

**PHILIPPINE NATIONAL OIL COMPANY (PNOC)  
Validated 2021 Performance Scorecard**

	Component			Rating System	Target	Submission		GCG Validation		Supporting Documents	Remarks																						
	Objective/Measure	Formula	Wt.		2021	Actual	Rating	Score	Rating																								
SOCIAL IMPACT	<b>SO 1</b>	<b>Contribute to Energy Security Targets</b>																															
	SM 1	Petroleum Products Sourcing, Storage and Distribution Project	Actual Accomplishment	5%	All or Nothing	Hiring of Detailed Feasibility Study (DFS) Consultant for the Strategic Petroleum Reserve (SRP) Project	Status Report	-	Target not accomplished	0%	Status Report	By year end, PNOC reported due to series of failed biddings within the year, "DFS contract was not awarded."																					
	<b>Sub-total</b>			<b>5%</b>				-		<b>0%</b>																							
STAKEHOLDERS	<b>SO 2</b>	<b>Establish a Comprehensive Relationship Management for Mutually Beneficial Linkages with Key Stakeholders</b>																															
	SM 2	Percentage of Satisfied Customers	No. of Satisfied Respondents over Total Number of Respondents	10%	Actual over Target If less than 80% = 0%	90% Satisfied Customers	98%	-	96%	10%	<ul style="list-style-type: none"> <li>2021 CSS Final Report prepared by UPLBFI</li> <li>10 Sample Accomplished Questionnaires</li> </ul>	Below is the breakdown: <table border="1"> <thead> <tr> <th>Satisfaction</th> <th>No. of Respondents</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Very Satisfied</td> <td>23</td> <td>46.00%</td> </tr> <tr> <td>Satisfied</td> <td>25</td> <td>50.00%</td> </tr> <tr> <td>Neither</td> <td>2</td> <td>4.00%</td> </tr> <tr> <td>Dissatisfied</td> <td>0</td> <td></td> </tr> <tr> <td>Very Dissatisfied</td> <td>0</td> <td></td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>50</b></td> <td><b>96.00%</b></td> </tr> </tbody> </table> <p>Of the 50 interviewed customers, 11 were from PNOC's Industrial Park, 26 from the Energy Supply Base, and 13 were Lessees.</p>	Satisfaction	No. of Respondents	%	Very Satisfied	23	46.00%	Satisfied	25	50.00%	Neither	2	4.00%	Dissatisfied	0		Very Dissatisfied	0		<b>TOTAL</b>	<b>50</b>	<b>96.00%</b>
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FINANCE	SO 3	Maintain a Sound Financial Condition																														
	SM 3	Net Income	Income from Operations Add/deduct: Forex Gains/Loss, Other Income, Income Tax and Unrealized Gain/Loss	25%	Actual over Target	₱ 231.21 M	(No consolidated annual report)	-	₱ 810.25M	25%	<ul style="list-style-type: none"> <li>Net Income (NI) 2021 Actual Accomplishment Report</li> <li>2021 COA Audited Financial Statements</li> </ul>	<table border="1"> <thead> <tr> <th colspan="2">In P Millions</th> </tr> </thead> <tbody> <tr> <td>Total Revenues</td> <td>1,523.91</td> </tr> <tr> <td>Total Expenses</td> <td>573.21</td> </tr> <tr> <td>Net Income Before Tax</td> <td>950.70</td> </tr> <tr> <td>- Income Tax Expense</td> <td>-141.13</td> </tr> <tr> <td>+ Other Comprehensive income</td> <td>0.34</td> </tr> <tr> <td><b>Comprehensive Income</b></td> <td><b>809.91</b></td> </tr> <tr> <td>Unrealized Gain</td> <td>0.34</td> </tr> <tr> <td>Less: Dividends from operating subsidiaries</td> <td>0</td> </tr> <tr> <td><b>NI before dividends from operating subsidiaries</b></td> <td><b>₱ 810.25</b></td> </tr> </tbody> </table>	In P Millions		Total Revenues	1,523.91	Total Expenses	573.21	Net Income Before Tax	950.70	- Income Tax Expense	-141.13	+ Other Comprehensive income	0.34	<b>Comprehensive Income</b>	<b>809.91</b>	Unrealized Gain	0.34	Less: Dividends from operating subsidiaries	0	<b>NI before dividends from operating subsidiaries</b>	<b>₱ 810.25</b>
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INTERNAL BUSINESS PROCESS	SO 4	Develop Liquefied Natural Gas (LNG) Projects																														
	SO 5	Maintain Efficient Management of PNO Industrial Park																														
	SM 4	Compliance to Integrated Management System (IMS) Standards	Actual Accomplishment	10%	All or Nothing	Pass 2 <sup>nd</sup> Surveillance Audit	Passed 2 <sup>nd</sup> Surveillance Audit	-	Passed 2 <sup>nd</sup> Surveillance Audit	10%	<ul style="list-style-type: none"> <li>Attestation dated 21 December 2021 issued by SOCOTEC Certification Philippines, Inc.</li> </ul>	Annual Surveillance audit was conducted on 03 December 2021. The Attestation provides that the audit covers the requirements for ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.																				



