

**PNOC EXPLORATION CORPORATION (PNOC EC)
Validated 2020 Performance Scorecard**

Component					Target	Submission		GCG Validation		Supporting Documents	Remarks																	
Objective/Measure	Formula	Wt.	Rating System	2020	Actual	Rating	Actual	Rating																				
CUSTOMERS / STAKEHOLDERS	SO 1	Operate in a Regime of Transparency and Fairness in our Dealings with our Business Partners																										
	SM 1	Percentage of Satisfied Customers	No. of Satisfied Respondents Total No. of Respondents	5.00%	(Actual/Target) If less than 80% = 0%	92% ⁱ	100%	5.00%	100%	5.00%	<ul style="list-style-type: none"> Executive Summary PNOC EC Stakeholder Satisfaction Survey 2020 Main Report 5 sample accomplished questionnaire 	PNOC EC tapped the services of Department of Social Development Services (DSDS) of the College of Human Ecology, UP Los Baños. PNOC EC received "very satisfied" and "satisfied" ratings from all 93 total respondents.																
	SO 2	Become the Partner of Choice of Other Energy Enterprises in Energy Exploration and Production																										
	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 or PCECP	0.00% ⁱⁱ	Actual over Target	1	0	0%	0	0%	<ul style="list-style-type: none"> Status of Strategic Initiatives as of End of 4Q 2020 	No new JV partnership was entered into in 2020.																
	Subtotal	5.00%					5.00%		5.00%																			
FINANCE	SO 3	Ensure Profitability in a Sustainable Manner																										
	SM 3	NET INCOME before FOREX Gain/Loss and Petroleum Exploration Costs (in Billion Pesos)	Amount of Annual NET INCOME before FOREX gain/loss and petroleum exploration costs	15.00%	Actual over Target	0.491 Billion ⁱⁱⁱ	0.549 Billion	8.65%	0.549 Billion	15.00%	<ul style="list-style-type: none"> 2020 Income Statement for the year ended 31 Dec 2020 COA Audited 2020 Financial Statements 	Detailed Computation: <table border="1"> <tr><td align="right" colspan="2"><i>(In Million Pesos)</i></td></tr> <tr><td>NET INCOME (NI)</td><td align="right">468.10</td></tr> <tr><td>Add:</td><td></td></tr> <tr><td>Petroleum Exploration Cost</td><td align="right">(9.21)</td></tr> <tr><td>Forex Gain</td><td align="right">10.94</td></tr> <tr><td>Balance</td><td align="right">1.73</td></tr> <tr><td>Petroleum Exploration Cost, Net of Tax</td><td align="right">(1.21)</td></tr> <tr><td>NI before FOREX and exploration cost</td><td align="right">549.40</td></tr> </table>	<i>(In Million Pesos)</i>		NET INCOME (NI)	468.10	Add:		Petroleum Exploration Cost	(9.21)	Forex Gain	10.94	Balance	1.73	Petroleum Exploration Cost, Net of Tax	(1.21)	NI before FOREX and exploration cost	549.40
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	Subtotal	15.00%					15.00%		15.00%																			

ⁱ Using the Enhanced Standard Methodology and Questionnaire prescribed by the GCG.

ⁱⁱ Recalibrated weight from 20.00% to 0%.

ⁱⁱⁱ Target adjusted based on actual net income from SC 38 (Malampaya).

	Component				Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure	Formula	Wt.	Rating System	2020	Actual	Rating	Actual	Rating			
INTERNAL PROCESS	SO 4	Focus Exploration for the Discovery of Potential Petroleum and Coal Resources for the Country										
	SM 4	No. of Line-Kilometers of Seismic Data Interpreted in SCs	Total no. of line-kilometers of seismic data interpreted	5.00%	Actual over Target	300 ^{iv}	418.50	5.00%	418.50	5.00%	<ul style="list-style-type: none"> Lambayong Prospect Review Cotabato Basin dated 04 Dec 2020 	A total of 418.5 line-kilometers of 2D seismic data were interpreted in the Lambayong Prospect.
	SM 5	No. of Hectares Mapped in Coal Operating Contracts	Total no. of hectares mapped	5.00%	Actual over Target	264 ^v	220	4.17%	220	4.17%	<ul style="list-style-type: none"> COC 186 Monthly Accomplishment Reports for the month of December 2020 	PNOC EC conducted a total of 220 hectares geological mapping in COC 186. Actual accomplishment falls short of the recalibrated target by 44 has (16.67%).
	SO 5	Pursue Partnership with Other Energy Enterprises as Risk Management Strategy										
	SM 6	No. of Companies who Signified Interest to Partner in Projects	No. of signed Confidentiality Agreements	7.50% ^{vi}	Actual over Target	2	0	0.00%	0	0.00%	-	No new partnership agreements were signed in 2020.
	SM 7	No. of Due Diligence Examination of Coal Mine	No. of Coal Mining Due Diligence Report	7.50%	Actual over Target	1	1	7.50%	1	7.50%	<ul style="list-style-type: none"> Copy of Transmittal Letter to DOE dated 22 Dec 2020 	Project Closure Report of PT Kertawira Sera Lestari Central Kalimantan
	SM 8	No. of Due Diligence Examination of Petroleum Concessions	No. of Petroleum Concessions Due Diligence Report	7.50%	Actual over Target	1	1	7.50%	1	7.50%	<ul style="list-style-type: none"> Copy of Transmittal Letter to DOE dated 16 Dec 2020 	Buffalo Oil Field Asset Acquisition Project

^{iv} Recalibrated from 2,000 line-kms.

