

PNOC EXPLORATION CORPORATION (PNOC-EC)

Component					Baseline			Target	
	Objective/Measure	Formula	Wt.	Rating System	2014	2015	2016	2017	
CUSTOMERS / STAKEHOLDERS	SO 1	Operate in a Regime of Transparency and Fairness in our Dealings with our Business Partners							
	SM 1	Stakeholders Satisfaction Rating	Satisfaction Rating	5.00%	All or Nothing	N/A	Excellent	Excellent	Very Satisfactory
	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	5.00%	Actual over Target	N/A	1	0	1
	Subtotal			10.00%					
FINANCE	SO 3	Ensure Profitability in a Sustainable Manner							
	SM 3	NET INCOME before FOREX gain/loss and exploration costs (in billion Pesos)	Amount of Annual NET INCOME before FOREX gain/loss and exploration costs	15.00%	Actual over Target	2.45 Billion	1.37 Billion	934 Million	600 Million ¹
	Subtotal			15.00%					

¹ Income from SC 38 (Malampaya) shall be based on actual pricing reflected in the invoice.

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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	10.00%	Actual over Target	N/A	4354	3384	3000
	SM 5	Coal Exploration Drilling Meterage in COCs	Total no. of meters drilled	5.00%	Actual Over Target	N/A	4900	2021	1500
	SM 6	No. of Hectares Mapped in COCs	Total no. of hectares mapped	5.00%	Actual over Target	N/A	784	176	240
	SO 5	Pursue Partnership with Other Energy Enterprises as Risk Management Strategy							
	SM 7	No. of companies who signified interest to partner in projects	No. of signed Confidentiality Agreements	10.00%	Actual over Target	N/A	8	6	4

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INTERNAL PROCESS	SO 6	Determine the Prospectivity of the Areas Covered by the Service Contracts and Coal Operating Contracts							
	SM 8	No. of Geological Evaluation for Petroleum	No. of Geologic Evaluation Report/s validated by DoE	10.00%	Actual over Target	4	4	2	2
	SM 9	No. of Geophysical Evaluation for Petroleum	No. of Geophysical Interpretation Report/s validated by DoE	10.00%	Actual over Target	3	4	2	2
	SM 10	No. of Geologic Survey for Coal	No. of Geologic Survey validated by DoE	5.00%	Actual over Target	3	3	1	1
	SM 11	No. of Drilling Program/ Geophysical Logging for Coal	No. of Coal Drilling Programs validated by DoE	5.00%	Actual over Target	1	1	1	1
	SM 12	No. of Coal Mine Development Plans	No. of Coal Mine Development Plan validated by DoE	5.00%	Actual over Target	1	N/A	1	1
	Subtotal			65.00%					

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LEARNING AND GROWTH	SO 7	Achieve Operational Excellence Through Establishment and Implementation of Internationally-Accepted Quality Standards							
	SM 13	Compliance to Quality Standards	ISO 9001 Audit Results	5.00%	All or Nothing	N/A	Compliant (9001:2008)	Compliant (9001:2008)	Maintained Certification
	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 <u>Competencies Met</u> / Total Employees	5.00%	Actual over Target	N/A	Completed PNOC-EC's Manpower Development Program and Competency Development Framework	1.4%	3.4%
			Subtotal	10.00%					
			TOTAL	100.00%					