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INTERNAL BUSINESS PROCESS	SM 5	Compliance to Quality Management Systems (QMS) Standards for ESB Operations (Systems and Procedures)	Actual Accomplishment	10%	All or Nothing	Pass 1 <sup>st</sup> Surveillance Audit	Passed the 1 <sup>st</sup> Surveillance Audit	-	Passed 1 <sup>st</sup> Surveillance Audit	10%	<ul style="list-style-type: none"> <li>Attestation dated 21 December 2021 issued by SOCOTEC Certification Philippines, Inc.</li> </ul>	Annual Surveillance audit was conducted on 15 November 2021. The Attestation provides that the audit covers the requirements for ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 (Quality, Environmental and Occupational Health and Safety Management Systems).										
	<b>Sub-total</b>			<b>20%</b>						<b>20%</b>												
	SO 6	<b>Optimize Asset Productivity</b>																				
	SM 6	Operation of Energy Supply Base (ESB)																				
	SM 6(a)	Energy Supply Base (ESB)- Warehouse Occupancy Rate	Total of No. of sqm occupied over 23,600 sqm available space	5%	Actual over Target	90% occupancy of the total 23,600 sqm	(No consolidated annual report)	-	96.11%	5%	<ul style="list-style-type: none"> <li>Warehouse Occupancy Report (January to December 2020)</li> <li>Summary of Billing Statements</li> <li>Lease Agreements</li> <li>Sample Billing Statements for each fo the Customers from Q1 to Q4</li> </ul>	Breakdown of the validated accomplishment is as follows: <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Q1</th> <th>Q2</th> <th>Q3</th> <th>Q4</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>99.23</td> <td>99.34</td> <td>95.01</td> <td>90.84</td> <td><b>96.105</b></td> </tr> </tbody> </table>	Q1	Q2	Q3	Q4	2021	99.23	99.34	95.01	90.84	<b>96.105</b>
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INTERNAL BUSINESS PROCESS	SM 6(b)	Maintain Efficiency on the Conduct of Security Evaluation on Foreign Vessels	Total No. of Declaration of Security (DOS) conducted within 24 hours from berthing over Total No. of Berthed Foreign Vessels	5%	Actual over Target	100% Conduct of Declaration of Security (DOS) within 24 hours after berth of foreign vessel at ESB Pier	100% Conducted Fifty-five (55) DOS out 55 berthed foreign vessels at ESB	-	100%	5%	<ul style="list-style-type: none"> <li>Summary of Time Berth Log (Q1-Q4)</li> <li>Individual DOS</li> </ul>	Validated with internal documents.											
	SM 7	Improvement/ Upgrade of ESB Facilities	Actual Accomplishment	5%	All or Nothing	Completion of construction of new fence at ESB main gate	Completed 100% of construction of New Fence at Main Gate	-	100%	5%	<ul style="list-style-type: none"> <li>Presentation Report with Photo Documentations</li> <li>Certificate of Completion</li> <li>Certificate of Acceptance Report</li> </ul>	Based on validation, the construction of new fence at ESB Main Gate has been completed on 7 July 2021 in accordance with the PNOC-ESB's specifications and instructions.											