^v Recalibrated from 536 has.

^{vi} Recalibrated weight from 5.00%

Component					Target	Submission		GCG Validation		Supporting Documents	Remarks
Objective/Measure	Formula	Wt.	Rating System	2020	Actual	Rating	Actual	Rating			
INTERNAL PROCESS											
SO 6	Determine the Prospectivity of the Areas Covered by the Service Contracts and Coal Operating Contracts										
SM 9	No. of Geological Evaluation for Petroleum	No. of Geologic Evaluation Report/s validated by DoE	10.00% ^{vii}	Actual over Target	2	2	10.00%	2	10.00%	<ul style="list-style-type: none"> • Copy of Transmittals to DOE dated 15 and 21 Dec 2020 • DOE Certifications signed by Undersecretary Donato D. Marcos dated 17 Feb 2021 and 23 Feb 2021. 	Reports of Geological Evaluations for Petroleum are as follows: (1) Lambayong Prospect Review – Cotabato Basin dated 04 Dec 2020; and (2) Review of Petroleum Prospectivity of Inboard (MC2D Survey Area) SC 59 West Balabac Block dated 14 Sep 2020
SM 10	No. of Geophysical Evaluation for Petroleum	No. of Geophysical Interpretation Report/s validated by DoE	7.50% ^{viii}	Actual over Target	1	1	7.50%	1	7.50%	<ul style="list-style-type: none"> • DOE Certification signed by Atty. Cesar G. Dela Fuente III, ERDB Director, dated 15 Oct 2020. 	“Passive Seismic Tomography Survey for the Mangosteen-Mabolo Structure of Service Contract 37” dated 30 June 2020.
SM 11	No. of Geologic Survey for Coal	No. of Geologic Survey validated by DoE	10.00% ^{ix}	Actual over Target	1	1	10.00%	1	10.00%	<ul style="list-style-type: none"> • DOE Certification dated 29 September 2021 	“Interim Report on COC No. 186 Malangas Regional Drilling and Geophysical Logging Project” report dated 28 Dec 2020

^{vii} Recalibrated weight from 5.00% to 10.00%.

^{viii} Recalibrated weight from 5.00% to 7.50%.

^{ix} Recalibrated weight from 5.00% to 10.00%.

Component					Target	Submission		GCG Validation		Supporting Documents	Remarks	
	Objective/Measure		Formula	Wt.	Rating System	2020	Actual	Rating	Actual	Rating		
	INTERNAL PROCESS	SM 12	No. of Coal Mine Development Plan	No. of Coal Mine Development Plan validated by DoE	10.00% ^x	Actual over Target	1	1	10.00%	0	0.00%	<ul style="list-style-type: none"> Copy of Transmittals to DOE dated 29 Dec 2020
Subtotal			70.00%				61.67%		51.67%			
SO 7		Achieve Operational Excellence Through Establishment and Implementation of Internationally-Accepted Quality Standards										
LEARNING AND GROWTH	SM 13	Compliance to Quality Standards	ISO 9001 Audit Results	5.00%	All or Nothing	Surveillance Audit Passed	Surveillance Audit Passed	5.00%	Surveillance Audit Passed	5.00%	<ul style="list-style-type: none"> TUV Rheinland Audit Report for Audit conducted on 28 July 2020 TUV Rheinland Audit Report for Audit conducted on 15 Dec 2020 	Auditors recommended the maintenance of PNOEC-EC's existing certification.

^x Recalibrated weight from 5.00% to 10.00%.

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	Objective/Measure	Formula	Wt.	Rating System	2020	Actual	Rating	Actual	Rating			
LEARNING AND GROWTH	SO 8	Provide our People with Appropriate Training and Exposure to New Developments in the Industry										
	SM 14	Percentage of Employees with Required Competencies Met	No. of Employees with Required Competencies Met over Total Employees	5.00%	Actual over Target	20.00%	20.00%	5.00%	20.45%	5.00%	<ul style="list-style-type: none"> • Success Profile Sheets (as of 31 Dec 2021) • List of Employees with Required Competencies Met (as of 31 Dec 2020) • Summary Sheet 	Validated competency rating of PNOEC is equivalent to 20.45% (27 out of 132 employees). This translates to a total of 11.7% increase from the 2019 competency level.
	Subtotal			10.00%				10.00%		10.00%		
	TOTAL			100.00%				91.70%		81.67%		