

Corporate Governance Scorecard

Question	Link Source
I. Stakeholder Relationships	
1. Does GOCC disclose a policy that:	
a. Stipulates the existence and scope of its effort to address customer’s welfare?	Yes. Please see attached link Link: See PNOCC Manual for Corporate Governance, Section 6 Subject 2 to 6 on Corporate Social Responsibility
b. Elaborates its efforts to interact with the communities in which they operate?	Yes. Please see attached link Link: See PNOCC Manual for Corporate Governance, Section 6, Subject 7 on Corporate Social Responsibility
c. Ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	Yes. Please see attached link Link: See PNOCC Manual for Corporate Governance, Section 6, Subject 2 on Corporate Social Responsibility
2. Does the GOCC disclose the activities that it has undertaken to implement the abovementioned policies?	
a. Customer health and safety	Yes. Please see attached link Link: Employee Handbook, pp.46-47
b. Interaction with the communities	Link: PNOCC CSR Reports
c. Environmentally-friendly value chain	IMS Manual
3. Does the GOCC have a separate Corporate Social Responsibility (CSR) report or sustainability report?	Yes. Please see attached link Link: PNOCC CSR Reports Annual Reports – 2016 - none Annual Report 2017 Annual Report 2018
4. Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.	
a. Does the GOCC provide contact details via the Company's website or Annual Report which stakeholders (e.g. customers, suppliers, general public, etc.) can use to voice their concerns and/or complaints for possible violation of their rights?	Yes. Please see attached link. Link: Update Contact Information on Website
5. Performance-enhancing mechanisms for employee participation should be permitted to develop.	
a. Does the GOCC explicitly mention the health, safety and welfare policy for its employees?	Yes. Please see attached link. Link: Employee Handbook, pp.46-47
b. Does the GOCC publish data relating to health, safety and welfare of its employees?	Yes. Please see attached link. Link: Employee Handbook, pp.46-47
c. Does the GOCC have training and development programs for its employees	Yes. Please see attached link 2016 Training & Development Programs 2017 Training & Development Programs 2018 Training & Development Programs 2016 Trainings 2017 Trainings 2018 Trainings 2019 Trainings

d. Does the GOCC publish data on training and development programs for its employees?	Yes. Please see attached link 2016 Training & Development Programs 2017 Training & Development Programs 2018 Training & Development Programs 2016 Trainings 2017 Trainings 2018 Trainings 2019 Trainings												
6. Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this.													
a. Does the GOCC have procedures for complaints by employees concerning illegal (including corruption) and unethical behavior?	Yes. Please see attached link Link: Whistleblowing Policy												
b. Does the GOCC have procedures to protect an employee/person who reveals illegal/unethical behavior from retaliation?	Yes. See Whistleblowing Policy Link: Whistleblowing Policy												
II. Disclosure and Transparency													
7. Quality of Annual Report. Does the GOCC's annual report disclose the following items:	Yes. Please see attached link Annual Report 2017												
a. Corporate objectives													
b. Financial performance indicators	Annual Report 2018												
c. Non-financial performance indicators													
d. Details of whistle blowing policy	Annual Report 2019												
e. Biographical details of directors													
f. Training and/or continuing education program attended by each director													
8. Are the Annual Reports downloadable from the GOCC's website?	Yes. Please see attached link Annual Reports												
9. Corporate Governance Confirmation Statement													
a. Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	No for 2016-2017 2018												
10. Timely filing/release of annual/financial reports													
a. Are the audited annual financial report/statement released within 60 days upon receipt from COA?	PNOC released its 2016, 2017 and 2018 Annual Audit Reports 34 days, 62 days & 24 days respectively after receipt from COA. See attached link. Link: Audited Financial Statements 2016-2018 <table border="1" data-bbox="858 1805 1262 2168"> <thead> <tr> <th>Year of Report</th> <th>Date Received from COA</th> <th>Date Posted on Website</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>June 2, 2017</td> <td>July 7, 2017</td> </tr> <tr> <td>2017</td> <td>June 21, 2018</td> <td>Aug. 22, 2018</td> </tr> <tr> <td>2018</td> <td>May 31, 2019</td> <td>June 24, 2019</td> </tr> </tbody> </table>	Year of Report	Date Received from COA	Date Posted on Website	2016	June 2, 2017	July 7, 2017	2017	June 21, 2018	Aug. 22, 2018	2018	May 31, 2019	June 24, 2019
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b. Is the annual report released within 90 days from release of audited financial report?	No - Date of Upload of Audited Financial Statements for 2016 and 2017 is June 16, 2017 and July 13, 2018 respectively. Yes - Date of Upload of Audited Financial Statements for 2018 is July 2, 2019 Date of Upload of Annual Report for 2016 on March 8, 2018 Date of Upload of Annual Report for 2017 on January 15, 2019 Date of Upload of Annual Report for 2018 on September 3, 2019
c. Is the true and fair representation of the annual financial statement/reports affirmed by the board of Directors and/or the relevant officers of the company?	Link to statement of management responsibility 2016 2017 2018
III. Responsibilities of the Board	
11. Corporate Vision and Mission/ Strategy	
a. Has the Board of Directors reviewed the vision and mission/ strategy in the last financial year?	Yes. Please see attached link Link: Board Resolution on Approval of Vision and Mission Statements
b. Does the Board of Directors monitor/oversee the implementation of the corporate strategy?	Yes. Please see attached link 2016 – Annual Scorecard Monitoring Report 2017 – Annual Scorecard Monitoring Report 2018 – Annual Scorecard Monitoring Report
12. Did the GOCC achieve 90% in the PES?	Yes. Please see attached link 2016 - No - GCG letter 2017 - Yes – GCG validation result and PNOC annual scorecard monitoring report for FY 2017 2018 - Yes – GCG validation result and PNOC annual scorecard monitoring report for FY 2017
13. Code of ethics or conduct	
a. Are the details of the code of ethics or conduct disclosed?	Yes. Please see attached link Link: See Board Resolution on PNOC Code of Ethical Conduct PNOC Code of Ethical Conduct (2004)
b. Does the GOCC disclose that all Directors, senior management and employees are required to comply with the code?	PNOC Code of Ethical Conduct (2004)
c. Does the company disclose how it implements and monitors compliance with the code of ethics or conduct?	PNOC Code of Ethical Conduct (2004)
14. Does the Board appoint a Nomination and Compensation / Remuneration Committee?	Yes. Please see attached document. Nomination and Remunerations Committee composition and Board Resolution 2016 2017 2018 2019