	SM 8	No. of PDMC Assets Utilized/ Disposed at a Gain	No. of PDMC Assets Utilized/ Disposed at a Gain	5%	Actual over Target	Disposal through sale of 5 additional Costa Verde Properties	Disposed six (6) additional Costa Verde and one (1) El Pueblo properties	-	Disposed six (6) Costa Verde Properties and one (1) El Pueblo Property	5%	<ul style="list-style-type: none"> <li>Deeds of Absolute Sale for six (6) Costa Verde properties and one (1) El Pueblo property</li> <li>Transfer of Title Certificates</li> </ul>	Total sale price for the seven (7) sold properties amounted to ₱12,602,880 breakdown is as follows: <table border="1" data-bbox="1705 1044 2074 1354"> <thead> <tr> <th></th> <th>Name of Buyer</th> <th>Date</th> <th>Price (₱)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Mary Grace A. Andico married to Jose Redentor C. Andico</td> <td>02 Feb 2021</td> <td>P0.56M</td> </tr> <tr> <td>2</td> <td>Joseph Somera/ Irma Somera</td> <td>11 June 2021</td> <td>P0.56M</td> </tr> </tbody> </table>		Name of Buyer	Date	Price (₱)	1	Mary Grace A. Andico married to Jose Redentor C. Andico	02 Feb 2021	P0.56M	2	Joseph Somera/ Irma Somera	11 June 2021
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INTERNAL BUSINESS PROCESS											3	Dennis Luna married to Digna V. Luna	15 July 2021	P1.31M	
											4	Speciale Hotel	14 Dec 2021	P2.28M	
											5	Speciale Hotel	14 Dec 2021	P2.80M	
											6	Speciale Hotel	14 Dec 2021	P2.28M	
											7	Speciale Hotel	14 Dec 2021	P2.80M	
	SM 9	Disposal of Banked Gas	Actual Accomplishment	5%	All or Nothing	Board-Approved Term Sheet	Board-Approved Term Sheet	-	Board-Approved Term Sheet	5%		<ul style="list-style-type: none"> <li>Secretary Certificate dated 30 September 2021</li> </ul>	As validated, PNOC Governing Board, in its regular meeting on 27 September 2021, has approved the proposed Key Terms Sheet for the negotiation of a new Gas Sale and Purchase Agreement for the purchase of PNOC's banked gas by First NatGas Power Corporation and Prime Meridian PowerGen Corporation.		
			<b>Sub-total</b>	<b>25%</b>						<b>25%</b>					



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LEARNING AND GROWTH	SO 7	Acquire, Develop, Retain and Motivate Talents for Peak Performance										
	SM 10	Percentage of employees with required competencies met	Number of Employees with Required Competencies over Total Number of Employees	5%	All or Nothing	Increase from 2020 Baseline	90.74% (98 out of 108)	-	76% (76 out of 100)	5%	<ul style="list-style-type: none"> <li>Summary of Baseline Competency Profile as of December 2021</li> <li>Person Profiling Report as of 31 December 2020</li> <li>Individual Rating Sheets</li> </ul>	76 out of 100 employees (76%) met the required competencies for their position. This translates to 4.8% increase from 2020 competency level of 71.20%.
	SO 8	Develop, Implement and Maintain Efficient and Effective Systems										
	SM 11	Compliance to Quality Standards	Actual Accomplishment	10%	All or Nothing	Pass 1 <sup>st</sup> Surveillance Audit	Passed 1 <sup>st</sup> Surveillance Audit	-	Passes 1 <sup>st</sup> Surveillance Audit	10%	<ul style="list-style-type: none"> <li>Attestation dated 21 December 2021 issued by SOCOTEC Certification Philippines, Inc.</li> </ul>	The ISO Certification is valid until 09 October 2023.
			<b>Sub-total</b>	<b>15%</b>						<b>15%</b>		
			<b>TOTAL</b>	<b>100%</b>				-		<b>95%</b>		