. ...*

PERFORMANCE SCORECARD 2016 (Annex C)

PNOC EXPLORATION CORPORATION

	Component				Baseline Data (if applicable)			Target	
	Objective/Measure	Formula	Weight	Rating System	2013	2014	2015 <sup>/a</sup>	2016	
STAKEHOLDER	<b>SO 1</b>	<b>Focused Exploration for the Discovery of Potential Petroleum and Coal Resources for the Country</b>							
	SM 1	No. of Line-Kilometers of Seismic Data Interpreted in SCs	Total no. of line-kilometers of seismic data interpreted	8%	Actual over Target	3,000	4,700	4,350	3,000 <sup>/b</sup>
	SM 2	Coal Exploration Drilling Meterage in COCs	Total no. of meters drilled	3%	Actual over Target	3,900	6,098	4,900	990 <sup>/c</sup>
	SM 3	No. of Hectares Mapped in COCs	Total no. of hectares mapped	4%	Actual over Target	2,500	6,441	340	240 <sup>/d</sup>
	<b>SO 2</b>	<b>Created an Environment that Promotes Business Opportunities and Development in the Communities Where We Operate</b>							
	SM 4	Social Performance Programs	No. of beneficiaries of livelihood programs implemented in project areas	5%	Actual over Target	16	21	300	100 <sup>/e</sup>
	<b>SO 3</b>	<b>Operated in a Regime of Transparency and Fairness in Our Dealings With Our Business Partners</b>							
	SM 5	Satisfaction rating based on a survey conducted by a third party (DOE, PNOC, JV partners, community)	Satisfaction Rating	5%	All or nothing	NA	NA	Satisfactory	Satisfactory

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Component					Baseline Data (if applicable)			Target	
	Objective/Measure	Formula	Weight	Rating System	2013	2014	2015 <sup>/a</sup>	2016	
	<b>SO 4 Became the Partner of Choice of Other Energy Enterprises in Energy Exploration and Production</b>								
STAKEHOLDER	SM 6	JV Partnership	No. of new JV partnership (Farm-in Agreement) as a result of farm-in/farm-out activities	3%	Actual over Target	0	1	1	1
	<b>Sub-total</b>			<b>28%</b>					
	<b>SO 5 Optimized the Financial Benefits to Shareholder</b>								
	SM 7	Dividends to National Government and PNO C (in billion Pesos)	Amount of Dividends from year's income paid to NG and PNO C	10%	Actual over Target	3	1.5	0.65	0.45
	<b>SO 6 Accessed Capital Without Government Guarantee</b>								
FINANCE	SM 8	Percent of funding raised through Internal Cash Generation and Corporate Loans without government guarantee or support	Amount of funding raised through Internal Cash Generation and Corporate Loans without government guarantee or support Over Total funding	10%	Actual over Target	100%	100%	100%	100%
	<b>Sub-total</b>			<b>27%</b>					
	<b>SO 7 Ensured Profitability in a Sustainable Manner</b>								
	SM 9	NET INCOME before FOREX gain/loss and exploration costs (in billion Pesos)	Amount of Annual NET INCOME before FOREX gain/loss and exploration costs	7%	Actual over Target	2.8	2.94	SC38+0.1-0.38	0.9 <sup>/f</sup>
<b>Sub-total</b>			<b>27%</b>						

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	Component				Baseline Data (if applicable)			Target	
	Objective/Measure	Formula	Weight	Rating System	2013	2014	2015 /a	2016	
INTERNAL PROCESS	<b>SO 8 Achieve Operational Excellence Through Establishment and Implementation of Internationally-accepted Quality Standards</b>								
	SM 10	Compliance to ISO 9001	ISO 9001 Audit Results (All or nothing)	3%	All or nothing	N/A	N/A	Compliant	Compliant
	SM 11	No. of Lost Time Incident resulting to fatality to PNO C EC employees	No. of reported Lost Time Incident resulting to fatality to PNO C EC employees	4%	All or nothing	0	0	0	0
	<b>SO 9 Pursue Partnership With Other Energy Enterprises as Risk Management Strategy</b>								
	SM 12	No. of companies who signified interest to partner in projects	No. of signed Confidentiality Agreements	7%	Actual over Target	8	7	6	4
	SM 13	Sale of Coal and Assets, or Assignment of Interest in Projects	Completion of Sale of Coal and Asset or Assignment Interest	5%	Actual over Target	N/A	N/A	N/A	100% (COC 41 and COC 122)
	<b>SO 10 Determine the Prospectivity of the Areas Covered by the Service Contracts and Coal Operating Contracts of the Company</b>								
	SM 14	Geological Evaluation for Petroleum	No. of Geologic Evaluation Report/s validated by DoE's Certificate of Compliance	6%	Actual over Target	4	4	4	2
	SM 15	Geophysical Evaluation for Petroleum	No. of Geophysical Interpretation Report/s validated by DoE's Certificate of Compliance	5%	Actual over Target	4	3	4	2

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		Component				Baseline Data (if applicable)			Target
	Objective/Measure	Formula	Weight	Rating System	2013	2014	2015 /a	2016	
INTERNAL PROCESS	SM 16	Geologic Survey for Coal	No. of Geologic Survey validated by DoE's Certificate of Compliance	3%	Actual over Target	2	3	3	1
	SM 17	Drilling Program/Geophysical Logging for Coal	No. of Coal Drilling Programs validated by DoE's Certificate of Compliance	3%	Actual over Target	1	1	1	1
	SM 18	Coal Mine Development Plan	No. of Coal Mine Development Plan validated by DOE's Certificate of Compliance	3%	Actual over Target	1	1	-	1
	<b>Sub-total</b>				<b>39%</b>				
LEARNING AND GROWTH	<b>SO 11 Recruit Highly Competent People for Technical Positions Based on Meritocracy and Fairness</b>								
	SM 19	Percentage filled-up of the required technical position	Actual no. of employees in technical positions Over Total no. of required technical positions based on Work Program- <sup>9</sup>	3%	Actual over Target	95%	100%	95%	95%

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Component					Baseline Data (if applicable)			Target	
	Objective/Measure	Formula	Weight	Rating System	2013	2014	2015 <sup>/a</sup>	2016	
LEARNING AND GROWTH	SO 12	Provide our People With Appropriate Training and Exposure to New Developments in the Industry							
	SM 20	Average Percentage of Required Competencies Met	$\frac{\sum_{b=1}^B \left[ \frac{\sum_{a=1}^A (\text{Actual Competency Level})}{\text{Required Competency Level}_a} \right]}{B}$ Where: a = Competency required A = Total number of competencies required of position b = Personnel profiled B = Total number of personnel profiled	3%	All or nothing	N/A	N/A	Manpower Competency Framework Completed	Establish baseline
		<b>Sub-total</b>		<b>6%</b>					
		<b>TOTAL</b>		<b>100%</b>					

<sup>/a</sup> Subject to GCG Validation  
<sup>/b</sup> Decrease in target is due to seismic data interpreted in prior years.  
<sup>/c</sup> Decrease in target is due to drillings made in prior years.  
<sup>/d</sup> Decrease in target is due to mappings done in prior years.  
<sup>/e</sup> Decrease in target due to ceased operations in COC41 and coal terminals.  
<sup>/f</sup> Income from SC38 shall be based on actual pricing as reflected in the invoice  
<sup>/g</sup> Targets are made on the assumption that PNO C EC will be given flexibility to adjust current compensation in order to attract professionals.

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