15. Did the Nomination and Compensation/Remuneration Committee meet at least twice during the year?	Yes. Please see attached document. Attendance Records of the Committee -2016-2018 2016 2017 2018 2019
16. If yes, is the report of the Nomination and Compensation/Remuneration Committee publicly disclosed?	Yes. Please see attached document. Compensation/Remuneration Committee for 2016 – 2019 - Information on board committees and their activities. 2016 2017 2018 2019
17. Does the Board appoint an Audit Committee?	Yes. Please see attached document. Audit Committee composition and Board Resolution 2016 2017 2018 2019
18. If yes, is the report of the Audit Committee publicly disclosed?	Yes. Please see attached document. Audit Committee for 2016 – 2018 - Information on board committees and their activities. 2016 2017 2018 2019
19. Does at least one member of the Audit Committee have an audit, accounting or finance background (qualification or experience)?	Yes. Please see attached document. Link: CV of Audit Committee member with Accounting or Audit Background 2016 - RVT 2017 - RVT 2018 - RVT
20. Did the Audit Committee meet at least four times during the year?	Yes. Please see attached document. Attendance Record 2016 Attendance Record 2017 Attendance Record 2018 Attendance Record 2019
21. Does the Board appoint a Risk Management Committee?	Yes. Please see attached link RM Committee composition and Board Resolution 2016 2017 2018 2019
22. If yes, is the report on Risk Management Committee publicly disclosed?	Yes. Please see attached link RM Committee for 2016 – 2018 - Information on board committees and their activities. 2016 2017

	<u>2018</u> <u>2019</u>
23. Does at least one member of the Risk Management Committee have a background in finance and investments?	<p>Yes. Please see attached document. Link: CV of Risk Management Committee member with background in finance and investments</p> <p><u>2016 - DBC</u> <u>2017 - RVT</u> <u>2018 - RVT</u></p>
24. Board meetings and attendance	
a. Are the Board of Directors meetings scheduled at the beginning of the year? (end of Q1)	<p>Yes. Please see attached document. Link: <u>2017 Schedule of Board Meetings</u> <u>2018 Schedule of Board Meetings</u></p>
b. Does the Board of Directors meet at least monthly?	<p>Yes. Please see attached document. Link: <u>2016 Attendance Record of Board of Directors</u> <u>2017 Attendance Record of Board of Directors</u> <u>2018 Attendance Record of Board of Directors</u> <u>2019 Attendance Record of Board of Directors</u></p>
c. Did the Board of Directors meet on at least 75% on their scheduled meetings?	<p>Yes. Please see attached document. Link: Scheduled vs. Actual Date of Board Meeting</p> <p><u>2016</u> <u>2017</u> <u>2018</u> <u>2019</u></p>
d. Has each of the Directors attended at least 90% of all the board meetings held during the year?	<p>Yes. Please see attached document. Link: Scheduled vs. Actual Date of Board Meeting</p> <p><u>2016</u> <u>2017</u> <u>2018</u> <u>2019</u></p>
e. Did the Board of Directors meet separately at least once during the year without the President/CEO present?	<p>No. Please see attached document. Link: <u>2016 Certification – No Separate Board Meeting without the President</u> <u>2017 Certification – No Separate Board Meeting without the President</u> <u>2018 Certification – No Separate Board Meeting without the President</u></p>
25. Access to information	
a. Does the GOCC have a policy that stipulates board papers for Board of Directors meetings be provided to the Board at least three (3) working days in advance of the board meeting?	<p>Yes. Please see attached document. Link: <u>Guidelines for Board Meetings</u></p>
b. Is the Board Secretary trained in legal, accountancy or company secretarial practices?	<p>Yes. See attached document Links: <u>CV of Corporate Secretary - 2017</u> <u>CV of Corporate Secretary - 2018</u> <u>CV of Corporate Secretary - 2019</u></p>
26. Internal Audit	
a. Does the company have a separate internal audit function?	<p>Yes. PNOCC has a separate internal audit function lodged in the Internal Control Office. Please see attached documents.</p>

