

PNOC EXPLORATION CORPORATION (PNOC EC)

Component					Baseline		Targets		
	Objective/Measure	Formula	Wt.	Rating System	2017	2018	2019	2020	
CUSTOMERS / STAKEHOLDERS	<b>SO 1</b>	<b>Operate in a Regime of Transparency and Fairness in our Dealings with our Business Partners</b>							
	SM 1	Percentage of Satisfied Customers	No. of Satisfied Respondents Total No. of Respondents	5.00%	(Actual/Target) If less than 80%= 0%	Excellent	96.1%	90% <sup>i</sup>	92% <sup>ii</sup>
	<b>SO 2</b>	<b>Become the Partner of Choice of Other Energy Enterprises in Energy Exploration and Production</b>							
	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	20.00%	Actual over Target	0	0	1	1
	<b>Subtotal</b>			<b>25.00%</b>					
FINANCE	<b>SO 3</b>	<b>Ensure Profitability in a Sustainable Manner</b>							
	SM 3	NET INCOME before FOREX Gain/Loss and Petroleum Exploration Cost (in billion ₱)	Amount of Annual NET INCOME before FOREX gain/loss and petroleum exploration costs	15.00%	Actual over Target	1.17 Billion	1.24 Billion	0.94 Billion <sup>iii</sup>	0.951 Billion <sup>iii</sup>
	<b>Subtotal</b>			<b>15.00%</b>					

<sup>i</sup> Using the Standard Methodology and Questionnaire prescribed by the GCG.

<sup>ii</sup> Using the Enhanced Standard Methodology and Questionnaire prescribed by the GCG.

<sup>iii</sup> Income from SC 38 (Malampaya) shall be based on actual pricing reflected in the invoice.

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INTERNAL PROCESS	<b>SO 4</b>	<b>Focus Exploration for the Discovery of Potential Petroleum and Coal Resources for the Country</b>							
	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	3,006	3,146	2,000	2,000
	SM 5	No. of Hectares Mapped in Coal Operating Contracts	Total no. of hectares mapped	5.00%	Actual Over Target	110	N/A	20	536
	<b>SO 5</b>	<b>Pursue Partnership with Other Energy Enterprises as Risk Management Strategy</b>							
	SM 6	No. of Companies Who Signified Interest to Partner in Projects	No. of signed Confidentiality Agreements	5.00%	Actual over Target	8	4	4	2
	SM 7	No. of Due Diligence Examination of Petroleum Concessions	No. of Coal Mining Due Diligence Report	7.50%	Actual over Target	N/A	N/A	1	1
	SM 8	No. of Due Diligence Examination of Petroleum Concessions	No. of Petroleum Concessions Due Diligence Report	7.50%	Actual over Target	N/A	N/A	1	1

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INTERNAL PROCESS	SO 6	<b>Determine the Prospectivity of the Areas Covered by the Service Contracts and Coal Operating Contracts</b>							
	SM 9	No. of Geological Evaluation for Petroleum	No. of Geologic Evaluation Report/s validated by DoE	5.00%	Actual over Target	2	2	2	2
	SM 10	No. of Geophysical Evaluation for Petroleum	No. of Geophysical Interpretation Report/s validated by DoE	5.00%	Actual over Target	2	2	1	1
	SM 11	No. of Geologic Survey for Coal	No. of Geologic Survey validated by DoE	5.00%	Actual over Target	1	1	1	1
	SM 12	No. of Coal Mine Development Plan	No. of Coal Mine Development Plan validated by DoE	5.00%	Actual over Target	1	1	1	1
	<b>Subtotal</b>			<b>50.00%</b>					

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LEARNING AND GROWTH	<b>SO 7</b>	<b>Achieve Operational Excellence Through Establishment and Implementation of Internationally-Accepted Quality Standards</b>							
	SM 13	Compliance to Quality Standards	ISO 9001 Audit Results	5.00%	All or Nothing	Maintained Certification	Recertified to ISO 9001:2015	Surveillance Audit Passed	Surveillance Audit Passed
	<b>SO 8</b>	<b>Provide our People with Appropriate Training and Exposure to New Developments in the Industry</b>							
	SM 14	Percentage of Employees with Required Competencies Met	No. of Employees with Required Competencies Met Total Employees	5.00%	Actual over Target	8.09%	16.78%	15%	20%
	<b>Subtotal</b>			<b>10.00%</b>					
<b>TOTAL</b>			<b>100.00%</b>						