	<p>Link: PNOC ICO Table of Organization Duties and function of ICO manager ICO Functions</p>
b. Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	No. Appointments in PNOC are subject to pertinent CSC rules
27. Risk Oversight	
a. Does the company disclose the internal control procedures/risk management systems it has in place?	<p>Link: PNOC ICO Table of Organization Duties and function of ICO manager ICO Functions</p>
b. Does the Annual Report disclose that the Board of Directors has overseen a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	<p>Link: PNOC Risk Register</p> <p>Write-up</p>
c. Does the company disclose how key risks are managed?	<p>Link: PNOC Risk Register</p> <p>Write-up</p>
d. Does the Annual Report contain a statement from the Board of Directors or Audit Committee commenting on the adequacy of the GOCC's internal controls/risk management systems?	<p>2016 Annual Report - No Link: 2017 Annual Report - Yes 2018 Annual Report - Yes</p>
28. Board Chairman	
a. Do different persons assume the roles of Chairman and CEO?	<p>Yes. Chairman Alfonso G. Cusi (Jul.1-present) Zenaida Y. Monsada (Jan.1-Jun.30,2016) CEO Adm Reuben S Lista (Ret) (Nov.11-present) John J. Arenas (Mar.11-Nov.10,2016)</p>
29. Board of Directors Development	
a. Does the GOCC have orientation programs for new Directors?	<p>Yes. Please see attached document Link: Write Up for Directors Orientation Program 2016 QMS Orientation</p>
b. Does the GOCC have a policy that encourages Directors to attend on-going or continuous professional education programs?	<p>Policy on continuous professional education programs for Board still for Board approval</p> <p>Link: Certificates of Training</p>
c. Did all Appointive Directors attend at least 1 training for the calendar year?	<p>Policy on continuous professional education programs for Board still for Board approval</p> <p>Link: Certificates of Training</p>
30. Board Appraisal	
a. Is an annual performance assessment conducted of the Board of Directors?	Yes. PNOC follows the process in conducting Board assessment as outlined in GCG Memorandum Circular No. 2014-03 on Performance Evaluation for Directors. Please see attached document.

	Link: GCG MC 2014-03												
b. Does the GOCC disclose the process followed in conducting the Board assessment?	Yes. PNOG follows the process in conducting Board assessment as outlined in GCG Memorandum Circular No. 2014-03 on Performance Evaluation for Directors. Please see attached document. Link: GCG MC 2014-03												
c. Does the GOCC disclose the criteria used in the Board assessment?	Yes. PNOG follows the criteria in conducting Board assessment as outlined in GCG Memorandum Circular No. 2014-03 on Performance Evaluation for Directors. Please see attached document. Link: GCG MC 2014-03												
31. Committee Appraisal													
Is an annual performance assessment conducted of the Board of Directors Committees?	Yes, the Board approved appraisal includes a portion on the Committee that the Board members are a part of. Please see attached document: Link: GCG MC 2014-03												
Stakeholder Relationships													
1. Does the GOCC practice Global Reporting Initiative (GRI) on its annual reports?	No												
2. Are the audited annual financial report/statement released within 30 days upon receipt from COA?	PNOG released its 2016, 2017 and 2018 Annual Audit Reports 34 days, 62 days & 24 days respectively after receipt from COA. See attached link. Link: Audited Financial Statements 2016-2018												
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Responsibilities of the Board													
1. Are there members of the Board of Directors who hold more than five (5) positions in GOCCs and Publicly Listed Companies (PLCs)?	No PNOG Board Member holds more than five (5) positions in GOCCs and PLCs. Certification												
2. Is there non-compliance with Good Governance Conditions?	None. PNOG is fully compliant with all Good Governance Conditions. Certification												